











Western Development Commission - Annual Report 2001 Coimisiún Forbartha an Iarthair - Athbhreithniú Tuarascáil 2001

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Foreword

The Western Development Commission enjoyed significant successes but also faced serious challenges in 2001.

The WDC's main tasks centred around building on the work of 2000 and on further developing initiatives aimed at fostering the development of the Western Region in all relevant sectors, including tourism, agriculture, fisheries, industry and in the community generally.

While again managing with limited staff numbers, due to an ongoing review of the human resource requirements of the organisation, the WDC began building on the work begun in its blueprint reports published in 1999 and 2000.

The publication in July of *The State of the West* report, which starkly highlighted the substantial inequalities and disparities between the west and the rest of the country, was the WDC's major publication of the year, and one of its most challenging undertakings since its establishment in 1999 as a statutory body.

Among the key findings in *The State of the West* was the revelation that poor infrastructure continues to be the major barrier to development in the Western Region, with significant deficits in telecommunications, roads and utilities resources compared to provision in the East and South of the country.

On publication of the report, the WDC stated that the urgency of addressing the infrastructure problem could

not be overstated and that major acceleration of investment is essential in order to copper-fasten the competitiveness of the Western Region and to attract inward investment.

There is some evidence that the economy of the Western Region has begun to recover from years of decline, as shown by modest increases in population and employment. However, *The State of the West* showed very clearly that the gap between the region and more developed parts of Ireland has widened. Unless the issues identified in the report are tackled urgently, the Western Region will continue to be disadvantaged and its relative position will worsen.

In other achievements during 2001, the WDC continued to develop its vision for tourism in the west, widely acknowledged to hold unique attractions but with, as yet, its potential far from fully developed.

In May, the WDC published its Blueprint for Organic Agri-food Production in the West, which contains a comprehensive strategy for the development of the organic sector in the region.

The report stresses the pressing need to encourage new entrants and to increase the level of training, advice and research for the organic sector. Organic farming presents distinct possibilities especially if the question of volume production and organised marketing is adequately addressed.

In 2001 the Western Investment Fund became fully operational with the EU giving its approval for investments in the fisheries sector.

During the year, the €32 million Western Investment Fund, administered by the WDC, approved €2.3 million in loan and equity finance for 10 projects.

The WIF achieved a broad geographical and sectoral spread in the investments it made.

Projects approved for funding by the WIF in 2001 have the potential to create and sustain around 240 jobs in the Region and to have leveraged some €7 million in additional funding from the private and public sectors.

Despite the existing funding commitments to the Region in the next four years, all indicators show the gap between the west and the rest of the country will continue to widen. This gap will not close without full implementation of the NDP together with the additional measures proposed in *The State of the West* Report.

The WDC stated in its 2000 Annual Report that unless significant and urgent policy commitments are made to the western counties in terms of upgrading infrastructure, stemming the so-called 'brain drain' and attracting inward foreign and domestic investment, *The State of the West* will continue to be one of decline and disadvantage.

I would like to thank all those who worked with and who supported the work of the WDC in 2001, including the Minister of State at the Department of Agriculture, Food and Rural Development, Mr Éamon Ó Cuív, TD and his predecessor, Mr Noel Davern, TD, my fellow Commission members and the staff of the WDC.

Finally, I would like to wish Mr Liam Scollan, who resigned as Chief Executive of the WDC in October, every success in the future. I would also like to welcome the new Chief Executive, Ms Lisa McAllister, who was a member of the board of the WDC prior to her appointment. The WDC looks forward to the successful development of its activities under her management in the future.

Michael Farrell March 2002

Kaseur

Western Development Commission

Réamhrá an Chathaoirligh

D'éirigh go maith le Coimisiún Forbartha an Iarthair sa mbliain 2001 cé go raibh dúshláin mhóra romhainn.

Ba iad na spriocanna ba mhó a bhí againn ná tógáil ar obair 2000 agus tionscnaimh a fhorbairt a chuirfeadh le forbairt Réigiún an Iarthair i gach réimse turasóireacht, talmhaíocht, iascach, tionsclaíocht agus sa bpobal go ginearálta.

D'ainneoin a bheith ag feidhmiú le líon teoranta oibrithe de bharr an scrúdú leanúnach atá á dhéanamh ar riachtanais acmhainní daonna na heagraíochta, thosaigh an Coimisiún ag tógáil ar an obair a tosaíodh i dtuairiscí 1999 agus 2001.

Ba é *The State of the West*, a foilsíodh i mí Iúil, an foilseachán ba thábhachtaí ón gCoimisiún le bliain agus an dúshlán is mó a bhí againne ó bunaíodh muid mar eagras reachtáil i 1999. Léiríodh go bhfuil éagothromaíochtaí agus éagsúlachtaí suntasacha idir an t-iarthar agus an chuid eile den tír.

Ar an eolas eile in *The State of the West*, léiríodh gur infrastruchtúr lag an bac is mó i gcónaí ar fhorbairt Réigiún an Iarthair agus go bhfuil laigí suntasacha i teileachumarsáid, bóithre agus acmhainní seirbhísí i gcomparáid leis an soláthar in Oirthear agus i nDeisceart na tíre.

Nuair a foilsíodh an tuairisc, chuir an WDC béim ar an bpráinn a bhí le díriú ar fhadhb an infrastruchtúir agus ar mhéadú na hinfheistíochta ionas go mbeadh Réigiún an Iarthair in ann coimhlint agus infheistíocht a mhealladh isteach.

Tá roinnt fianaise ann go bhfuil eacnamaíocht Réigiún an larthair ag bisiú tar éis blianta ag cúlú, tá méadú beag sa daonra agus bhfostaíocht. Thaispeáin *The State of the West* áfach go bhfuil an bhearna níos leithne anois idir an Réigiún agus ceantair níos forbartha in Éirinn. Muna ndírítear gan mhoill ar na ceisteanna a léiríodh sa tuairisc, leanfaidh Réigiún an larthair air faoi mhíbhuntáiste agus ag dul in olcas i gcomparáid le réigiúin eile.

Lean an WDC leis le linn na bliana ag forbairt a fhíse don turasóireacht san larthar, glactar leis go bhfuil an réigiún an-tarraingteach don tionscal ach nÌl a phoitéinseal baol a bheith forbartha ar fad fós.

I mí na Bealtaine, d'fhoilsigh an WDC a Blueprint for Organic Agri-food Production in the West, mar a bhfuil straitéis chuimsitheach d'fhorbairt na hearnála orgánaí sa Réigiún.

Cuireann an Tuairisc béim ar an ngéarghá atá le daoine nua a mhealladh chuige agus an leibhéal traenála, comhairle agus taighde sa réimse orgánach a mhéadú.

Tháinig Ciste Infheistíochta an Iarthair (Western Investment Fund) i bhfeidhm go hiomlán sa mbliain 2001 agus frítheadh cead ón AE d'infheistíochtaí i réimse an iascaigh.

I rith na bliana, cheadaign Ciste Infheistíochta an Iarthair, ina bhfuil €32 milliún agus a ritheann an WDC, €2.3 milliún do dheich dtionscadal in iasachtaí agus in airgeadú. Bhí na hinfheistíochtaí seo roinnte amach ar bhonn leathan tíreolaíochta agus suime.

Tá an fhéidearthacht ag na tionscadail, ar glacadh leo le hairgeadú ag Ciste Infheistíochta an Iarthair i 2001, thart ar 240 post a chruthú agus a choinneáil sa Réigiún agus tharraing siad os cionn €7 milliún in airgeadú breise ó na rannóga príobháideacha agus poiblí.

D'ainneoin na ngealltanais airgeadaithe don Réigiún atá againn cheana féin don cheithre bliana atá ag teacht, léiríonn na gnóithe uilig go leanfaidh an bhearna idir an t-iarthar agus an chuid eile den tír ag méadú. Ní dhúnfaidh an bhearna muna gcuirtear an NDP (Plean Náisiúnta Forbartha) i bhfeidhm go hiomlán chomh maith leis na moltaí breise atá i dTuairisc *State of the West*.

Mar a dúirt an Coimisiún i dTuairisc 2000, leanfaidh Réigiún an iarthair leis ag meath agus faoi mhíbhuntáiste, muna dtugtar geallúintí suntasacha polasaí do chontaetha an Iarthair ó thaobh infrastruchtúr a uasghrádú, sileadh scileanna nó an 'brain drain' mar a thugtar air a stopadh, agus infheistíocht baile agus eachtrannach a mhealladh.

Ba mhaith liom mo bhuíochas a chur in iúl dóibh siúd a d'oibrigh leis an WDC i 2001 nó a thug tacaíocht dó, ina measc an tAire Stáit sa Roinn Talmhaíochta Bia agus Forbairt Tuaithe, Éamon Ó Cuív TD agus an té a bhí ansin roimhe Noel Davern T.D, baill eile an Choimisiúin agus foireann an WDC.

Ba mhaith liom freisin gach dea-ghuí don todhchaí a ghuí ar Liam Scollan a d'éirigh as a phost mar Phríomhfheidhmeannach ar an WDC i nDeireadh Fómhair. Ba mhaith liom freisin fáilte a chur roimh an bPríomhfheidhmeannach nua Lisa MacAllister a bhí ina ball den WDC roimhe sin. Tá an WDC ag súil go dtiocfaidh forbairt rathúil ar a ngníomhaíochtaí faoina bainistíocht sa todhchaí.

Michael Farrell Márta 2002

Kasens

"Promoting economic and social development in the seven western counties of Clare, Donegal, Galway, Leitrim, Mayo, Roscommon and Sligo".





Section I Functions and objectives of the WDC

The Western Development Commission was established on a statutory basis in 1999 under the aegis of the Department of Agriculture, Food and Rural Development. Its function is to promote economic and social development in the seven western counties of Clare, Donegal, Galway, Leitrim, Mayo, Roscommon and Sligo. All of these counties, apart from Clare, are within the Border, Midlands and West (BMW) region, which has been designated as an Objective I region by the European Union and thus is the target of additional State and EU support until 2006.

All proposals policy formulations are based on detailed economic and social research.

With the aid of a network of connections in key government departments and in local development and community groups (see fig. 2), the WDC advises on and

influences policy on issues affecting the Region, while maintaining the crucial level of independence required of a semi-State body.

Essentially, the three areas of WDC operations are:

- Policy analysis and development
- The promotion and development of strategic initiatives in various sectors, such as agriculture, fisheries and tourism in the west
- Management of the £25 million (€32 million)
 Western Investment Fund (WIF). This funding is spread over five years.

The WDC had an operational budget in 2001 of £743,000 ($\le 943,415$).

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Organisation and structure of the WDC

Executive and staff

The chairperson and members of the WDC (see Appendix I) are appointed by the Minister for Agriculture, Food and Rural Development. For the first quarter of 2001, the Minister with responsibility for the WDC was Mr Noel Davern TD. Mr Davern was succeeded by Minister Éamon Ó Cuív, TD.

The Chief Executive of the WDC, Mr Liam Scollan, resigned on 11th October 2001. Ms Lisa McAllister, formerly general manager of Herron & Son, Co Sligo, was appointed to the post after approval from the WDC in December. Ms McAllister had previously been on the board of the WDC.

In November 2000, the Government approved a staffing complement of 15 for the Western Development Commission.

Work commenced during the year on the recruitment of the extra staff to reach the full staff complement.

By the end of the year the WDC had recruited two Policy Analysts and three administrative staff. One Regional Development Manager was appointed in 2001 to commence in January 2002.

One Clerical Officer and One Regional Development Executive vacancy remained outstanding at the end of 2001.



Members and Chief Executive of the Western Development commission Left to right

Standing: Michael McLoone; Malachy King; Cllr. Paddy McGarry; Peadar O'Tuathail; Lisa McAllister; Sean Hannick; Malachy King; Liam Scollan, Chief Executive; Frank O'Donnell.

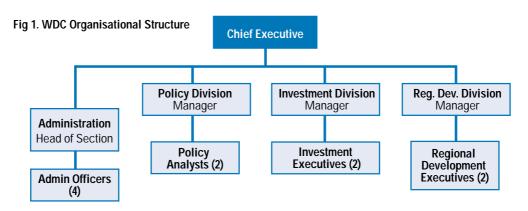
Sitting: Sr. Maureen Lally; Sean Tighe, Chairperson; and Cllr. Mary Bohan.

The WDC is organised into three principal divisions as follows:

1. Policy Division

One of the main objectives of the WDC is to ensure that public economic and social policy effectively meet the varied development needs of the Western Region.

The Policy Division monitors development issues, tracks policy implementation and recommends adjustments and developments as appropriate, with particular reference to the need for co-ordination of the various bodies involved.



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The National Development Plan (NDP) contains the main elements of regional development policy for 2000-2006 and this provides the context for the work of the WDC's Policy Division.

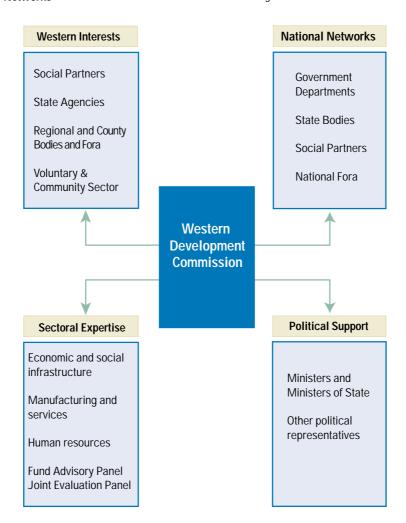
The Policy Division monitors developments in the productive sectors and in infrastructure, and contributes to policy development in key areas of importance to the Western Region. The Division actively networks with government departments, semi-state bodies, the private sector and the community to ensure that WDC's remit and priorities are recognised and understood.

The WDC Policy Division has produced key policy documents such as *Blueprint for investing in the West: Promoting Foreign Direct Investment in the West, Blueprint for Tourism Development in the West and, The State of the West published in 2001.*



Western Development Commission Headquarters, Dillon House, Ballaghaderreen.

Fig 2. WDC Networks



Western Development Commission

2. Regional Development Division

The Regional Development Division's key responsibility is to develop initiatives, in partnership with other bodies, which will impact positively on the economic and social environment of the Western Region. This is achieved by working closely in collaboration with the public, private and voluntary sectors to identify and implement these initiatives at a local, county and regional level.

In conjunction with other operating divisions of the WDC, the Regional Development Division engages in research and the preparation of costed action plans with the public, private and voluntary sectors in areas that present development opportunities for the Western Region.

On completion of these action plans, its principal role is to facilitate their implementation with key players at local, regional and national level.

Consultation and networking, regionally and nationally, are crucial elements of the work of the Regional Development Division. The Division operates in a number of priority areas with local and regional development organisations and it represents the WDC on committees and boards at county, regional and national level.

Arising from various regional policy analyses and from consultation with major international and regional stakeholders, the Division is active in programmes involving the marine sector, organic food production, tourism and specialist food producers. Activities of the Division are targeted to impact positively on the economic performance and the physical and social infrastructure of the West.

Our feasibility studies and 'blueprint' documents contribute to and influence national policy implementation concerning the Western Region. Current activity includes facilitating the implementation of the recommendations of its (Blueprint for Organic Agri-Food Production in the West) and the (Blueprint for Tourism Development in the West).

The Division also engages in widespread consultation and networking with public, private and voluntary bodies in order to establish the needs of the Western Region and to identify ways of addressing these needs to improve the economic and social environment of the Region.

3. Western Investment Fund

The Western Investment Fund (WIF) was established by the Government to provide a unique source of risk capital for projects, businesses and communities in the Western Region.

The WIF is a key element of the government's policy of balanced regional development.

The WIF is operated on a commercial basis and seeks a financial return as well as a socio-economic dividend to the region on the investments it makes. It pursues a balanced portfolio strategy, endeavouring to achieve a spread of investments across geographical locations, sectors and businesses.

The €32 million fund is administered by the WDC.

The WIF does not provide grant aid, but does provide a significant source of support in the form of equity and loans for innovative and growth-oriented businesses, community groups and projects which will positively impact on the Region.

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The WIF has also been very successful in leveraging funds of up to four times its own investment from other private and public sector funders.

High-potential businesses and economically sustainable community group projects are eligible to apply to the WIF. The WIF provides venture capital funding to businesses, by way of ordinary and preference shares. In certain cases, the WIF may also provide term loans. The WIF also provides interest-bearing loan finance to community groups. However, because the fund is limited to a relatively small number of investments each year, only those projects demonstrating the greatest potential will be supported.

Projects in most sectors, activities, or industries may be considered by the WIF, based on a proven market need or opportunity and subject to State-aid rules.

Fund Structure

The Western Investment Fund consists of three sub-funds, each with its own investment policy, assessment criteria and objectives for investment.

- The Business Investment Fund is designed to accelerate the development of high-potential small and medium sized enterprises (SMEs) through investment and risk sharing.
- The Local Investment Fund is aimed at supporting a selected number of community projects that will make the Western Region a more attractive place to live and to work.
- The Public/Private Partnership Investment
 Fund targets investment in capital projects and
 sectoral initiatives that will have a major impact on
 accelerating the socio-economic development of
 the region and will be developed in partnership
 with public/private and/or community partners.

Social Investment Partnership

The WIF formed a joint working arrangement with Clann Credo Ltd in 2000 and continued this successful partnership in 2001, providing joint funding for four projects totalling €414,000.

The two organisations work together to achieve the common objectives of accelerating development in the Western Region through the provision of social investment funding. The joint working arrangement only operates for the Local Investment Fund element of the WIF.

Clann Credo Ltd is a social finance provider that makes loan and equity finance available to organisations in Ireland (North & South).

In September 2000 a full time executive, Tracey Hannon, was appointed to manage the joint working arrangement.

Since the establishment of the joint working arrangement, over £500,000 (€635,000) has been approved in loan finance enabling projects valued at over £5 million (€6.35 million) to be implemented throughout the Western Region.





Section II

The Work of the Western Development Commission in 2001 - achievements and activities

Overview

Since its establishment as a statutory body in 1999, the WDC has published a series of 'blueprint' documents.

These include Foreign Direct Investment: Blueprint for Investing in the West, published in 1999, Blueprint for Tourism Development in the West, published in 2000, Blueprint for Organic Agri-food Production in the West, published in May 2001 and The State of the West, published in July 2001.

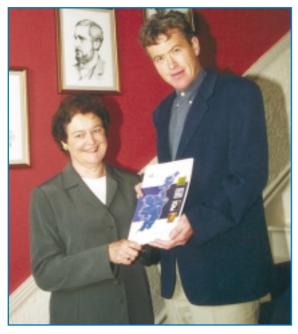
Each of these documents has played a significant role in the development of new and innovative policy initiatives and in helping to create new structures and networks for the promotion of opportunities in these sectors. In 2001, each Division sought to build on its work of the previous years and to roll out the various blueprints and visions as formulated. Among the most notable events and achievements in 2001 was the publication of *The State of the West* document by the Policy Division, the publication of the *Blueprint for Organic Agri-Food Production in the West* by the Regional Development Division and the continued work on the WDC's vision for the tourism sector in the region based on the publication in 2000 of *Blueprint for Tourism Development in the West*.

Western Development Commission

Policy Division

The State of the West report

In July 2001, the WDC published its most significant report to date. The State of the West: Recent trends and future prospects was an update of the socioeconomic conditions in the Western Region, which comprises 37% of the landmass of the State. The research behind this important work revealed an increasingly urgent need to address the continued decline of and failure to invest in the seven counties of the region.



Western Development Commission Chief Executive, Liam Scollan and Dr. Patricia O'Hara, Senior Policy Analyst, at the launch of the WDC Report, *The State of the West*, on the 24th July 2001.

The State of the West revealed a major infrastructure deficit in the Western Region:

- Decades of under-investment have created major weaknesses in transport and 'powercoms' (energy and telecommunications) infrastructure.
- Access to and within the region is slow, due to poor road and rail systems.
- The ageing electricity transmission network cannot provide enough electricity to power new highenergy industries.
- The telecommunications infrastructure is patchy, costly and beset by difficulties, including the cancellation of planned investment under the NDP.

Deregulation of power and telecommunications markets could leave the Western Region with extremely limited infrastructure. Under free market principles, privately owned 'powercoms' providers are already servicing the most populated areas where demand is highest and profit greatest, The drive for profit in a privatised market is essentially at odds with the goal of dispersed development.

Analysis of recent employment and investment trends for *The State of the West* found that, apart from Galway and Clare, the region continued to attract only a tiny share of investment through State-supported industrial employment and that net industrial output in the Western Region grew at a rate of less than a third of the national average between 1991 and 1998.

In this period, the Western Region got 2,807 (11.9%) of the national increase of 22,908 State-assisted jobs. Galway accounted for 78% of the West's increase and Clare a further 15%. In the same period the five counties of Donegal, Sligo, Leitrim, Mayo and Roscommon gained just 201 jobs.

The State of the West revealed that the 'brain drain' of young, educated people from the Western counties also continues apace. While the seven counties enjoy higher than average rates of admission to colleges, most graduates with primary degrees eventually find employment in the east of the country. The situation is somewhat better for sub-degree holders, but some 43.5% of those also gain their first employment in the east of the country.

Despite the bleak outlook in many areas, opportunities for growth and improvement were identified in *The State of the West.* These included substantial potential in the organic agri-food sector and also considerable potential in tourism.

WDC Proposals

To address the most pressing issues, the WDC proposed strategies to tackle all of these deficiencies, including in the areas of transport, power and telecommunications and infrastructure deficit. Strategies were also proposed to revitalise the economy of the Western Region through supporting investment.

The report recommended the immediate adoption of a strong, Government-led strategy and the establishment of a number of high-level working groups to prevent a further increase in the infrastructural and technological gaps between the west and the rest of the country.

Western Development Commission

The key findings of The State of the West are detailed below:

Population, employment and knowledge capacity



- Population of the Western Region increased by 5.2 % between 1991 and 2000, compared to national population growth of 7.2 %.
- However, current projections indicate that four fifths of the population increase of 940,000 between 2001 and 2031 is likely to take place in the Dublin and Mid-East regions.
- There was an increase of 11 % in th numbers employed in the Western Region between 1998 and 2000.
 Two thirds of the increase was in employment among women and one quarter of this was part-time.
- The brain drain leaves a major gap in human resources in the region. In 1999, just 6.6 % of all new graduates with primary degrees found work in Sligo, Leitrim and Donegal.
 Some 60.5 % found work in Dublin, Kildare, Meath and Wicklow.
- Lack of a third level institution of university status north of Galway means that the Western Region has weak research and technology capacity and is disadvantaged in attracting research funding or new 'knowledge-based' industries.

Productive Sectors - manufacturing services



- Western Region has high reliance on low tech/low value industries so that salaries and net output are much lower than in more developed parts of the country.
- Net industrial output in the Western Region grew by just 4.5 % between 1991 and 1998, compared to a rate of 14.6 % nationally.
- Five of the seven counties attract a very small share of State-supported industrial employment. Some 71.3 % of assisted jobs (9,649) in the period 1995 to 1999 went to Galway and a further 24.2 % went to Clare. The net gain for the other five counties was just 439 jobs or less than 5 % of the total to the region.
- The Western Region's share of employment in foreign companies has declined consistently, from 22 % in 1995 to 18.7 % in 2000. The share to the Eastern and Southern regions has increased from 72.6 % in 1995 to 79% in 2000.
- The Western Region has a disproportionate share of employment in industrial sectors vulnerable to job losses and attracts smaller share of sectors such as financial and international services.

Productive Sectors - agriculture, forestry, marine & tourism



- Only a minority of farmers in the Western Region generate an adequate income from farming and, even on these farms, incomes lag considerably behind the national average.
- By the end of the decade, only a small minority of farming families will remain in full-time farming and the rest will rely heavily on off-farm income.
- Diversification within farming can provide a viable income on some farms. Organic production, horticultural crops, farm forestry and on-farm enterprises should be encouraged.
- There is potential for tourism to make increased economic contribution to the West's rural areas, but this requires the creation of a driving force for change as detailed in the WDC's Blueprint for Tourism Development in the West.

Transport Infrastructure



- Roads while the N4, N6, N7, N15 and N17/18 are earmarked for significant investment under the NDP, other major primary routes, notably the N2 and N5 are in need of major upgrading.
- Coastal roads are vitally important for tourism and marine sectors and should be maintained to ensure safe and adequate levels of service for the probable increasing volumes of tourism and local traffic.
- Regional roads must be upgraded and maintained to adequate standard.
- Air access is vital for both tourism and business interests and there is a need to prioritise Shannon and Knock airports for international access.
- Rail rail transport can be an alternative to the roads network, only if it is a quality service that is safe, reliable and efficient. The poor quality of rolling stock is a serious issue for the western routes.

Energy and Telecommunications Infrastructure

- The electricity transmission system in the Western Region is neither reliable nor robust and large parts of the Region experience low voltage, low capacity and the threat of voltage collapse.
- All potential customers for Corrib gas are located in the eastern and southern regions. The Western Region has no existing natural gas infrastructure, and until discovery of the Corrib field, had no real prospect of a generally available gas supply to population centres in the region.
- The free market due to deregulation of energy markets will exacerbate the Western Region's weak position as investors are profit-driven and will concentrate on areas of greatest demand.

- Telecommunications -Ireland has very good international connectivity, but internally, provision and competition is very uneven and mainly confined to larger centres.
- The cost of international access from the Western Region adds to the cost-base of businesses in the region and is a deterrent to the location of new businesses.
- Backbone infrastructure in the Western Region is considerably weaker than in the east and south and broadband access is underdeveloped.
- Following deregulation of the telecoms market, roll-out is proceeding in areas with highdensity business and residential usage. If free market principles continue to determine rollout, then much of the Western Region will continue to have extremely limited provision and capacity.

Recommendations

On the basis of these findings, the WDC made specific recommendations in key sectors. The three major strategic recommendations of *The State of the West* can be summarised as follows.

1. Reaching the Western Region



Establish a **Western Region Roads Infrastructure Consultative Group** by September 2001 chaired by a senior official in the National Roads Authority. This group should review the level of investment in road infrastructure in the seven counties in light of the urgent need to improve access to and through the Western Region.

The group should:

- determine how much additional investment is required based on a full examination of the levels of investment already planned;
- identify key priorities for roads access to the west based on a clear development rationale, rather than solely on existing traffic flows;
- identify a structured approach to cross-border co-operation on road development.

2. Powering and Connecting the West

Establish by September 2001 a high-level strategic Working Group on Power and Telecommunications in the Western Region, chaired by a senior official in the Department of Public Enterprise.

This group should:

- develop a strategy for the roll-out of power and telecommunications
 infrastructure (powercoms) in the Western Region and should also undertake a study to
 provide a comprehensive picture of the weaknesses in 'powercoms' in the region;
- ensure co-ordination between relevant infrastructure operators and providers;
- · develop proposals on how best to deploy NDP funding for telecoms;
- consider ways of accelerating the competitive process for telecoms operators in order to encourage them to extend their services beyond what they traditionally see as commercially viable areas;
- address price and tariff structures so that lower density areas are not disadvantaged by higher prices;
- identify ways of overcoming the segmented approach to 'powercoms' and transport infrastructure by involving local and regional authorities in provision.

3. Invest in the West

- The State of the West proposed establishing new structures to enable towns in the Western Region to compete successfully for inward investment. Towns with a population of over 5,000 are already the focus of growth and these should establish partnerships to maximise their attractiveness to potential investors;
- Agencies such as the IDA, Enterprise Ireland and Shannon Development should, in addition, develop a joint strategy to facilitate and promote investment into these towns:
- The agencies should also support the establishment of a Knowledge Centre for the North
 West region based on collaboration between existing third level institutions on both sides of
 the border;
- The Western Investment Fund (WIF) should be augmented to fund a three-year investment programme to support plans by towns with a population of less than 5,000 to attract employment to their areas. These areas would be invited to apply for investment support from the WIF and the most feasible plans would be assisted.

The recommendations outlined by the WDC in The State of the West had not, at year end, been adopted by government.

Submission on the National Spatial Strategy

The WDC welcomed the publication in 2001 of the National Spatial Strategy (NSS) consultation document 'Indications for the Way Ahead'. The National Spatial Strategy will form the broad planning framework for the location of development in Ireland over the next twenty years. It will identify potential development patterns for different areas and set out overall policies for creating the conditions necessary to influence the location of different types of development in the future. *Indications for the Way Ahead* was a public consultation paper to stimulate debate and seek views on the emerging indications as to how Ireland could be developed in a more spatially balanced way.

In its submission, the WDC agreed with the guiding vision of the NSS document, which sought to achieve balanced regional development and preservation of the natural environment and cultural heritage. The WDC also welcomed the NSS recognition of the need to create new development opportunities in the BMW Region and of the need to ensure the viability of rural areas. The WDC noted that such principles corresponded closely with the strategic priorities already identified by the WDC and published in the State of the West document.

The WDC noted that, in productive sectors such as tourism, fisheries and agri-food production, smaller centres can become growth hubs and achieve critical mass on a smaller scale. The WDC, following recommendations in the *State of the West*, again reiterated the need for a specific policy and emphasis on smaller towns, in order that cities would not be expanded to the detriment of smaller centres.

The WDC expressed concern that the NSS consultation document contained relatively few specifics about the future of rural areas and stressed the need to put in place a spatial strategy for the various types of rural areas which can respond adequately to their needs.

The WDC submission also emphasised the importance of roads, public transport, energy and communications infrastructure as critical to ensuring that the smaller towns and more remote areas benefit from the designation of hubs and gateways in their area. The WDC welcomed the recognition in the consultation document of the need for "a prudent provision of infrastructure beyond which certain levels of demand might suggest" and the rationale on which it is based. However, the WDC again emphasised that, in the absence of clear policies and commensurate development of linkages and infrastructure, the gateway towns, because of their attractiveness to the private sector and their critical mass, might lead to stagnation or decline of smaller towns.

The WDC emphasised the importance of integrating the NSS into the planning process at county level, both in each County Development Plan and in the County Development Boards' Strategies for Economic, Social and Cultural Development. Implementation of the NSS on a statutory basis was also favoured by the WDC in order to discourage any avoidance or 'fudging' of issues where difficult political decisions were required.

The WDC welcomed the research carried out for the NSS, but urged the undertaking of further, more extensive research. Much of the data on population trends and spatial behaviour patterns as outlined in the consultation document were based on the 1996 census.

There have been considerable changes in Ireland since the 1996 census and it is important that the patterns of these changes are examined when data from the next census become available.

Although the importance of rural areas and small towns had indeed been recognised during the consultation process for the NSS, the WDC felt there was still some difficulty in understanding the relationship between rural areas and small towns, and between such towns and larger gateways. Further research on this issue was considered vital.

Western Development Commission Roundtable on Regional Energy Issues, Natural Gas and the Corrib Gas Field

The Western Development Commission convened a roundtable meeting entitled Regional Energy Issues, Natural Gas and the Corrib Gas Field. It took place on April 5th 2001 in Buswells Hotel, Dublin. In attendance was the Minister for the Marine and Natural Resources, Frank Fahey, T.D., the Minister of State at the Department of Public Enterprise, Joe Jacob T.D. and the Minister of State at the Department of Agriculture, Food and Rural Development, Éamon Ó Cuív, TD.

The meeting was also attended by senior civil servants from the Department of Public Enterprise and the Department of The Marine and Natural Resources, the Commissioner for Electricity Regulation and representatives of Bord Gáis Éireann, Enterprise Ireland, IDA Ireland and Údarás na Gaeltachta. Representing the WDC was Mr. Liam Scollan, Dr. Patricia O' Hara, Deirdre Frost and a consultant, Mr. Michael Walsh, engaged by the WDC.

The Chief Executive of the WDC, in his introduction, put the roundtable meeting in the context of the strong commitment of government to balanced regional development, dispersal of growth and the WDC Act of 1998.

The current economic context was then illustrated with some statistics on industrial output indicating the relatively poor performance of the Western Region. Liam Scollan argued the need for a cohesive strategy on development and this also related to the way infrastructure planning is undertaken. In particular there was a need to ensure that there was sufficient and adequate energy infrastructure in the region.

Michael Walsh then made a short presentation on gas infrastructure and the implications of the Corrib field for the economic development of the Region.

In the subsequent discussion Minister Jacob said that in terms of route selection, it is Bord Gáis who ultimately make the decision on what routes the pipeline will take. If there is a gap in provision then the government may take the decision to 'fill in gaps'.

The IDA welcomed the extension of the gas network into the North West and particularly into Sligo given that it is a target town for development in IDA's plans.

Minister Fahey made the point that the National Spatial Strategy will identify growth centres. It is important to get realism into the debate and recognise that it is not possible to provide pipelines to every location.

Bord Gáis Éireann pointed out that their strategy has always been to develop gas commercially and that they would be happy to discuss their plans with the WDC.

The meeting concluded with all parties agreeing to continuing contact with the WDC on the further development of energy policy and the development of the Corrib Gas field.

Appointment to Information Society Commission

In December 2001, the Taoiseach appointed Dr. Patricia O'Hara as a member of the Information Society Commission. The establishment of this Commission is part of a set of measures put in place by the Government to strengthen its approach to Information Society issues. A Cabinet Committee on the Information Society and an eStrategy Group at Secretary General level will also be established. The Information Society Commission will therefore contribute directly to the formulation of policy by complementing the work of the Cabinet Committee.

Dr. O'Hara's membership can be seen as a response to the WDC's highlighting of the nature and extent of the widening gap in telecommunications infrastructure in *The State of the West*. In subsequent meetings with the Cross-departmental Committee on Infrastructure and with senior officials in the Department of Public Enterprise, the WDC's work in relation to telecommunications infrastructure was well received.

Appointment to Cross-Border Body

In September, Dr. O'Hara was appointed a member of the ADM/CPA Joint Management Committee of the Peace II Programme 2000-2006 because of her background and the WDC's involvement in the border region. This will enable the WDC to develop its crossborder links and networking. It is anticipated that keeping in close touch with the Peace II Programme should also facilitate the identification of possible projects for WIF funding in Donegal, Sligo, and Leitrim.



Regional Development Division

The organic sector - Blueprint for Organic Agri-Food Production in the West.

In May 2001, the WDC published the report *Blueprint* for Organic Agri-Food Production in the West, the impetus for its preparation coming from those engaged in the organic sector at local, regional and national level.

The report aimed to provide a detailed analysis of the organic sector in Ireland and Europe and to prepare a

costed action plan for the development of the sector in the Western Region. This process involved a detailed survey of 103 organic farmers in the Western Region, referred to as the Western Region Survey of Organic Farmers.

The study contained 85 recommendations for the sector, requiring an investment of £4.9 (\leq 6.2 million), with some £2.9 (\leq 3.68 million) to be invested directly in the Western Region.

The report emphasised, however, that this investment should not be taken to be exhaustive and that further research and funding will certainly be required to stimulate the sector and to encourage new entrants.

Key recommendations of Blueprint for Organic Agri-Food Production



- The establishment in the Western Region of an information and advisory centre on organics.
- Appointment and training of qualified personnel to provide information, training, education and advice to existing and potential organic farmers.
- The establishment of two demonstration farms to facilitate the delivery of training in organic farming methods.
- The establishment of two experimental farms and two monitoring farms for research activities.
- Development of a national marketing strategy for organic food with a special remit for the Western Region. This should focus on providing marketing supports to organic producers, raising awareness of the organic sector, provision of market information to retailers and processors and the development of a national organic logo.
- Initiation of a feasibility study into the development of a new distribution channel for small and medium organic food enterprises in the Western Region to link to central distribution centres and facilitate direct selling.
- Provision of appropriate resources and commitment by the public, private and voluntary sectors to support and implement the action plan for the Western Region.



Members of the WDC Organic Steering Group

Back left to right:
Martin Reading, Joe Fox, Cáit Curran,
Lorcan Burke, Noreen Gibney
Front left to right:

Cariosa Lynch (WDC), Helen Scully, Padraig Brennan.
Missing: Anne Coyne.



Liam Scollan, Chief Executive, WDC, Brother Fidelus, Franciscan Brothers Agricultural College, Mountbellew, Co Galway: Mr Éamon Ó Cuív TD, Minister of State at the Department of Agriculture, Food and Rural Development, Pictured at the Launch of the *Blueprint for Organic Agri-Food Production*, May 2001 in the Franciscan Brothers Agricultural College, Mountbellew, Co. Galway.

Challenges

The WDC views the blueprint as presenting the government and the private sector with both challenges and opportunities to harness the potential of the organic sector, which is growing exponentially in other EU countries.

The market for organic food in Ireland is valued at £18 million (€22,855,285) per annum, representing a market penetration of just 0.4%, well below that of other European countries.

These figures suggest that the Irish market is still in its infancy and can sustain significantly higher growth.

It is therefore crucial that the Western Region and the country in general significantly increases the production of organic food to meet market demand and that marketing and distribution channels be improved to allow greater access to key markets and outlets.

Some 1,000 producers are involved in organic production on some 29,000 hectares of land -approximately 0.66% of our total agricultural area.

In the Western Region, over 11,072 hectares are farmed organically by 346 organic producers - a total of just 0.9% of the total organic land.

The Blueprint established that for the organic sector to develop, there is an urgent need for resources to be increased for the provision of training, advice and research, as well as for the development of marketing, distribution and added value processing.

Organic farmers will, however, need to seize opportunities at the earliest possible time in order to exploit the market to their advantage and to maximise their share of the overseas and domestic markets. For this to happen, there will have to be an increase in the number of new entrants to the sector, greater linkages from production to consumer and improved marketing and distribution channels.

Demand for organic produce already well outstrips supply and Ireland has become a net importer of many organic products.

The blueprint set high and low targets for production, aiming to increase the total number of organic producers in the Western Region in the 2001 to 2006 period. The aim is 275 at the lower level and 550 for the higher level. This will eventually lead to a total of 620 organic producers for the low target and 895 producers for the high target in the Western Region by 2006. It is estimated that by that year, the domestic market for organic produce will be worth in the region of £70 million (€88.9 million), based on a growth rate of 25% per annum.

The WDC believes that positive action at this stage will certainly lead to not only a viable organic sector, but also a vibrant industry contributing positively to rural communities in the region.

Implementation of the organic blueprint will require the cooperation and commitment of a number of existing organisations in the private, public and voluntary sectors. The blueprint recommends that to achieve this, a Western Steering Group, Regional Co-ordinator and six working groups, should be established.

Since its publication, the WDC has been actively involved in facilitating the implementation of the recommendations with various bodies. This has included the establishment of the Western Organic Strategic Initiative, involving producer groups and organic co-ops in the west. This body will examine the feasibility of providing a wide range of services to organic producers and the business and community sectors.

The WDC has also been involved with the public, private and voluntary sectors in providing advice and direction to non-organic producers regarding the potential of the organic sector and linking them up to the various organic organisations in the country for advice and information. It has also kept the organic industry informed of developments at national level, where appropriate.

National Organic Development Committee

The WDC has also been involved in influencing national organic policy. It is a member of the National Organic Development Committee and two of its working groups. It has worked to ensure that the recommendations in the blueprint are taken into account in the preparation of the national coherent strategy for the development of the organic sector in Ireland and to ensure that the needs of the organic sector in the Western Region are addressed.

Networking

A key element of the work of the Regional Development Division is to work closely with agencies and organisations at local and regional level. Throughout 2001, the Division was engaged in widespread consultation with groups on possible development opportunities for the Western Region and to identify the needs of the region and how they may be addressed. This included LEADER, ADM companies, County Development Boards, County Enterprise Boards, Community groups, State agencies, Educational institutions and the private sector.

Developments in the tourism sector

During 2001, the Regional Development Division embarked on the expansion of the policy outcomes and ideas emerging from the *Blueprint for Tourism Development in the West* - an action plan for Rural Areas published in November 2000.

In essence, that document emphasised the pressing need for

- A shared vision by all of the key players in the tourism sector, including those involved in providing accommodation, activities, attractions, transportation, tour operations, retail and catering
- the dispersal of tourism business in the Western Region away from the traditional 'honeypot' locations to ensure an equitable spread over the seven counties
- filling gaps in accommodation and infrastructure to enable tourists experience a quality product
- the development of appropriate networks and infrastructures between State and non-State bodies on the ground and
- inward investment in infrastructure to enhance access to and around the region.

The development of tourism services in an environmentally sensitive manner, i.e. optimising the natural resources of the region while ultimately respecting and enhancing the environment was considered of prime importance in implementing the vision for the Western Region.

Following extensive consultation during the preparation of the Blueprint, the WDC voiced its vision for rural tourism in the seven western counties as follows:

The Western Region will offer an authentic, quality rural experience in an increasingly over-commercialised, urban world. The essential elements of this experience will be the quality landscape, cultural enrichment and interaction with friendly people. The Region will be positioned as that part of Ireland where this experience is genuinely offered and can genuinely be found.

It was recognised that if this vision is to become a reality, it must translate into shared objectives for marketing, for the development of tourism products, for the provision of an economic and social infrastructure for tourism and for state support in the sector. The Region was split into three zones in recognition of the fact that not all parts of it have the same potential because existing infrastructure, proximity to current tourism centres, scenery and market image all contribute to the prospects of success.

Forty nine recommendations in total, including five key changes, were put forward to advance the implementation of the vision.

Work on implementing the recommendations in the Blueprint commenced early in 2001 and the Western Development Tourism Programme was established.

A high-level steering group was established comprising government departments, state bodies, regional tourism authorities and other local authorities.

Participants on the Western Development Tourism Programme Steering Group include Dúchas, Bord Fáilte, Comhar LEADER na hÉireann, Údarás na Gaeltachta, the Irish Tourism Industry Confederation, Ireland West, Shannon Development, Northwest Tourism and also Mayo and Donegal County Councils. Dr Dermot Hurst, Regional Development Manager, Western Development Commission, replaced Dr Pat O'Hara as the WDC appointee to the body.

An allocation of £250,000 (\leqslant 317,435) from Bord Failte enabled the appointment of Mr Alan Hill as Special Co-ordinator for the West to manage the Western Development Tourism Programme. He reports to the steering group and his brief is also closely linked into the broader development goals of the WDC.

Following a strategic review of tourism activities and opportunities in the Western Region and the desire of the WDTP Steering Group to implement the recommendations in the WDC Blueprint document, a number of pilot tourism programmes were initiated by the WDTP.

These were:

 A review of the under-performing visitor attractions

Seven sites were included for review by external experts with a view to identifying aspects of best practice that can be implemented to enhance performance at each site.





· A geo-tourism venture

This included developing two walks that will take visitors on a tour of geological areas, landforms, lakes, fauna, flora, sites of historical interest and items of cultural interest. It aims to build on existing sites or features of interest. The sites chosen for the pilot programme were Strokestown, Co Roscommon and the Bluestack mountains in Donegal. Both walks were being fully defined, to the point of negotiating access to lands. Promotional materials to encourage public participation in the ventures were also produced.

· A review of areas of excellence

Under this review, the WDTP explored a number of areas with possible development potential. These included examination of a centralised management and marketing initiative for use by bodies operating major heritage-related visitor attractions.

Attractions in Co Sligo were chosen in order to explore the potential of this system.

Other pilots the WDTP began include a number of tourism-related social economy programmes, such as crafts activities, in Co Roscommon, with a view to building new tourism products around them; Ireland's first area based integrated green tourism plan, the Green Box and an important new portal web site for the west.

There has been extensive involvement by the tourism community on the ground, by the various social and economic communities, especially the LEADER companies, all of which recognise and support the achievable goal of ultimately improving the quality of life for all living in the seven counties of the Western Region.

A commitment to continued and additional funding to facilitate these initiatives outlined in the Blueprint is crucial to the further development and enhancement of sustainable tourist facilities in the west.



Inaugural meeting of the Western Development Tourism Programme Steering Group , April 2001

Back row left to right:

Des Mahon, Stiofán Ó Culáin, Carol O'Gorman, Ciaran Tuite (Chairperson), Chris O'Grady.

Front row left to right:

Patricia O'Hara, John Leonard, Brian Flynn, Charles O'Reilly, Paul McLoone



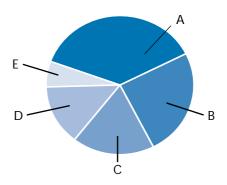
Western Investment Fund - 2001 funding

The WDC approved a total of €2.3 million in funding under two of the three WIF sub-funds, the **Business Investment Fund** and the **Local Investment Fund**. In 2001, the WIF disbursed a total of €1.6 million, including some funding for projects approved in 2000, and funded 10 new projects spread throughout the seven counties (Appendix 9). During the year, three investments were decommitted as the promoters had not drawn down the funding amounting to €0.6 million (Appendix 10). The remaining funding was awaiting disbursal at the end of the year.

The projects were spread across a number of sectors and can be categorised under the broad headings

- A Information Communications Technology (ICT) €838,027 (37%)
- **B** Tourism €571,382 (25%)
- C Economic and social infrastructure €417,109 (18%)
- **D** Manufacture and services €317,435 (14%)
- E Food and natural resources €126,974 (6%)

Fig 3. Sectors where projects were funded by the WIF



Some five projects totalling €1.85 million were approved under the **Business Investment Fund**.

Under the **Local Investment Fund** heading, five projects totalling €0.42 million were approved.

There were no approvals or investments made under the Public Private Partnership Investment Fund.

In total, the projects approved by the WIF have the potential to create/sustain in excess of 240 full-time or part-time jobs. The WIF also succeeded in leveraging some €7 million in additional funds.

Of that amount, €4.5 million (65%) was provided by the private sector and the balance, €2.5 million (35%), came from the public sector.

Marketing and promotion

Promoting and marketing the WIF to businesses, community groups and potential public and private partners is a key priority of the WDC, to ensure that the benefits accruing from this unique western funding source are fully realised for the Region.

With this goal in mind, the WDC set about a number of promotional and marketing initiatives for the WIF in 2001, specifically by targeting potential partners and professional bodies in a position to promote the Fund.

Marketing and promotion presentations were made to the following bodies and local groups:

- The Association of Chartered Certified Accountants - west and north west branches
- Marine Enterprise Investment Programme
- Enterprise Ireland's Regional Development Advisors - west and north west offices
- Russell Brennan Keane Partners
- National IFOGA conference
- LEADER/Partnerships Companies in the Western Region

Fisheries approval by the European Commission

While approval for the Fund was granted by the EU for projects under the Directorate General for Competition and the Directorate General for Agriculture in 2000, approval for the fisheries element of the Fund was not notified to the WDC until April 2001.

This approval was welcomed by the WDC.

Professional memberships

During 2001, the Western Investment Fund achieved membership of two professional bodies, the International Association of Investors in the Social Economy (INAISE) and the Irish Venture Capital Association (IVCA). These memberships will provide excellent networking opportunities for the WIF on the Irish and European stage and will thus assist in the WDC's role of promoting the social and economic development of the Western Region.

- INAISE is a worldwide network of socially and environmentally oriented financial institutions investing money to achieve positive social and environmental change. Among the projects it has supported, it numbers community enterprises, social housing, employee buy-outs, health centres, programmes for the disabled and projects in the voluntary sector.
- IVCA is the representative body of the venture capital industry in Ireland and Northern Ireland.

Charitable status

In another very significant and welcome development in 2001, the WIF achieved charitable status. This factor will be instrumental in retaining income for the WIF, which will be used for investment purposes only.

Clann Credo Partnership

In 2001, the WIF and Clann Credo Ltd maintained an active and supportive relationship at ground level with the projects they had jointly funded. The partners also participated in a number of workshops devised to explore the role of social investment and how it can be used as a highly effective tool to support development at community and at regional level.

Also during the year, Clann Credo and the WIF put in place a Joint Evaluation Panel to examine projects aimed specifically at making a contribution to the social economy. This panel met for the first time in October.

Constraints

By the end of 2001 the WIF was fully operational. A number of constraints were experienced which did not allow the maximisation of the WIF to the region.

These included: investment restrictions as a result of the EU's approval of the WIF under State aid legislation; the underdevelopment of the region and the level of quality dealflow to the WIF and the small staffing complement in the context of the WIF's remit.



Members of the WIF Fund Advisory Panel

Back Left to Right:

John Shaw, Sean Murray, John Dillon, William O'Brien, Barry Feely, Front Left to Right:

Gillian Buckley, WDC, Sean Tighe, (WDC Chairperson), Frank Doheny, WDC.



Peadar O'Tuathail WDC Board; Maurice Harvey WDC Board; Mr Éamon Ó Cuív TD, Minister of State at the Department of Agriculture, Food and Rural Development, Sean Tighe, WDC Chairperson.



Tracey Hannon, Social Investment Executive, WIF, Gillian Buckley, Fund Manager, Mr Éamon Ó Cuív TD, Minister of State at the Department of Agriculture, Food and Rural Development.

Other events during the year

Sligo transportation initiative - South Sligo Rapid Transit Initiative

In 2000, three communities in Co Sligo, Ballymote, Collooney and Ballisodare, saw the potential to develop a local rail commuter service from their communities to Sligo based on the existing Dublin-Sligo line.

They put this South Sligo Rapid Transit Initiative to the WDC, which supported the concept and commenced working in partnership with the three communities to develop the project further and to fund a feasibility study. The study was conducted in partnership with Sligo County Council, Sligo Corporation, and the Sligo County Enterprise Board.

The Halcrow study into the feasibility of the commuter rail service for Sligo was launched on 23rd October 2001. The WDC said the study provided an opportunity for decision makers in the public sector, investors in the private sector and leaders in local communities to venture to the next stage by establishing whether this local commuter service can be turned into a reality.

The feasibility study was submitted to the Department of Public Enterprise and, since that time, the Minister for Public Enterprise, Mary O'Rourke T.D., has announced a review of a number of rail services throughout the State including commuter rail services.

The WDC maintains that, if it is found to be feasible, the commuter rail system could be used as a model to determine how smaller towns and rural locations might link to larger population centres, a key issue identified in the Government's White Paper on Rural Development.

Knock Airport

The WDC is fully committed to the development of Knock Airport and the areas adjacent to Knock Airport for business development. The key issue identified by the WDC in relation to transport infrastructure is access into and out of the West. Investment and Government support for the development of Knock Airport would greatly assist in dealing with the major access issues. It would help attract more industry and business into the region, ultimately providing employment opportunities. It would also service the productive sectors, as it would be an entry and exit point for not only tourists but also freight. Knock Airport, in the context of its role in regional development has the capacity to underpin and sustain growth in many sectors and the WDC aim to continue its work to further this potential for the region.

County Development Boards

The WDC sits on eight County/City Development Boards in the Western Region.

This is a very important link at county level, which allows the WDC to keep abreast of activities and issues and to consult with groups and State agencies. Furthermore, it ensures that the strategies prepared by the County Development Boards will have a regional focus and not conflict with regional strategies and policies. The WDC actively participated in County Development Board meetings and was also involved in various working groups.



Appendix I Members of Western Development Commission (2001)

Chairperson

Sean Tighe, Managing Director, Clubman Omega, Buncrana, Co Donegal

Members

Michael McLoone, County Manager, Donegal County Council (resigned October 2001)

Peadar Ó Tuathail, Businessman, Leitir Mór, Co Galway

Lisa McAllister, General Manager, Herron & Son, Sligo

Cllr. Mary Bohan, Member, Leitrim County Council

Sean Hannick, MD, Killala Precision Components Ltd, Ballina, Co Mayo

Maurice Harvey, Ennistymon, Co Clare

Malachy King, Clifden, Co Galway

Sr. Maureen Lally, Rural Development Community, Castlebar, Co Mayo

Cllr. Pat McGarry, Member, Roscommon County Council

Anne Whoriskey, Ardrumman, Ramelton, Co Donegal

Frank O'Donnell, Department of Agriculture, Food and Rural Development

Appendix II Staff of the Western Development Commission

Liam Scollan - Chief Executive (resigned November 2001)

Policy Division

Dr Patricia O'Hara - Manager Deirdre Frost - Policy Analyst Dr Helen McHenry - Policy Analyst

Investment Division

Gillian Buckley - Manager Frank Doheny - Investment Executive Geraldine McLoughlin - Investment Executive

Regional Development Division

Vacancy - Manager Cariosa Lynch - Regional Development Executive Vacancy - Regional Development Executive

Administration

Theresa Higgins/Martina Burns -Head of Administration (Jobshare) Breda Joyce - Finance Administrator Caroline Coffey - Clerical Officer Fiona Regan - Clerical Officer Vacancy - Clerical Officer

Appendix III Forum of Western Ministers

Chairperson

Mr Éamon Ó Cuív, TD, Minister of State at the Department at the Department of Agriculture, Food and Rural Development

Members

Dr. James McDaid TD, Minister for Tourism, Sport and Recreation.

Ms Sile de Valera TD, Minister for Arts, Heritage, Gaeltacht and the Islands.

Mr Robert Molloy TD, Minister of State to the Government and at the Department of the Environment and Local Government.

Mr Frank Fahey TD, Minister for the Marine and Natural Resources.

Dr. Tom Moffatt TD, Minister of State at the Department of Health and Children.

Mr Noel Treacy TD, Minister of State at the Department of Education and Science and the Department of Enterprise, Trade & Employment.

Ms. Mary Coughlan, Minister of State at the Department of Arts, Heritage Gaeltacht and Islands.

Appendix IV The Fund Advisory Panel

Mr Sean Tighe (Chair) WDC Chairperson

Members

Michael Corless - Partner, Ernst & Young

John Dillon - New Enterprise Manager, Shannon Development

Barry Feely - Director, Feely & Sons Ltd

Seán Murray - Retired Business Bank Manager

William O'Brien - Head of Commercial Evaluation, Enterprise Ireland

Sr. Maureen Lally - Rural Community Network

Judy Greene - Judy Greene Pottery

Appendix V Joint Evaluation Panel

Members

Martin Coggins, East & Company Lisa McAllister, WDC Board Member Gerry Butler, Clann Credo Ltd Sue Targett, Manager, Eiri Corca Baiscinn

Attending

Paul O'Sullivan, Chief Executive, Clann Credo Ltd Gillian Buckley, Fund Investment Manager, WDC

Appendix VI **Steering Groups**

Organics Steering Group

Anne Coyne, Organic Producer, Co Mayo (Chairperson)

Helen Scully, Organic Trust, Co Westmeath

Noreen Gibney, Irish Organic Farmers and Growers Association

Cáit Curran, Organic Producer, Co Galway

Martin Reading, Leitrim Organic Forum

Joe Fox, Enterprise Ireland

Pádraic Brennan, Bord Bia

Lorcan Bourke, Bord Glas

Elmer Koomans-O'Reilly, Bio-Dynamic Agricultural Association of Ireland

Appendix VII

WDC Tourism Co-ordination Steering Group

Members

Ciarán Tuite, replaced by Donal Guilfoyle, Bord Fáilte

Brian Flynn, Regional Tourism Manager, Ireland West

John Leonard, Tourism Manager, Shannon Development

Paul McLoone, Regional Tourism Manager, North West Tourism

Des Mahon, Mayo County Council

Chris O'Grady, Properties & Visitor Services Dúchas, replaced by Garry Burke

Stiofán Ó Culáin, Imeachtal Gaelsaoire, Údarás na Gaeltachta

Charles O'Reilly, Dept of Agriculture

Carol O'Gorman, Irish Tourism Industry Confederation (Town and Country Homes Association)

Dr. Pat O'Hara, Western Development Commission, replaced by Dr. Dermot Hurst, Western Development Commission

Gerard Mullaney, Comhar Leader na hÉireann

Appendix VIII The National Liaison Network

Department	Agency
Department of Agriculture, Food and Rural Development	An Bord Bia An Bord Glas Teagasc
Department of Arts, Heritage, Gaeltacht & the Islands	Údarás
Department of Education and Science	
Department of Enterprise Trade and Employment	Forfás IDA Ireland Enterprise Ireland
Department of Environment and Local Government	National Roads Authority
Department of Finance	
Department of Foreign Affairs	
Department of Health and Children	Mid-Western North-Western and Western Health Boards
Department of Justice, Equality and Law Reform	Land Registry
Department of the Marine and Natural Resources	Bord lascaigh Mhara Marine Institute Central Fisheries Board Coillte Teo
Department of Public Enterprise	
Department of Social, Community and Family Affairs	
Department of the Taoiseach	
Department of Tourism, Sport and Recreation	Bord Fáilte Shannon Development CERT ADM Ltd

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Appendix IX Western Investment Fund projects funded in 2001

Mayfield Lough, Social Housing Development, Claremorris, Co. Mayo

Fund TypeLocal Investment FundType of InvestmentLoan (Bridging Finance)Amount£75,000 (€95,230)

Clár IRD (Claremorris and District Integrated Resource Development Company Ltd) was established in 1998 to co-ordinate and promote the social, economic and cultural development of Claremorris and the surrounding areas of Brickens, Crossboyne, Ballindine, Taugheen, Mayo Abbey, Hollymount, Irishtown and Garrymore. The company has been involved in many significant community projects and it achieved an AIB Better Ireland Award in 2001. Projects promoted by the company include a 32-unit social housing scheme for the elderly and the construction of an enterprise centre.

Among new developments proposed by the company are a social housing scheme, comprising both housing for the elderly and affordable family accommodation. The funding was provided under the joint agreement with Clann Credo Ltd.

Sports Hall, Ballinamore, Co Leitrim

Fund Type Local Investment Fund

Type of Investment Loan

Amount £30,000 (€38,092)

Ballinamore Area Community Council Ltd was founded in 1975 as a community company limited by guarantee with charitable status. Membership is open to approximately 3,000 people from Ballinamore and the surrounding towns. The community council has in the past 25 years made a significant impact on the socioeconomic development of the Ballinamore area including the development of a five-unit Enterprise Centre in the town.

Ballinamore Area Community Council secured a site for the purpose of developing a sports hall, available to the entire community. The new sports hall is now available to clubs from the area for sports such as badminton, basketball, indoor soccer and tennis.

Association for the Development of Pettigo and Tullyhommon (ADoPT), Pettigo, Co Donegal

Fund Type Local Investment Fund

Type of Investment Loan

Amount £30,000 (€38,092)

The Association for the Development of Pettigo and Tullyhommon Ltd (ADoPT) was established in 1991 and has been involved in a number of initiatives including a £1.6 million (€2.03m) cross-border Environmental Improvement Scheme. The group purchased a property in the village with a view to developing a community resource centre or heritage/tourism facility. Following a detailed market survey it was established that the heritage centre would not be a viable option. The group then consulted the North-Western Health Board with a view to opening a Family Resource Centre in the town, this centre would be used by the elderly and families from the surrounding area.

Aghamore Voluntary Housing Association, Ballyhaunis, Co Mayo

Fund Type Local Investment Fund

Type of Investment Loan

Amount £50,000 (€63,487)

In 1997, the Aghamore Voluntary Housing Association was established with a view to developing a 10 unit social housing complex in the village for the elderly. The site is located on the outskirts of the village of Aghamore 6 miles from Knock and 10 miles from Ballyhaunis. The Aghamore Voluntary Housing Association approached the WDC to secure additional loan finance in order to develop a multipurpose community facility. This facility will be used as a day centre for the residents of the social housing complex; however, it will also be used as a community, childcare and enterprise centre.

Clár ICH, Claremorris, Co Mayo

Fund Type Local Investment Fund

Type of Investment Loan

Amount £27,500 (€34,918)

Clár ICH (Irish Centre Housing) Ltd, a subsidiary of Clár IRD Ltd, was formed in 2000 to develop social housing projects in the Claremorris area that would benefit both local people and Irish people living in London wishing to return to Ireland. Based on the experience of Clár IRD in the provision of housing for the elderly, it was decided to target other groups with housing needs. Links were formed with the Rural Regeneration Officer in Mayo County Council and the Irish Centre Housing in London to embark on a pilot project to assist families moving to rural areas. The areas selected for resettlement were in risk of losing essential local services including shops, schools, transport systems etc due to a falling population. WIF loan funding will be used to refurbish four rural houses.

Propylon Ltd. Enniscrone, Co. Sligo & Dundrum, Dublin.

Fund Type Business Investment Fund

Type of Investment Equity

Amount £500,000 (€634,869)

Founded in 1999, Propylon is one of Ireland's fastest growing software companies. Drawing on its founder's expertise in XML and wireless technologies, Propylon has developed the world's first Pervasive Computing Information Server. It is a world leader in XML based technologies. Funding provided under the WIF in turn triggered further funding from Enterprise Ireland and Enterprise Equity.

Propylon has its main sales and support office in Dublin with a development centre currently based in Enniscrone. It currently employs 11 people. It is envisaged that the company will employ up to 30 IT professionals in the Sligo area within three years.

Plastics Processing Alternatives Teoranta (PPA), Carraroe, Co. Galway

Fund Type Business Investment Fund

Type of investment Equity

Amount £250,000 (€317,435)

Plastics Processing Alternatives Teoranta (PPA), located on the Carraroe Industrial Estate in the Connemara Gaeltacht was founded in 1998 to research and develop an advanced method of efficient plastic processing production using existing and new plastic raw materials focusing on energy reduction, labour savings and higher levels of product tolerance. By 2002 the company expects to create 20 new manufacturing jobs in the Connemara Gaeltacht.

Morpoint Limited Campus Innovation Centre, NUIG

Fund Type Business Investment Fund

Type of investment Equity

Amount £160,000 (€203,158)

Morpoint Limited was established in 2000 to develop a human resources software product, *PeopleCount*, to provide employers with the essential means of attracting and retaining staff whilst managing considerable improvements in their performance and commitment. The company is based in the Campus Innovation Centre at University College Galway.

Morpoint expects to employ 8 people by the end of the first year growing to 20 employees in the third year.

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Dibbles Limited, Milford, Co. Donegal

Fund Type Business Investment Fund

Type of Investment Equity

Amount £100,000 (€126,974)

Dibbles Ltd was established in 1997 at Ballymore House, Port-na-Blagh, Co. Donegal. Dibbles produce a range of food condiments - dressings, dips & dollops - for the retail market. To date the company has developed five products:

- Tomato and Chilli Jam
- · Onion Marmalade
- · Classic French Dressing
- · Roasted Red Pepper Dressing
- · Balsamic Dressing

These products target a fast growing niche sector in the food industry.

The Mountain Lodge & Spa at the Delphi Adventure Centre, Delphi, Co. Mayo

Fund Type Business Investment Fund

Type of Investment Loan

Amount £250,000 (€317,435)

The new complex is a flagship development for the health spa sector in Ireland and has the potential to become a world-class, international destination. The completed facility, with a capacity of 70,000 bed nights and range of products is a key part of the tourist infrastructure in southwest Mayo.

The company is a key employer in this very remote rural location employing 42 permanent staff and up to 84 seasonal staff. The addition of the Mountain Lodge and Spa has provided a whole range of new employment including higher skilled positions. These positions together with those provided by the existing business, provide a sustainable source of employment and make the company one of the biggest rural employers in the region.

Appendix 10

Projects for which funding was decommitted by the WIF in 2001

1. The National Field Study Centre, Ballinafad, Co Sligo:

The funding decommitted by the WIF amounted to £150,000 ($\le 190,461$).

2. Adam Spence MBO, NewCo Ltd, Boyle, Co Roscommon:

The funding decommitted was £200,000 (€253,948).

3. Sea-Cruise, Connemara:

The funding decommitted was £130,000 (€165,065).





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