

ENERGISING IRELAND'S RURAL ECONOMY



THE COMMISSION FOR THE ECONOMIC DEVELOPMENT OF RURAL AREAS

List of Recommendations



Vision Statement

Rural Ireland will become a dynamic, adaptable and outward looking multi-sectoral economy supporting vibrant, resilient and diverse communities experiencing a high quality of life with an energised relationship between rural and urban Ireland which will contribute to its sustainability for the benefit of society as a whole.





The Commission for the Economic Development of Rural Areas

"If we are to pull Ireland out of recession faster, and also reduce the brain drain leaving the country to seek out work, then we now need to home in on the regions............. We need to provide 'on the ground' supports for people in rural communities. This is so they can create ideas and spot opportunities to develop enterprises. The positive spin-offs could be new job creation at the local level, taking people off the dole, and generating local wealth that feeds back into rural economies"

Professor Suzi Jarvis, October 2013¹

Introduction and Context

Rural Ireland is diverse in both its landscape and its people; defying universally accepted definition and a neat overall description, its diversity is also the backbone of its potential. Rural communities have experienced the negative impacts of the current economic crisis due largely to their heavy reliance on declining employment sectors, particularly the construction industry, with the result that unemployment in rural areas increased by 192% between 2006 and 2011, compared to 114% in urban centres. The effects of this have been felt in particular in small and medium sized towns and the evidence of small town decline throughout the country is clear. It was in this overall context that the Commission for the Economic Development of Rural Ireland (CEDRA) was established in October 2012 by Minister Phil Hogan and Minister Simon Coveney. The primary task given to CEDRA was to identify strategic initiatives that will ensure rural areas contribute to sustained and sustainable national economic growth and development in the future.

Notwithstanding current economic difficulties and significant associated challenges confronting rural areas, the research undertaken by the Commission establishes that many of the key issues confronting rural communities are part of a long term economic and social transformation. Addressing that transformation is challenging as the nature of many rural communities has been fundamentally changed through the decline of traditional rural industries and growing connections between rural and urban areas as reflected by the increasing numbers commuting from rural areas to employment in towns and urban centres. These developments mean that rural economic development is not amenable to simple or single sector strategies. New integrated approaches to rural economic development are required.

Rural Ireland has significant potential; from communities of engaged citizens to individual entrepreneurs the commitment to supporting the development of Ireland's rural areas

¹ Professor Suzi Jarvis heads up the Innovation Academy at University College Dublin (UCD). She was speaking at the launch of a new rural entrepreneurship programme that will roll out in Galway, Clonmel, Mullingar and Letterkenny between 2013 and 2014, http://www.innovators.ie/p/ruralentrepeneurship



demonstrates a belief in their future viability, and is inspirational in its energy. It is this energy and commitment that will provide the support necessary to allow Ireland's rural economy to emerge from the current crisis and move forward with self-confidence as well as a renewed belief in its potential to contribute to national economic recovery.

The work undertaken by and in support of the Commission for the Economic Development of Rural Areas confirms that there is an abundance of natural, physical, human and capital resources and a wide variety of high quality assets in many rural communities that could be leveraged to support the national economic growth and development of these communities. Examples of successful and sustainable private and social enterprise exist across the spectrum of economic sectors, ranging from dynamic clusters in agriculture, food and tourism, to emergent international capacity in advanced manufacturing and the creative industries. Natural landscapes, historic buildings and monuments, traditions, culture, and outdoor amenities such as Greenways, which are central to tourism and leisure activities, are all examples of areas and sectors that have demonstrable potential and could be targeted to grow enterprise and create employment.

Many rural areas require support from both private and public sources in order to fully activate these resources and ensure their contribution to development. The kind of characteristics that hinder economic development include low population density, relative inaccessibility to employment opportunities, a labour force with lower levels of education than the national average as a result of out-migration, and a continued dependence on employment in sectors that have experienced long term decline or are dependent on local demand and buying power. While not all rural areas have these combinations of characteristics a significant number do. These challenges inhibit the activation of resources, the creation of employment and enhanced economic contributions to national recovery. The interrelated nature of the challenges can only be addressed through an integrated strategic and operational approach that aligns the goals of national level economic plans with regional, county and local (bottom-up) strategies. Rural economic development requires a matrix of economic and social supports if they are to contribute to their own, and thus to the national, recovery.

The approach to national economic recovery adopted by government, particularly those commitments relating to job creation and enterprise development, is dependent on all economic sectors and all parts of Ireland contributing to growth and development. If rural areas are to contribute to, and participate in, national economic recovery, the potential of these areas must be efficiently, effectively and innovatively activated. This presents a significant challenge for government, the public, private and voluntary sectors, rural enterprises, rural communities and the various national agencies tasked with fostering, either directly or indirectly, rural development. When responding to these challenges policy makers should not be unduly influenced by the limited horizons arising from the prevailing but short term economic difficulties and challenges being faced at national and rural levels. CEDRA is adamant that it is time to firmly shut the door on the policy and implementation shortcomings of the past and put in place new, robust and sustaining structures that will facilitate a brighter future for rural Ireland.

Vision for the Rural Economy

Rural Ireland will become a dynamic, adaptable and outward looking multi-sectoral economy supporting vibrant, resilient and diverse communities experiencing a high quality of life with an energised relationship between rural and urban Ireland which will contribute to its sustainability for the benefit of society as a whole.

Having engaged with and listened to the people, communities and stakeholders of Rural Ireland this report presents their vision of the rural Ireland of the future. This vision is of a rural Ireland that is vibrant, sustainable and resilient. It is a place where people can and want to live, work and raise their families. It is a dynamic source of economic growth that provides opportunities for its inhabitants. It is a place of equal opportunity where all members of the community have the chance to reach their full potential.

Rural areas are increasingly diverse and there are distinct spatial patterns and differing capacities throughout rural Ireland. These patterns reflect the variation in the endowment and scale of human, physical, natural and capital resources available within each area. They reflect past developments and contemporary economic and social profiles. As a consequence rural areas will differ in their capacity to respond to both external and internal stimuli and consideration of this diversity is critical when planning to support the realisation of the vision presented in this report.

How we shape the future is fundamentally based on our vision of what that future ought to be and how we put together the elements to achieve it. This is a matter of values, of a choice between various futures and the relative importance we attach to various national goals. It is clear that rural life is highly valued among Irish citizens and rural areas are particularly cherished for their distinctive quality of life, culture and heritage assets, clean environment, strong community ties and tradition of volunteerism. The growth in rural population during the boom years showed that rural areas are attractive as residential locations. At the same time, the downturn has left many in rural Ireland unable to achieve their ambitions and potential, and out-migration is depleting rural areas of much-needed human resources.

The essence of the vision presented in this report is quite close to the vision outlined in the White Paper on Rural Development in 1999. While the visions are similar the methodologies and systems that are required to support the pursuit of this vision have changed and this report will

present what CEDRA feels are the most appropriate recommendations for the current and likely future economic and social conditions. In line with the need to be mindful of the availability of resources, both financial and human, the Commission believes that the actions recommended can, to a large extent, be implemented within the context of better utilisation, coordination and deployment of current financial and human public resources.

The Commission believes that the vision for Rural Ireland 2025 as expressed by the people who live and work in rural Ireland and presented by CEDRA in this report is tangible pragmatic and practicable while also being strategically focussed, ambitious and challenging. In this context the Commission believes that it is critical that the Government implement their recommendations and work together with the people of rural Ireland in order to realise this vision.

An Integrated Approach to Rural Economic Development: Governance and Coordination Recommendations 1- 4

The need for a more integrated approach to the management of Rural Development in Ireland requires the development of systems that will support a more coordinated approach to the design, development and implementation of all policies that have an impact on the economic development of rural areas.

Commission for the Economic Development of Rural Areas: Recommendations

Recommendation 1:

The Commission recommends that the Government reinvigorate their approach to support for Rural Economic Development by preparing a clear and committed Rural Economic Development Policy Statement. This statement should outline in detail how the Government proposes to support integrated rural economic development to 2025 including addressing the recommendations of this Commission. This statement should also be informed by, and contribute to the strategic economic development framework emerging from the forthcoming Medium Term Economic Strategy, the Partnership Agreement between Ireland and the EU covering all of the European Investment Funds, the National Spatial Strategy and Rural Development and sectoral operational programmes.



Recommendation 2:

The Commission recommends setting up a policy delivery and coordination mechanism with the following elements:

- (a) The creation of a Ministerial function for the coordination of rural economic development that is anchored in the legislative framework.
- (b) Given the Department of Environment, Community and Local Government's existing responsibilities relating to local government, community and planning and development at national, regional and local level, the Commission recommends that the lead responsibility for delivery and coordination of rural economic development should be assigned to the Minister for Environment, Community and Local Government.
- (c) The Minister should be supported by a High Level Implementation Committee (HLIC) which should be chaired by the Minister and be composed of senior representation from key departments and agencies involved in rural economic development. Other relevant stakeholders should be required to attend. The committee shall have the power to
 - Call on relevant stakeholders to attend HLIC to outline their particular roles and responsibilities, strategies and programmes as they pertain to rural economic development
 - Review the annual progress of such agencies on rural development;
- (d) The HLIC should be required to draw up a work programme which specifies actions to implement Government Rural Economic Development policy. The Minister shall make appropriate arrangements for monitoring, control and evaluation of the implementation of Rural Economic Development Policy that should include the submission of an Annual Progress Report to the Minister and the Taoiseach/Cabinet.
- (e) Relevant Departments, public bodies, regional and local governance structures and local development entities should be required to make appropriate provisions for implementing rural economic development policy in plans and programmes under their remit.

Recommendation 3:

A number of areas emerged from the consultation process that will require further analysis in order to determine their real potential. These areas are detailed in the comprehensive research report produced to support the CEDRA process. Government should establish a strategic research function within DECLG that can commission research to support the achievement of specific objectives as set out by HLIC.



Recommendation 4:

Government and relevant stakeholders should be required to maximise the potential of available funding mechanisms to support the economic development of rural areas specifically;

- (a) The authorities with responsibility for current national and European **funding mechanisms** available to support economic development, should be required to consider in a more explicit and proactive way, specific support for an integrated approach to Rural Economic Development.
- (b) Full and complete consideration should be given to maintaining the current 10% allocation of EU Rural development funding for initiatives outside the farm gate that support diversification of the rural economy and the improvement of rural quality of life.
- (c) The Government should establish a **Rural Innovation and Development Fund** that can support innovative, small scale pilot initiatives that explore the diverse range of potential identified through both the CEDRA process and the subsequent work of the HLIC.

An Integrated Approach to Rural Economic Development: The Centrality of the Regional and Local Dimension

Recommendations 5-6

It is critical that coordination is also improved at regional and local level which is reflected from the perspective of the linkages between national, regional and local development frameworks in the first 3 recommendations. However the Commission feel that this can be enhanced by initiatives that address specifically economic development at the sub county and town level.

Commission for the Economic Development of Rural Areas: Recommendations

Recommendations 5:

The Commission recommends the facilitation of Rural Economic Development Zones (REDZs):

- (a) The Commission recommends the piloting of a selected number of REDZs, to enhance the capacity for local communities to contribute to and take ownership of local economic development by creating local strategic economic development plans that will contribute to and align with local, regional and national economic development plans,
- (b) In this context Local strategic economic development plans should identify and specify the needs and opportunities with a REDZ, identify those supports that both enterprise and labour require, and provide evidence to support their plan. This will ensure that the potential that lies dormant in many rural areas is activated such that it contributes to national economic development.

(c) Successful implementation of local development plans is contingent on local coordination support. As part of the REDZs initiative resources need to be made available to ensure effective implementation of the strategic plan. This should also include support for the development of community capacity with initiatives that develop skills in community leadership, governance, community development planning and rural economic development in order to support the participation of all communities in the preparation of local strategic economic development plans.

NOTE: While the data used to support this recommendation was centred largely on the 79 towns outlined in the Local Government Act 2001 the Commission believes that the REDZ initiative should apply equally to all rural towns.

Recommendation 6:

It is critical that coordination is also improved at regional and local level which is reflected from the perspective of the linkages between national, regional and local development frameworks in the first 3 recommendations However the Commission feel that this can be enhanced by initiatives that address specifically economic development at the sub county and town level. The Commission recommends the development of a Rural Town Stimulus Programme that focuses on rural towns/villages and their hinterlands. Such a programme should be set within the context of Rural Economic Development Zones and facilitate a collective approach to identifying, valuing and building towns' resources and distinctiveness. It should be led by local stakeholders working in partnership with local authorities and state bodies to develop an integrated socio-economic action plan for their area.

An Integrated Approach to Rural Economic Development: Facilitating Economic and Community Participation:

Recommendations 7-34

The Commission believes that Recommendations 1-6 are the necessary foundation for the development of dynamic rural communities to 2025. The remaining recommendations are offered to facilitate full participation of both enterprise and community in a fully participative integrated approach to rural economic development.

Commission for the Economic Development of Rural Areas: Recommendations

Investment in the Regions

Recommendation 7:

The Commission acknowledges the importance of the National Spatial Strategy (NSS) in achieving balanced regional development. It recommends that government include in the forthcoming review of the NSS full and comprehensive consideration of the needs of rural Ireland and its potential to further contribute to national economic development.

Recommendation 8:

State agencies, particularly Enterprise Ireland and IDA, but also other export promotion agencies should strengthen their collaboration at regional level in general but specifically when looking at areas identified below;

- the potential to attract small scale/niche FDI to rural areas. IDA & Enterprise Ireland should jointly establish a new unit that will develop and pilot test an approach to attracting and intensively supporting small scale sector appropriate FDI to small rural towns. This Unit should have a steering committee made up of representative of IDA, Enterprise Ireland and a representative of the County Council Managers.
- regional and rural networking, clustering and branding in order to increase the export share of business already exporting and with identified potential to export
- Local enterprise support mechanisms should also be charged with strengthening and developing local economic partnerships in key county towns to support Enterprise Ireland/IDA to develop small scale/Niche FDI suggested in the previous recommendation.

Local Enterprise Support

Recommendation 9:

The Commission believes that coordination of enterprise support should rest with one service provider and in this context the Commission supports the provision of a comprehensive local enterprise support service through the Local Enterprise Offices (LEOs), which will act as 'first stop shops' for any potentially viable business in the micro-enterprise, small business and social enterprise sectors

Recommendation 10:

Regulatory and administrative frameworks should be proportionate, agile and customer focused and a particular effort should be made to ensure that bodies and agencies involved in ensuring regulatory compliance are engaging in performance dialogue with stakeholders and working in an integrated way in order to lessen the administrative burden on business.

Supporting Local Economic Development

Mobilising Community Capacity for Rural Economic Development

Recommendation 11:

The Commission recommends the continuation of a CLLD approach to the delivery of rural development initiatives utilising resources available through all of the European Structural and Investment funds to support the integrated approach to rural development presented here and advocated in Putting People First.

Recommendation 12:

The Commission recommends the development of a programme of capacity building for rural communities initiated and implemented by local government in partnership with local development structures in line with the proposals in PPF. Such a capacity building programme should include support for leadership and governance training, for development of community structures and participative planning, as well as support for specific training initiatives.

Social Enterprise

Recommendation 13:

Efforts should be made through the enhanced processes of enterprise support in local areas described in this report (including LEOs), to build capacity in the social enterprise sector to ensure that social enterprises are 'investment-ready' at all stages of their development including start up, early stage development and growth phases.

Recommendation 14:

The Government should introduce a funding mechanism either stand alone or in partnership with other funding instruments, to incentivise and support the early stage development of social enterprise.

Access and Enabling Supports

Broadband

Recommendation 15:

In the context of the strategic role of broadband, particularly from an enterprise perspective public funding for the provision of next generation services to rural areas (minimum 30Mbps) needs to be ring-fenced and should be delivered as soon as possible. Considering the current widespread availability of speeds of 50Mbps and higher in many urban areas, the priority must be delivery of 30Mbps minimum to all rural areas by the end of 2015.

Recommendation 16:

For population centers of more than 1,500 and in the absence of commercial investment, further State investment should be used to support the deployment of fibre networks to these areas, enabling next generation speeds of 100Mbps as soon as possible and not 40Mbps, as is the current target. The aim is to ensure that smaller urban areas and rural towns are not at a disadvantage in attracting and retaining enterprises and employment compared to the principal urban areas.



Roads

Recommendation 17:

The continued improvement of road networks, particularly those outside of the greater Dublin area, should be prioritised as a well-functioning road network is crucial for the future economic development of rural areas.

- (a) It is recommended that adequate funding is provided to maintain the improvements in road infrastructure undertaken in the past decade.
- (b) In order to facilitate the development of significant enterprise and economic activity in rural areas, it is recommended that funding be reallocated for specific improvements to local/regional roads of significant economic importance with prioritization given to relief roads that have potential to open up economic and employment opportunities in key towns.

Rural Transport

Recommendation 18:

The Commission supports the Governments initiative to improve and integrate the Rural Transport Programme (RTP) into the overall public transport system. The Commission recommends ongoing and comprehensive monitoring of the programme in order to ensure that it is meeting the transport needs of rural Ireland going forward.

Water

Recommendation 19:

Given the transition currently underway from 34 local water services authorities (county/city councils) to one national water services authority (Irish Water) providing water/waste water infrastructure and services, it is recommended that measures are put in place to ensure that adequate provision is made for the economic development needs of rural areas in the planning and delivery of water services infrastructure by Irish Water.

Access to Finance

Recommendation 20:

The Commission recommends that in order to drive employment and enterprise growth there is a need to identify and implement market/client led access to finance initiatives for rural/regional SME's (e.g. micro loans for renewable energy, tourism and creative industry businesses, and seed funding for the general rural economy). This should be facilitated by an inter-departmental working group assessment with lead regional development bodies on the exact manner of support instruments and preferred attendant implementation mechanism.



Skills Development

Recommendation 21:

The Commission recommends that a multi-agency approach to reskilling and up skilling of rural dwellers should be employed taking into consideration availability of and access to opportunities; and that all skills strategies should actively consider the needs of rural dwellers.

Recommendation 22:

The Commission recommends that Capacity Building Programmes to develop the skills sets required in order to ensure full and comprehensive participation by all communities in rural economic development planning processes and implementation should be an integral part of the development processes at local level. The responsibility for this should rest within the revised local economic development systems proposed in Putting People First.

Sector Specific Development

Food and Beverage (Artisan and Speciality)

Recommendation 23:

The Commission recommends that support provided to the food industry at present should focus on the expansion of the speciality food and beverage sector through the implementation of initiatives that will facilitate product development and access to export markets.

Recommendation 24:

There was some evidence that a more streamlined approach to support for the agri-food sector was required in order to maximise its potential for rural Ireland. In particular, the existence of a number of different agencies providing services to the sector was highlighted. In this context the Commission recommends that the Food Harvest 2020 High Level Implementation Committee and the CEDRA High Level Implementation Committee examine the possibility of a more coordinated role among the agencies currently supporting the agrifood sector that maximise its impact on the economic development of rural Ireland. Such an examination should draw on examples of existing best practice such as that identified in the case study "Scotland Food and Drink".

Creative Industries

Recommendation 25:

The Commission recommends the development of a coordinated strategy for the Creative Industries that places a specific focus on its potential to contribute to the development of the Rural Economy. Consideration should be given to a specific mechanism that combines the creative economy support competencies of the relevant Government Departments (Arts, Heritage and the Gaeltacht, Enterprise, Trade and Innovation and Environment, Community and Local Government) with existing lead agencies (Western Development commission, Craft Council, Arts Council, Film Board etc.) to introduce a more integrated approach to funding in line with the overall approach advocated by the Commission.



Tourism and Recreation in Rural Areas

Recommendation 26:

The Commission recommends the preparation of a national plan for the development of tourism in rural areas as a distinct part of the national tourism planning process. This plan should identify a clear strategy for an innovative approach to the promotion and product development of tourism in rural areas. It should be informed by research and provide for ongoing linkages between research and innovation in tourism.

Recommendation 27:

The Commission recommends that national State owned infrastructure that can support national, regional and local tourism initiatives should be prioritised for development. The Commission believes that this is essential to build on the success of initiatives such as the Great Western Greenway in Mayo, and the O'Sullivan Beara Way from West Cork to Leitrim.

Recommendation 28:

The Commission recommends that Local and Regional Tourism Destinations to complement National Destinations should be developed through a multi sectoral approach. This should be complemented by a destination management and marketing initiative.

Marine

Recommendation 29:

The Commission supports the introduction of a "Plan-Led" development of Ireland's vast marine territory to support economic targets and goals set out in the Governments integrated Marine Plan – Harnessing our Ocean Wealth. The Development of Marine Spatial Planning in Ireland (underpinned by robust Environmental Assessment, coordinated across all levels of governance, with extensive public and stakeholder participation) will be an important element of this approach.

Recommendation 30:

The Commission recommends a concerted effort to progress the streamlining of marine licenses (foreshore and aquaculture) in line with commitments made in Harnessing our Ocean Wealth and the Programme for Government as this is a critical step for the future development of the marine sector. Establishing best practice criteria including statutory time limits and potential for a single point of contact to assist with the planning, licensing and regulation process should also be reviewed.

Recommendation 31:

The Commission recommends that a clear national definition of and policy for inshore fisheries should be developed to guide governance, strategies and management arrangements for the sector at national, regional and local levels.

Recommendation 32: The Commission recommends that the regulatory and development framework (ranging from legal through to licensing) required to further grow Irelands sustainable commercial seaweed sector be in place and fit-for-purpose (both wild and aquaculture).

Renewable Energy

Recommendation 33:

In line with the overall integrated approach advocated by CEDRA the commission recommends the elaboration of a comprehensive national framework for development and growth of indigenous renewable energy businesses with a particular focus on their potential for the economic development of Rural Ireland.

Recommendation 34:

Public policy instruments (including financial) should be further developed to encourage the production of energy from renewable sources fulfilling environmental obligations and supporting sustainable development. Initiatives emerging from these instruments should be designed in a way that realizes direct benefits for rural areas in terms of increased income, additional employment, indirect benefits (e.g. amenity, rural tourism) and direct community benefit. The initiatives must be of sufficiently long timeframe to be of benefit to allow the enterprise to get off the ground.



Overall Conclusion

The Commission for the Economic Development of Rural areas is convinced of the potential of rural Ireland to actively participate in their own economic development as well as its capacity to contribute to the economic recovery of the Irish economy as a whole. The people and communities of rural Ireland have spoken throughout this process of their desire to make a contribution and of the challenges that they face and need to address in order to allow this to happen.

It has already been pointed out that the aspirations of rural communities in 2013 are not significantly different to those identified and outlined in the White Paper on rural development in 1999 or indeed in the discourse around rural development in Ireland as far back as the 1880s. Not only are the aspirations similar but the solutions to the identified challenges have a number of similarities that all centre on the need for a more integrated and territorial approach to support for rural economic development. It is in this context that CEDRA offers to government, a series of recommendations tailored to the 21st Century that address the challenges and offer solutions to the future economic development of rural Ireland.

The Commission believes that there are two essential differences that distinguish its recommendations from the solutions offered in the past. Firstly the key difference between the policy frameworks that the Commission are proposing and current and previous policy implementation mechanisms lies not only in the requirement to coordinate across departments and agencies but more importantly in the fact that there is an explicit responsibility to ensure this coordination and that this responsibility is given a statutory footing. The importance of this cannot be underestimated as all indications are that it was this lack of explicit responsibility in previous policy frameworks that resulted in a less than effective approach to the development of rural areas to date.

Secondly, the local government reform process that is currently underway offers a unique opportunity to ensure that rural Ireland has a distinct voice at regional, local and community level. The CEDRA recommendations are in line with the aims and objectives of the reform process and their implementation can and should easily slot in as part of the overall implementation of PPF particularly at regional and local levels. The CEDRA process emphasised the importance of the role of rural communities in rural economic development and in this context both the implementation of PPF and the CEDRA recommendations should be mindful of the need to consider this well-developed capacity within rural communities and the need to ensure that this capacity is harnessed in a useful and effective way.



In conclusion the Commission for the Economic Development of Rural Areas would like to thank the people of rural Ireland for their insight and input into this research process. It truly believes that it has captured the essence of what is needed to ensure the future economic development of rural Ireland while maintaining the integrity of what emerged from the public consultation processes. While there is no denying the task ahead for government to ensure the full and active participation of rural Ireland in Irelands recovery process to 2025 the Commission believes that full implementation of its recommendations will go a long way to support government in this task. There seems little doubt that the passion and determination of rural communities the length and breadth of this island will then take over to take rural Ireland over the line and realise the laudable vision presented at the outset.

"Go n-éirí an bóthar libh go léir".

Commission for the Economic Development of Rural Areas

November 2013









