

## ANNEX 3: Citizens Summary

### Implementation of Ireland's

### ERDF funded Southern & Eastern Regional Operational Programme 2014-2020

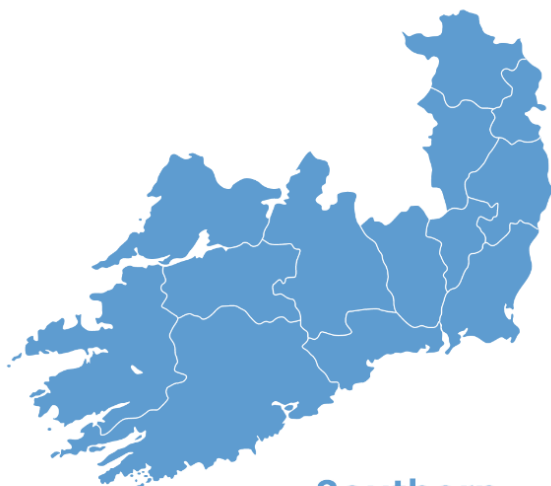
In 2017

### Programme Objective

To support the region's

- **research and innovation,**
- **information and communications technologies (ICT),**
- **small and medium-sized enterprises (SMEs)**
- to promote a **low carbon economy,** and
- to support **integrated actions for sustainable urban development.**

Contributing to the objectives of Cohesion policy and, in particular, the Europe2020 goals of smart, sustainable and inclusive growth.



Southern  
& Eastern



**680**

new researchers



**160,000**

unserved households provided with High Speed Broadband access



**16,900**

new jobs in micro-enterprises



**19,400**

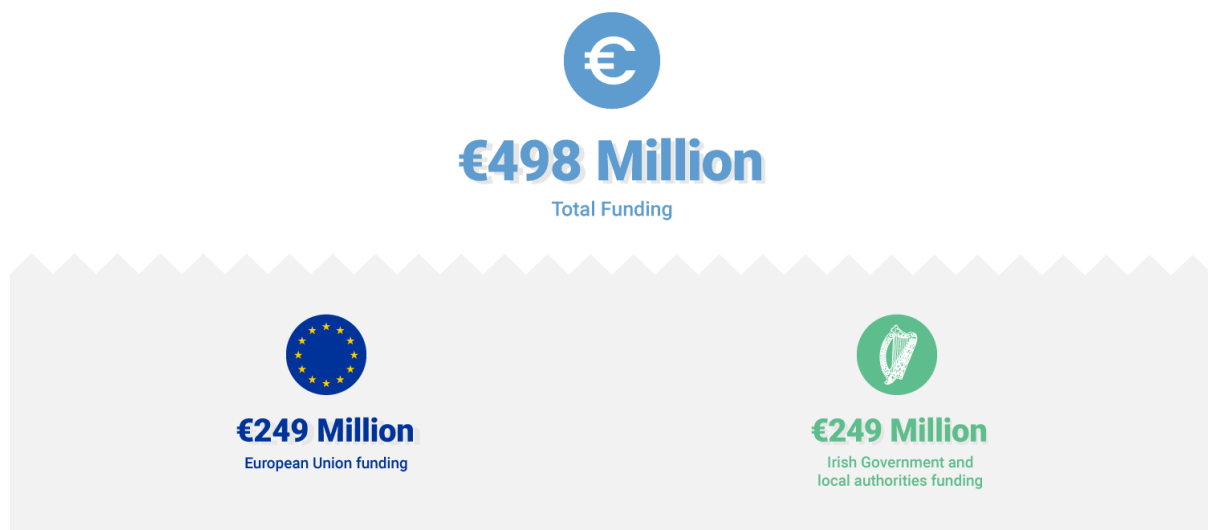
households with improved Energy Efficiency

# Timeframe for Programme Implementation



1<sup>st</sup> January 2014 to 2020 (Implementation until 31<sup>st</sup> December 2023)

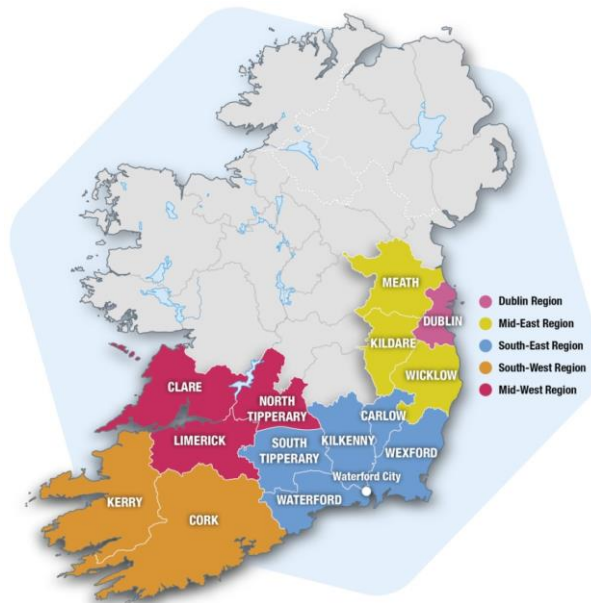
## Funding Sources



- ➔ €249 Million ERDF allocation for 2014-2020
- ➔ €498 million total Programme volume
- ➔ €249 million in national contribution

The S&E ROP 2014-2020 was approved by the European Commission on 15<sup>th</sup> December 2014 and launched in Wexford on 3<sup>rd</sup> July 2015 by Brendan Howlin TD, Minister for Public Expenditure & Reform. The total ERDF allocation over the 7-year programming period amounts to €249m for the S&E ROP 2014-2020. Another €249m in national funding is envisaged to be contributed which brings the total funding for the S&E ROP 2014-2020 to €498m over the 7-year period.

## The Region



*Map of the Southern & Eastern Region*

The eligible region as covered by this ROP is called the Southern and Eastern (S&E) Region which is a NUTS II region. The S&E region accounts for 53% of the land area of Ireland, 73% of the population and 81% of GVA. As of the 1st June 2014 the S&E Region consists of the following 17 Local Authority areas:

Dublin City, Cork City, Limerick City & County, Waterford City & County, and Counties Dún Laoghaire-Rathdown, Fingal, South Dublin, Clare, Carlow, Tipperary, Wexford, Kilkenny, Cork, Kerry, Kildare, Meath, Wicklow.

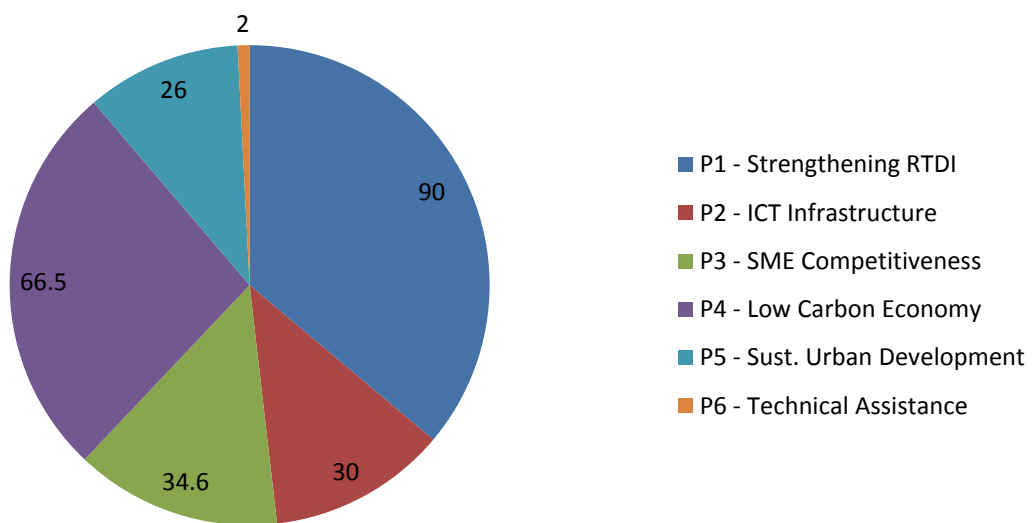
Arising from planned reforms of local and regional administration in Ireland announced by the Irish Government in October 2012, the two existing Regional Assemblies and eight Regional Authorities were re-configured into revised Regional Assemblies following the European and Local elections in mid-2014. Ireland has applied to Eurostat to re-define the NUTS classifications based on the revised regional structures, but these will not come into effect until 2018. In compliance with Articles 90 and 99 of the Common Provisions Regulation, the existing NUTS II classifications must therefore be used for programming purposes for the 2014-2020 programme period. The Southern and Eastern region has been classified as a 'more developed region' for the 2014-2020 programme period, having a GDP per capita which was above 90% of the average GDP of the EU 27 over the 2007-2009 reference period.

# Funding Priorities

The S&E ROP 2014-2020 is focused on the following funding Priorities during the programming period:



**ERDF allocated per Priority Axis in €m**



## Number of projects by co-funded scheme



## Who is involved in the delivery of the Programme?

The Irish Government, as set out in the Partnership Agreement for the European Structural and Investment Funds has decided that European Regional Development Funds made available to Ireland under the EU's Multi-Annual Financial Framework (MFF) 2014-2020 will be delivered through separate Regional Operational Programmes (OPs) for the BMW and the S&E Regions. The Southern and Eastern Regional Assembly has been designated by the Government to be the Managing Authority for the S&E Regional Operational Programme 2014-2020 and is responsible for its preparation and delivery, in accordance with the Common Provisions Regulation.

Schemes included in the Operational Programme are administered by a variety of departments and state agencies:

- Enterprise Ireland,
- Science Foundation Ireland,
- Marine Institute,
- Local authorities in the region, including Local Enterprise Offices,
- Sustainable Energy Authority of Ireland,
- Department of Communications, Climate Action and Energy,
- Department of Housing, Planning and Local Government,
- Department of Agriculture, Food and the Marine.


## Who benefits from the Programme?


Beneficiaries receiving grant funding under the S&E Regional Operational Programme 2014-2020 include public sector, academic and private sector organisations in the Southern & Eastern region, such as: Local Authorities, State Agencies, Universities, Institutes of Technology, Local Enterprise Offices, micro-enterprises, medium sized and large enterprises. Lists of operations and beneficiaries will be updated on a six-monthly basis on the Southern Regional Assembly's website.

# Progress and Main Achievements to Date

## HIGHLIGHTS – How does the region benefit from ERDF funding?

- 


**9** infrastructure projects in urban areas in the gateways and hubs were approved for funding
- 


**8** world-leading research centres
- 

**33** High-potential-start-up companies and
- 


**47** Spin-out companies have been set up from research outputs of ERDF funded applied research
- 

**217** enterprises have received new knowledge through co-operation with co-funded research institutes
- 


**647** new researchers have been employed
- 

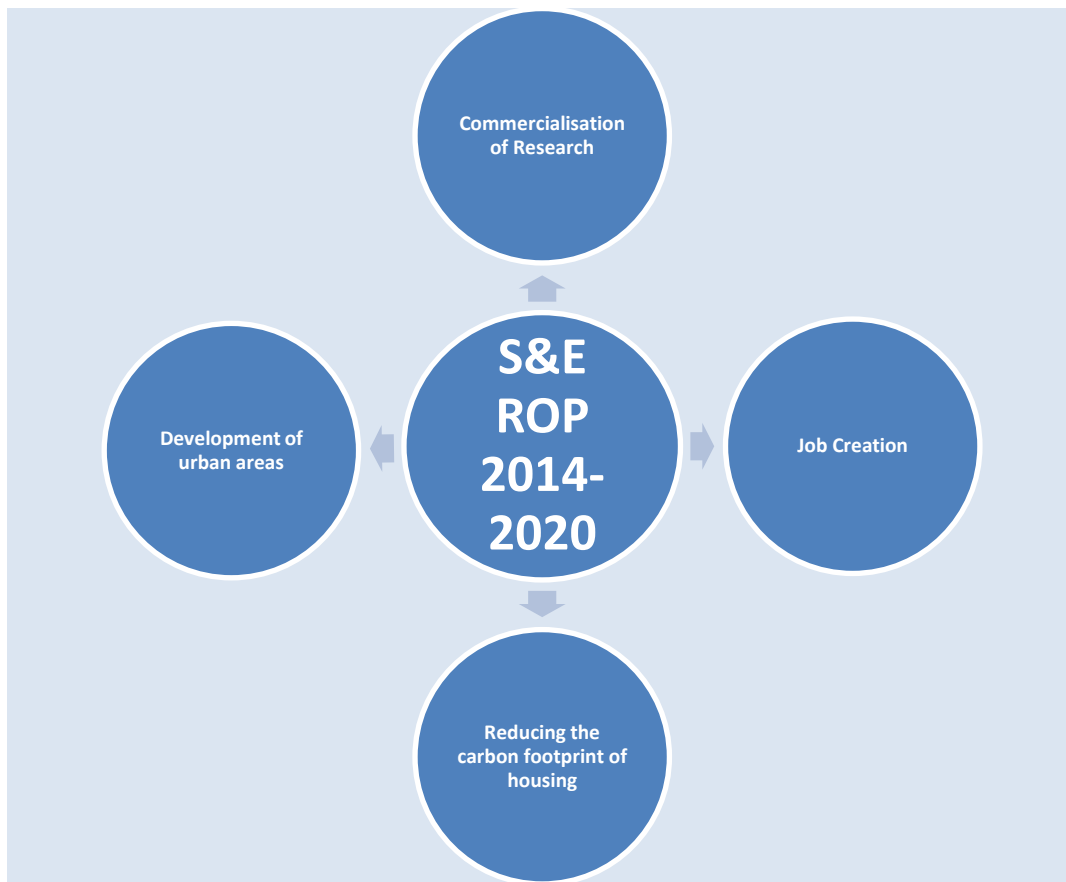
**3,375** new jobs were created in co-funded micro-enterprises
- 

**6,124** vacant social housing units were retrofitted

**21,872**  households have benefitted from improved energy consumption classification

**28,166**  micro-enterprises received support (financial & non-financial)

**49,631**  participants took part in enterprise training programmes through the Local Enterprise Offices





### **Priority 1: Strengthening RTDI in the Regions**

The overall objectives of this Priority are to increase the level of research taking place in the S&E region with company engagement by supplying applied research and to increase the level of commercialisation of research by the higher education institutions in the region. This priority does not directly co-fund infrastructure, but seeks to enhance research and innovation (R&I) infrastructure and to build the capacities to develop R&I excellence while promoting centres of competence. It also has a focus on promoting business investment in R&I through developing links and synergies between enterprises, research and development centres and the higher education sector. The priority has been aligned with Ireland's identified priority research areas as set out in the Smart Specialisation Strategy (RIS3). The priority comprises 2 investment priorities (1a & 1b) and includes 5 individual schemes around research centres, marine research, and commercialisation of research. Cumulative public eligible cost paid to beneficiaries to end December 2017 is reported as €69m. All but one of the schemes included in priority 1 are progressing in accordance with agreed targets and reported output indicator achievements range up to 60% of the agreed target values. While no projects were approved under the Marine Research Scheme up to the end of 2017, a revised proposal was submitted by the Marine Institute in December 2017 and this is currently under consideration. An overview on progress with individual schemes included in Priority 1 is described in the following sections.

#### **Science Foundation Ireland (SFI) Research Centre Programme**

The scheme is managed by SFI and aims at developing a set of world-leading, large-scale research centres to link scientists and engineers in partnerships across third level institutions with industry. During 2017, the four Research Centres currently funded under this programme (CONNECT, ADAPT, LERO and iCRAG) underwent an external peer review process, managed by SFI. All four Research Centres performed very well and will continue with the research programme over the remainder of the award. These centres will be joined by four new Research Centres that were awarded funding in late 2017, Bioeconomy Research Centre (BEACON), FutureNeuro, Confirm Centre for Smart Manufacturing and I-Form Advanced Manufacturing Research Centre. Co-funded centres include for example:

➤ **CONNECT (Centre for future Networks/Communications)**

CONNECT is the world leading Science Foundation Ireland Research Centre for Future Networks and Communications. The centre engages with over 35 companies including large multinationals, SMEs and start-ups. CONNECT brings together world-class expertise from ten Irish academic institutes to create a one-stop-shop for telecommunications research, development and innovation.



➤ **ADAPT (dynamic research centre)**

The ADAPT research centre focuses on developing next generation digital technologies that transform how people communicate by helping to analyse, personalise and deliver digital data more effectively for businesses and individuals. ADAPT researchers are based in four leading universities: Trinity College Dublin, Dublin City University, University College Dublin and Dublin Institute of Technology. ADAPT's transformative tools allow you explore video, text, speech and image data in a natural way across languages and devices, helping companies unlock opportunities that exist within digital content to re-imagine how to connect people, process and data to realise new economic value.



**SFI Spokes Programme**

The scheme is managed by SFI and aims at promoting the further development of existing SFI Research Centres to incorporate new areas of research, new industrial and academic collaborators, allowing the Centre to expand and develop in line with new priorities and opportunities. This scheme allows smaller regionally based institutions to collaborate with larger research centres in Universities.

During 2017 seven new Spokes awards were made to Research Bodies based in the Southern and Eastern region. This brings to sixteen the total number of Spokes awards made to research bodies in the region to the end of 2017.

647 new researchers have been employed in supported Higher Education Institutions through the SFI Research Centre Programme and Spokes Programme.

### **Marine Research Programme**

The scheme is managed by the Department for Agriculture, Food and the Marine as well as the Marine Institute. Overall objectives consist of providing assistance for appropriate marine research activities that support the goals of the national policy ‘Harnessing Our Ocean Wealth’.

No expenditure was reported for 2014-2017 because the Marine Institute is currently reviewing the activities that should be ERDF co-funded in the 2014-2020 programming period.

### **Enterprise Ireland (EI) Commercialisation Fund**

The scheme is managed by Enterprise Ireland (EI) and aims at providing support to researchers in third level institutions and research performing organisations for applied research generating outputs for commercial exploitation for the benefit of the Irish economy. The scheme does not support applied research for companies.

By end 2017, 53 projects with lead applicants from the S&E region were funded by EI. A total of €33.7m was awarded to the selected projects. To end 2017, EI have reported that 33 High-potential-start-up companies and 47 Spin-out companies have been set up from research outputs of the Commercialisation Fund scheme.

### **EI Innovation Partnership Programme**

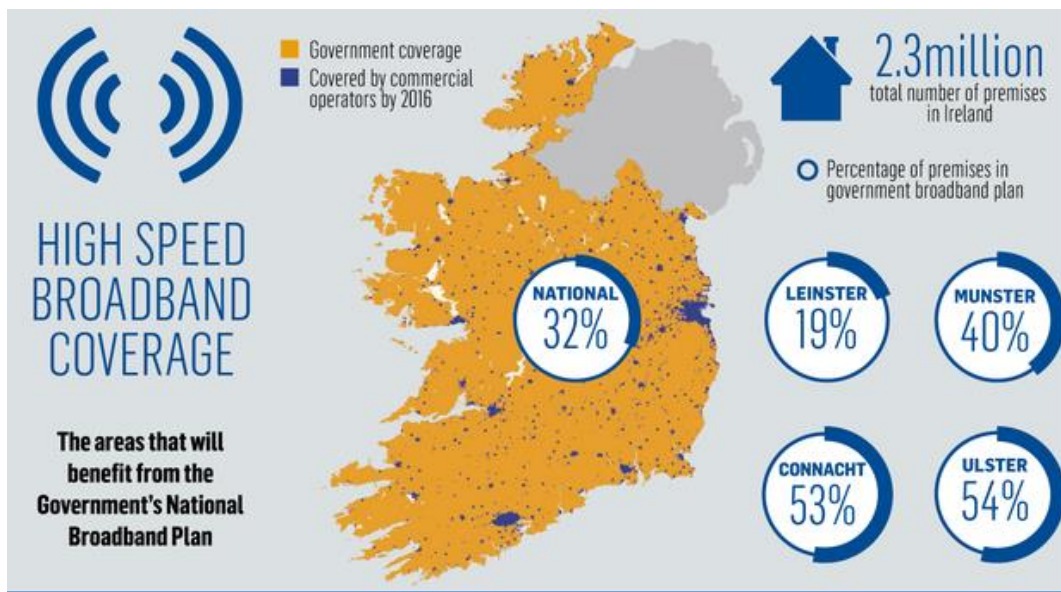
The scheme is managed by Enterprise Ireland (EI) and aims at encouraging Irish-based companies to work with Irish research institutes resulting in mutually beneficial co-operation and interaction. Companies benefit in terms of growth, evolution of strategic R & D and the creation of new knowledge. Research institutes benefit in terms of developing skill sets, intellectual property and publications. EI funding is paid to the research performing institution.

The programme continues to be rolled out successfully with 217 enterprises in the S&E region having received support through Innovation Partnership projects funded by EI in the period from 2014 to 2017. The total EI funding awarded to research institutions involved in Innovation Partnership projects amounted to €22m.

## Priority 2: ICT Infrastructure

The intervention that will be supported under this Priority is a targeted State led investment providing broadband infrastructure in those areas that will not be covered by the commercial sector. This will facilitate the widespread availability of reliable and guaranteed high speed broadband which is a key component in delivering the objectives of the National Broadband Plan and the National Digital Strategy.

The National Broadband Plan reflects Government objectives to deliver new opportunities for jobs, growth and social inclusion. Furthermore, it aims to underpin and support wider public policy objectives and initiatives both nationally and within the European context. The scheme is managed by DCCA and aims at providing high speed broadband to all un-served towns and villages in the Regions (as identified in mapping exercise). It is foreseen that a min. of 30 mbps of broadband at current market rates will be delivered by the scheme. The project has been in the planning and procurement stages during 2014 to 2017. On 22/12/2015 Minister Alex White TD, Minister for Communications, Energy and Natural Resources, formally launched the Procurement Process with publication of the Project Information Memorandum and the Pre-Qualification Questionnaire (PQQ).



<http://www.broadband.gov.ie>

A formal procurement process, based on competitive dialogue has been continued in 2017 to select a company or companies to roll-out the new high speed broadband to the State Intervention area. The extensive procurement process is to ensure the delivery of a future-proofed network that provides access to high-speed broadband to all premises within the Intervention Area for at least 25 years. It is expected that the contract will be awarded in 2018.



### Priority 3: SME Competitiveness

The Entrepreneurship in Micro enterprise scheme is delivered through the 18 Local Enterprise Offices (LEOs) located in the Southern and Eastern region. The focus of the intervention is to increase the rates of business start-up and expansion, and enhance management capability, competitiveness, innovation, technological adaptation and the export-orientation of microenterprises. The specific objective of this priority is to increase employment levels in micro-enterprises in this region by supporting business start-ups, business expansion and higher innovation levels in micro-enterprises. This investment priority is supporting innovative and growth-oriented SME start-ups and expansions through the provision of business information, advisory services, capacity building, mentoring and financial supports. Some major developments of the scheme in 2017 include the delivery of the fourth “Ireland’s Best Young Entrepreneur” Competition (IBYE), the introduction of a LEO Innovation and Investment fund, the launch of a new Brexit Scorecard and the expansion of the LEO Lean for Micro following successful pilots in 2016. Cumulative public eligible cost paid to beneficiaries to end December 2017 is reported as €32 million. Significant achievements were reported against all agreed output indicators in accordance with agreed targets. By the end of 2017, a total of 28,166 micro-enterprises received support (financial & non-financial), including an employment increase of 3,375 jobs in the S&E region. During the period 2014-2017, 49,631 participants took part in enterprise training programmes organised by the LEOs in the S&E region. The scheme is managed by Enterprise Ireland and the 18 LEOs in the S&E region.



### **Priority 4: Low Carbon Economy**

The overall objective of the Priority is to support the shift towards a low-carbon economy in all sectors in the S&E region. Specific objectives include improving energy efficiency in the housing stock by focusing on supporting energy efficiency, smart energy management and renewable energy use in public infrastructures, including in public buildings, and in the housing sector. Overall, implementation is well advanced with the exception of the apartment scheme which is due to commence in 2017. Achievements are in line with targets and expenditure has been incurred in accordance with the profile. Cumulative public eligible cost paid to beneficiaries is reported as €179 million at the end of 2017. The schemes are progressing well with the energy consumption classification having been improved for 21,872 households during 2014 - 2017.

The priority comprises 2 initiatives that are managed by different Intermediate Bodies:

- The Social Housing Retrofit initiative is managed by the Department of Housing, Planning and Local Government and is targeted at both large apartment complexes in the major cities in S&E Region and conventional local authority housing schemes throughout the regions which have poor building energy ratings.

#### *Scheme 1 – Apartment Complexes*

The scheme is targeted at 2,000 older flat complexes located in Dublin, Cork & Limerick which are seriously thermally deficient. The scheme will not commence until 2018.

#### *Scheme 2 -Social Housing Energy Efficiency Retrofitting Programme*

The principle objective of this scheme is to meet Ireland's commitments in relation to carbon emissions reduction and energy reduction targets for 2020. Energy savings in buildings will contribute 45% of Ireland's total energy savings targets for 2020. A key objective of the scheme is to provide funding to local authorities that have the greatest social housing targets and whom can return the maximum number of units to a lettable, energy efficient condition at reasonable cost. Minimising voids is a targeted measure that focuses exclusively on vacant properties with the objective of returning these to productive use as quickly as possible. The scheme focuses on retrofitting of the fabric of the dwelling (insulation of walls/roofs, window/door replacement, heating system improvement) and applies to all local authorities in the S&E region. Up to end 2017, 6,124 vacant units were retrofitted in the S&E region.

- The Better Energy Warmer Homes Scheme is managed by Sustainable Energy Authority of Ireland and the Department of Communications, Climate Action and Environment. It targets low-income households at risk of energy poverty. The scheme aims at improving the energy efficiency of the household at risk and in the process, reduce the amount of expenditure that is required to be spent on energy. By the end of 2017, 15,658 low-income households in the S&E region have had their energy efficiency improved.

### **Priority 5: Sustainable Urban Development**

Under this theme, local authorities for the designated growth centres in the Southern and Eastern region were invited to submit projects which fit with their integrated strategies to tackle the social, economic, environmental, climate and demographic challenges affecting the urban centres, in accordance with Article 7 of the ERDF Regulation (EU) 1301/2013, and which support the overall development strategy for the urban area concerned.

Following submission of project applications by the 9 participating Local Authorities, 9 projects were selected by the designated Steering Committee for the scheme in 2016 with a total ERDF allocation of €26m. Projects were approved in the S&E region's four Gateway cities: Dublin, Cork, Limerick/Shannon & Waterford and in the Hub towns: Ennis, Kilkenny, Mallow, Wexford, Tralee – Killarney.

During 2017, a number of Local Authorities experienced procurement and planning delays on the original projects and initiated discussions with the Southern Regional Assembly with a view to withdrawing their initial project and replacing it with a different project. These discussions will continue in 2018 with a view to getting replacements projects submitted for the Steering Committee to examine.

All grants will have to be matched to 50% by local authority own resources and Local Authorities will have up to three years to complete the projects from date of project approval.

#### **Waterford City – Apple Market**



### ***Priority 6: Technical Assistance***

During 2017 the SRA, as MA for the ROP, has continued to be engaged in detailed liaison with the various Intermediary Bodies and the Department of Public Expenditure on the design of the architecture surrounding the various schema contained within the ROP and on getting the required IT system in place. Some teething issues surrounding the IT development and testing processes, overseen by the Department of Public Expenditure and Reform, have caused some delays but it is expected that these will be overcome early in 2018 with a functioning system in place by the end of Q1 2018.

Throughout 2017, the Regional Assembly has engaged in various communications activities including the required major event. This event took the form of site visits to a number of Research Centres co-funded under the Research Centres Scheme in mid-2017 by Regional Assembly members and staff. Regional Assembly staff also gave presentations to a selection of outside bodies on ERDF related activities.



## Useful Links

European Structural and Investment Funds in Ireland 2014-2020

<http://eufunds.gov.ie/>

EU Regulations:

[http://ec.europa.eu/regional\\_policy/en/information/legislation/regulations/](http://ec.europa.eu/regional_policy/en/information/legislation/regulations/)

S&E ROP Regional Operational Programme 2014-2020:

<http://www.southernassembly.ie/eu-programme>

Consultation on the Draft S&E Regional Operational Programme 2014-2020 and Environmental Report

<http://www.southernassembly.ie/eu-programmes>

Strategic Environmental Assessment (SEA) Statement

<http://www.southernassembly.ie/eu-programmes>

Partnership Agreement Ireland 1 January 2014 – 31 December 2020:

<http://www.per.gov.ie/en/>

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