# 2012



First Progress Report

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# **Commentary**

This is the first report of the Monitoring Committee established by Government to monitor and drive implementation of the measures contained in the *Action Plan for Jobs 2012*. It outlines progress made on measures due for completion in the first quarter of 2012.

The Government published the *Action Plan for Jobs 2012* in February this year. The Plan, which contains actions to be implemented in 2012 by all 15 Government Departments as well as 36 State agencies, will improve the operating environment and supports for job-creating businesses, and remove barriers to employment-creation across the economy.

The Plan outlines more than 270 actions (with almost 600 associated measures) to achieve this objective, specifying the Government body responsible for implementation in each case, and the quarterly deadline in 2012 by which each measure will be delivered.

In order to drive implementation of the measures, the Government established a Monitoring Committee which comprises representatives of the Department of the Taoiseach, the Department of Jobs, Enterprise and Innovation, the Department of Public Expenditure and Reform, and Forfás.

In the first quarter of 2012, Departments and Agencies were to deliver 83 measures relating to 68 of the *Action Plan's* 270 actions. All but three of the measures due in Q1 of 2012 have been delivered on schedule, giving a completion rate of 96%. Among the 80 measures delivered in the first quarter of 2012 are:

- The launch of the new *Potential Exporters Division* in Enterprise Ireland to support more indigenous companies to trade in foreign markets, and a new programme of supports, "Get Export Ready" tailored specifically for pre-export and early stage exporting companies (Action 3.10)
- Issuing of a new call under the *Springboard* programme for higher education courses that are aligned with areas of future skills needs (Action 1.34)
- The delivery of the Diaspora job finder's fee scheme Succeed in Ireland aimed at creating 5,000 jobs within five years by targeting international companies and business people, who would otherwise not be reached by the State enterprise Agencies (Action 5.6)
- Approval by Government of the new "one-stop-shop" micro enterprise support structure and establishment of the Working Group to progress delivery (Action 2.2)
- Design and launch of a new **Development Capital Scheme**, aimed at addressing a funding gap for mid-sized, high-growth, indigenous companies with significant prospects for jobs and export growth (Action 3.29)
- Publication of legislation to provide for the targeted Partial Credit Guarantee scheme, and award of a preliminary contract for an operator of the scheme (Action 3.30)

- Allocation of €10 million in funding and finalisation of the delivery structure for the
   Microfinance Fund (Action 2.3)
- The preparation and roll-out of a schedule of sector specific Trade Missions and market evaluation Missions that reflect the priority markets identified in the Trade Strategy, including at least 15 Minister-led Missions during the year (Action 3.12)
- Publication of legislation to reform statutory wage setting mechanisms (Action 1.12)
- Issuing of a global second call under Innovation Fund Ireland to top venture capitalists to signal their interest in establishing a presence in Ireland, with investment by Government of more than €60 million in venture capital funds which establish a presence in Ireland (Action 3.31)
- Simplification and extension of the Employer Job (PRSI) Incentive Scheme, which
  exempts employers from liability to pay their share of PRSI for certain employees
  (Actions 1.13 and 3.46)
- Establishment of a new Enterprise Ireland / IDA Ireland Senior Management Team to drive effective collaboration on key priorities (Actions 3.2, 4.1 and 5.11)
- Implementation of the employment and enterprise support measures outlined in Budget 2012, namely the improved R&D Tax Credit regime, extension of the corporation tax exemption for new businesses, a Foreign Earnings Deduction to support the export drive to fast-growing markets, sector specific supports, and the Special Assignee Relief Programme. (Actions 1.7, 2.1, 3.11, 5.7 and 5.8)
- Announcement of the date of commencement of the two new immigration programmes aimed at stimulating investment and job creation in Ireland - the Immigrant Investor Programme and the Start-up Entrepreneur Programme (Action 4.7)
- The launch and advertising of a new round of the Sports Capital Programme with a €30 million fund (Action 6.10)
- The launch of *The Gathering 2013*, the largest tourism event ever planned for Ireland, aimed at bringing 325,000 extra visitors here in 2013 (Action 7.8.6)
- Publication of the report of the Research Prioritisation Steering Group and adoption
  of the recommendations of the National Research Prioritisation Exercise as a whole
  of Government policy goal (Action 1.1)
- Allocation of €20 million to a new Education and Training Fund (Action 1.34)
- The first deep sea aquaculture licence application has been submitted. This innovative, commercially attractive and environmentally sustainable aquaculture production venture, if approved, has the capacity to be replicated in other areas and facilitate a step change in production levels (Action 7.4.14)

 Marketplace International 2012 was launched. This one-day strategic business development event involved scheduled meetings between 170 food and drink companies and over 500 buyers from 28 countries to help strengthen agri-food businesses (Action 7.4.14)

As stated above, three of the measures outlined in the Plan have not been delivered on schedule:

- Two new initiatives (design and launch of a promotional drive for women in business with an emphasis on start-ups and development of an approach and a programme to support industry-led clustering) have been progressed, but will not be completed until Q2 2012, as further work is necessary to ensure the programmes are targeted and delivered as effectively as possible. It is expected that these two measures will now be delivered before the end of June 2012. (Actions 2.11 and 3.4)
- The progression of the Cloud Computing Strategy for the Public Service has been delayed as the strategy remains in development. Drafting will be completed in the coming weeks and Government approval sought early in Q2 2012. (Action 7.6.1)

The Plan is the first installment in an ambitious multi-year process which aims by 2016 to create the environment where the number of people at work will increase by 100,000 net - from 1.8 million to 1.9 million - by 2016, and reach 2 million people by 2020. The most recent data shows that, on a seasonally adjusted basis, employment grew by 10,000 (+0.6%) in the final quarter of 2011 compared with a seasonally adjusted fall of 14,400 (-0.8%) in the previous quarter. This growth in the seasonally adjusted number of persons in employment is the first such increase since the fourth quarter of 2007, and the number of people at work now stands at 1,807,800.

# 1. Building Competitive Advantage

### Research and Innovation to Drive Job Creation

**Action 1.1:** Adopt 14 priority areas for research based on the recommendations of the National Research Prioritisation Exercise, where publicly-performed research will underpin specific opportunities of direct relevance to enterprise and jobs.

**Quarter 1 Commitment:** Consider and agree prioritisation based on recommendations of Research Prioritisation Steering Group. (Government and dedicated Prioritisation Action Group)

**Update:** Complete.

The Report of the Research Prioritisation Steering Group was approved by Government on February 21<sup>st</sup> 2012. The Government also announced the establishment of a Prioritisation Action Group, chaired by Minister of State Sherlock, which will oversee implementation of the recommendations of the report.

**Action 1.2:** Adopt a new approach to funding Research Centres to concentrate on the identified priorities and to create a distinctive enterprise-focused culture in the centres concerned and coherence with IDA/EI supported Technology Centres.

**Quarter 1 Commitment:** Design new "hub and spoke" model of engagement between SFI Centres and companies. (DJEI/SFI)

**Update:** Complete.

The new "hub and spoke" model design has been completed and was rolled out as part of Science Foundation Ireland Research Centres call launched on February 26<sup>th</sup> 2012. Under this call, the "hub" is made up of the platform research activities and the operational functions of the Research Centre. It also includes large scale equipment or infrastructure that might be common across a number of individual research projects. The "spokes" are targeted projects involving collaborative research between the academic partner(s) and one or more industry partner.

**Action 1.7:** Implement the improvements to the R&D tax credit regime outlined in Budget 2012. (D/Finance)

### **Quarter 1 Commitment:**

- Companies get up to 37.5% relief on all R&D expenditure when there was no qualifying R&D expenditure in 2003
- The first €100,000 of R&D expenditure of all companies will be allowed on a volume basis for the purpose of the R&D Tax Credit
- The outsourcing arrangements for R&D purposes will be improved in a targeted manner to allow the greater of the existing percentage arrangement or €100,000
- Companies will have the option to use some portion of the R&D credit to reward key employees who have been involved in the development of R&D

**Update:** Complete.

The enhancements to the R&D tax credit regime are contained in the Finance Act 2012 which was signed into law on March 31<sup>st</sup> 2012.

### Improving Cost Competitiveness

**Action 1.12:** Enact legislation to reform wage setting mechanisms.

**Quarter 1 Commitment:** Ensure reforming legislation is robust and pursue earliest possible enactment in the Oireachtas, in keeping with commitments under the EU/IMF programme. (DJEI)

**Update:** Complete.

The Industrial Relations (Amendment) (No. 3) Bill has been published and is scheduled for Committee Stage in April.

**Action 1.13:** Simplify and extend the Employer Job (PRSI) Incentive Scheme, which exempts employers from liability to pay their share of PRSI for certain employees. The scheme will be extended to cover the first 18 months of employment. (DSP)

Eligibility criteria for the scheme will be amended to;

- Allow time spent on the Work Placement Programme and JobBridge count as the qualifying period for the scheme
- Allow persons on eligible payments undertake short SOLAS courses without impacting on their eligibility
- Allow time spent in casual employment count towards the qualifying period for the scheme, where a person is progressing to a new full-time job offered by a different employer
- Allow linking periods for illness payments provided on qualifying payment immediately prior to commencement of employment

**Update:** Complete.

Applications for Scheme are being accepted based on the extended period and expanded eligibility criteria set out above. Information on the simplified and extended Employer Job (PRSI) Incentive Scheme is available on the DSP website.

**Action 1.15:** Request that Government Departments and Bodies assess by end March 2012 which charges levied by them on businesses are amenable to reduction in the short-term, or frozen for 24 months. (DJEI)

**Update:** Complete.

The Minister for Jobs, Enterprise and Innovation wrote to his Ministerial colleagues on March 12<sup>th</sup> 2012 requesting responses on this by March 26<sup>th</sup>. These responses are currently being assessed.

**Action 1.17:** Build on the positive response to date from Local Authorities to requests from Government to exercise restraint in setting rates for businesses, to minimise costs imposed on businesses and assist struggling firms in any way they can, with a need for continuing restraint and lower costs in the coming years.

**Quarter 1 Commitment:** Encourage Local Authorities to exercise restraint in setting of commercial rates for 2012, which is a reserved function of Local Authorities. (D/EC&LG)

**Update:** Complete

Local authorities have responded positively to requests to exercise restraint in setting commercial rates. All 88 rateable local authorities have submitted their adopted budgets to the Department of the Environment, Community and Local Government. 68 have maintained their Annual Rate of Valuation (ARV) at 2011 levels, and 19 have reduced theirs. One local authority has increased its ARV and will continue to increase it until 2015, but this is a technical adjustment and legal requirement following the extension of a town boundary. Overall, the average change of ARV from 2011 to 2012 shows a decrease of 0.31%.

**Action 1.22:** Encourage a competitive regime for waste services via careful design of the regulatory framework.)

Quarter 1 Commitment: Complete consultation process. (D/EC&LG)

**Update:** Complete.

The public consultation process is complete. The Minister for Environment, Community and Local Government intends to bring a suite of policy proposals, in respect of national waste policy and household waste collection market structures, to Government imminently.

**Action 1.32:** Identify any sheltered areas of the economy where competition is restricted and commission studies on such areas where appropriate.

**Quarter 1 Commitment:** Identify sheltered areas of the economy where competition is restricted. (DJEI/ Competition Authority)

**Update:** Complete.

The Competition Authority has undertaken an exercise to identify sheltered areas of the economy where competition is restricted. Based on a perceived lack of competition and the greatest opportunity for reform, the Competition Authority has identified three areas where more detailed scoping is required to enable an informed decision regarding which in-depth study to commission as a priority. The areas in question are ports services, public service obligation bus services and retailing of prescription medicines to private patients.

### Aligning Skills with Enterprise Needs

**Action 1.34:** Ensure unemployed persons have access to relevant education and training solutions. Continue to reflect the recommendations of the Expert Group on Future Skills Needs (EGFSN) in all new labour activation programmes.

Quarter 1 Commitment: Allocate €20 million for a new Education and Training Fund (to deliver 6,500 places for the long-term unemployed). Design and operational details of the new Fund to be arranged. (DES)

**Update:** Complete

An allocation of €20 million been made to FÁS as part of their Budgetary 2012 allocation. FÁS has developed a proposal for the operation of the new Education and Training Fund and this is currently being examined by the Department of Education and Skills, who will consult with the Department of Social Protection and the Department of Public Expenditure and reform before final approval.

**Quarter 1 Commitment:** Prioritise places, including in the further education and training sector, specifically for those on the Live Register for 12 months or more. (DSP/ DES/ SOLAS)

**Update:** Complete.

FAS, Skillnets, Further Education and Training providers have been notified of the requirement to prioritise the long-term unemployed.

**Quarter 1 Commitment:** Issue a new call under the Springboard programme for higher education courses that are aligned with areas of future skills needs as identified by the EGFSN targeted at the unemployed. (DES/ Higher Education Authority)

**Update:** Complete.

The 2012 Springboard Call for Proposals was issued on February 20<sup>th</sup> 2012. Proposals are sought from public, private and not-for-profit higher education providers for part-time courses. A detailed Forfás Guidance document for prospective Springboard providers has been issued as part of the Call for Proposals. The document outlines specific skills shortages identified by the Expert Group on Future Skills Needs.

Quarter 1 Commitment: Having regard to objectives of *Pathways to Work*, establish a formal process to ensure that the training provided under the auspices of SOLAS is consistent with the demands of the labour market and the needs of individuals to regain and secure employment. At a strategic level, an agreed and structured consultation process will be established between the National Employment and Entitlements Service (NEES) and SOLAS, as well as other stakeholders including the Higher Education Authority and Expert Group on Future Skills Needs, in relation to the development and delivery of education and training programmes to meet the needs of those on the Live Register and national skills needs. (DES/ SOLAS/ DSP/ DJEI/ Forfás/ Industry)

### **Update:** Complete.

The *Pathways to Work* strategy was launched on February 23<sup>rd</sup> 2012. Pending full establishment of both NEES and SOLAS as well as the completion of the amalgamation of Vocational Education Committees into Local Education and Training Boards, interim protocols have been agreed to facilitate effective collaboration. *Pathways to Work* identifies the communication relationships being established:

- An Inter-Departmental Programme Board has been established to involve stakeholders and co-ordinate activities across the wider public service. The board is chaired by the Department of Social Protection and includes representatives of the Department of Education and Skills, Jobs, Enterprise and Innovation, the Department of Public Expenditure and Reform, the Department of the Taoiseach and the Director General of FÁS/SOLAS.
- The Activation agenda, including the NEES /SOLAS relationship, will be a standing item on the agendas of the Management Board of the Department of Social Protection and Management Advisory Committee (MAC) in the Department of Education & Skills. The Department of Social Protection will have a representative on the MAC of the Department of Education and Skills.
- A Department of Social Protection representative will be on the SOLAS Board.

There will be active engagement with stakeholders, including, in particular, employers and higher education providers by the Department of Social Protection/NEES and the Department of Education and Skills/SOLAS as services develop to ensure that education and training provision is further aligned with enterprise needs.

Action 1.35: Respond to immediate shortages in the ICT sector.

**Quarter 1 Commitment:** Maximise the uptake of Springboard ICT programmes, Job-bridge National Internship Programme, and introduce a Higher Diploma Level 8 Conversion Programme. (DES)

**Update:** Complete.

- ICT is a key skills area under the Springboard 2012 Call for Proposals. A range of improvements are being implemented for the second year of the initiative. These are designed to maximise the take-up and enhance the broader outcomes from Springboard 2012, including in the area of ICT.
- Iob-bridge is promoted through a dedicated website and information on the programme is available from a wide range of employer, academic and job search organisations such as IBEC, Chambers of Commerce, higher education institutes and training centres, and FÁS. Recent activities to maximise the uptake of the programme include two events in the Greater Dublin Area as part of the regional roadshow programme for Job-bridge and presentations to an event hosted by the Drogheda Chambers of Commerce. The promotion of the Scheme will be discussed further at the next National Steering Group meeting in April where it is anticipated that future plans regarding promotional activity will emerge.
- Launched in January 2012, the ICT Skills Programme provides a total of 768 free fee places across 21 ICT Skills Conversion Higher Diploma programmes in core computing and programming.

**Quarter 1 Commitment:** Ensure that higher education programmes in ICT are aligned to changing needs including the establishment of a high level ICT Foresight Group to strengthen further the dialogue between key industry and HEI decision makers. (DES)

**Update:** Complete.

A high level ICT Foresight Group had been established and had its first meeting on January 30<sup>th</sup> 2012. The Group comprises representatives from industry and the higher education sector and is chaired by the HEA. The Group, which will meet biannually, will reconvene in June 2012 to consider the findings of two sub-groups on (i) student placements and internships and (ii) programme provision.

Action 1.38: Improve linkages between higher education and enterprise.

**Quarter 1 Commitment:** Publish guidelines for the establishment of higher education institutional clusters at a regional level to support enterprise development and employment needs. (HEA)

**Update:** Complete.

The HEA published Guidelines on Regional Clusters on February 13<sup>th</sup> 2012. These detail the core objectives of clusters, including coordinated regional engagement, the provision of a range of access, transfer and progression pathways through further and higher education; and the coordination of programme provision to minimise duplication and enhance the diversity of offerings.

### Infrastructure Investment to Underpin Employment Growth

**Action 1.44:** Ensure that transport infrastructure supports enterprise development and sustainable job creation by the targeted upgrading of specific road and public transport infrastructure where such projects are clearly demonstrated as critical to economic development through improving competitiveness and market access.

**Quarter 1 Commitment:** Identify specific projects critical to economic development. (DTTS / DJEI / Enterprise Agencies)

**Update:** Complete.

Within available and reduced resources the Department of Transport, Tourism and Sport has recently prioritised two road projects for funding at the request of IDA and the Department of Jobs, Enterprise and Innovation to facilitate developments by FDI companies in Cork and Dublin. The Department of Transport, Tourism and Sport has also requested IDA and Fáilte Ireland to advise on the transport projects which would support their investment and/or marketing programmes over the next few years especially in the context of any additional resources for capital investment becoming available.

### Reduced Costs through Sensible Regulation

**Action 1.49:** Audit and review the multiplicity of licences required by businesses to assess the potential for discontinuing some licences and for amalgamating licences.

**Quarter 1 Commitment:** Develop scope and Terms of Reference. (Forfás)

**Update:** Complete.

The initial scoping indicates that the project will involve a review and assessment of the number of licences specific to a range of key sectors including waste management, public houses, retail (corner shop/petrol station), hospitality (B&B/Restaurants), construction related contractors (plumbing/electrical), hauliers; pharmacies, food processing, and manufacturing enterprises. It will assess:

- The potential to discontinue and/or amalgamate some licences;
- The cost burden including licence fees, the initial application and renewal processes and related costs (legal, advertising etc), and costs of on-going compliance;
- The burden arising from the multiplicity of related inspections.

The work may also consider the effectiveness, or otherwise, of enforcement in incentivising compliance. The research will deliver an evidence based final report that will provide guidance to Government and the relevant licensing authorities on opportunities for a more streamlined licensing process, and a tangible reduction in the regulatory cost burden for businesses in Ireland, particularly for small businesses.

**Action 1.51:** Launch a single web portal for business compliance information.

**Quarter 1 Commitment:** Identify primary business regulations (e.g. health & safety, taxation, employment law etc.). (DJEI)

**Update:** Complete.

A web portal for business compliance information has been developed containing information on regulations affecting business in key areas including taxation, health & safety, environment, employment law, company law and statistics. The portal also provides links to regulatory requirements administered by the Local Authorities. These key regulations generally apply to all sectors of the economy.

The portal also links to sector specific regulations in the areas of agriculture, food, fisheries, construction, retail, e-selling, transport, hospitality, security, and pharmacies.

The content has been informed by extensive consultations with the High Level Group on Business Regulation, the Advisory Group on Small Business, regulatory bodies, and focus groups with business representative bodies and individual companies.

Progress on the portal has exceeded the times scales envisaged and it is anticipated that it will be launched in Q2 in advance of the initial Q3 timeframe.

**Action 1.52:** Ensure that all requirements for establishing businesses which are amenable to electronic compliance will be available on line.

**Quarter 1 Commitment:** Identify all regulatory requirements for establishing a business, which ones are already allow online compliance, and which ones have potential to be complied with online. (DJEI)

**Update:** Complete.

The generic regulatory requirements for establishing a business (other than licensing requirements for certain sectors which is dealt with under Action 1.49) have been mapped. Most are already available on-line. Those that are not yet available on-line will be examined further to determine their feasibility for development.

# 2. Supporting Indigenous Start-Ups

**Action 2.1:** Enact legislation to reflect the Budget announcement to extend the corporation tax holiday for those companies that commence a new trade in the years 2012, 2013 and 2014. (D/Finance)

**Update:** Complete.

The extension of the corporation tax holiday for those companies that commence a new trade in the years 2012, 2013 and 2014 is contained in the Finance Act 2012.

Action 2.2: Establish a new "one-stop-shop" micro enterprise support structure through the dissolution of the existing CEB offices and the creation of a new Micro Enterprise and Small Business Unit in Enterprise Ireland that will work with Local Authorities to establish a new network of Local Enterprise Offices (LEOs) in each Local Authority. The new LEOs will combine the enterprise support service of the previous CEBs and the business support work of the Business Support Units in the Local Authorities. A key role will be providing mentoring for micro-business.

**Quarter 1 Commitment:** Seek formal Government Approval to proceed with the above action. (DJEI)

**Update:** Complete.

The Government has approved the establishment of a new "one-stop-shop" microenterprise support structure through the dissolution of the existing CEBs and the formation of Local Enterprise Offices

**Quarter 1 Commitment:** Establish Working Group composed of all relevant Stakeholders to progress the issue. (DJEI)

**Update:** Complete.

Initial draft Terms of Reference for the Working Group have been scoped. Informal discussions have taken place with representatives of the CEB Network, Enterprise Ireland and the Department of Environment, Community and Local Government. Contact has also been made with representatives of the CEB Chairpersons and the City and County Managers Association. On foot of the Government decision on the new support structures for microenterprises, the first meeting of the Working Group will be convened shortly.

**Quarter 1 Commitment:** Initiate discussions with the Office of the Attorney General on the legal dissolution of the CEBs and transfer of functions to EI. (DJEI)

**Update:** Complete.

Informal contact has been made with the Office of the Attorney General and following receipt of a formal Government decision this will be further progressed.

**Action 2.3:** Roll-out the micro-finance fund, to provide loans of up to €25,000, targeted at start-up, newly established, or growing micro enterprises across all industry sectors.

Quarter 1 Commitment: Allocate funding of €10m. (DJEI)

**Update:** Complete.

The required funding of €10m has been allocated for the scheme in the Department of Jobs, Enterprise and Innovation's Vote for 2012.

**Quarter 1 Commitment:** Finalise delivery structure of Microfinance retail lending facility. (DJEI)

**Update:** Complete.

The delivery structure for the Microfinance lending facility has been finalised. Loans from the Microfinance Fund will be administered under the remit of the Social Finance Foundation. Heads of a Bill to give effect to the Fund have been agreed by Government and the Bill is due for publication in Q2 2012.

**Quarter 1/2 Commitment:** Following establishment of facility apply to EIF for guarantee facility. (Microfinance Fund (DJEI))

**Update:** Complete.

Initial engagement has taken place with the EIF in relation to seeking the guarantee facility. As indicated in the Action Plan, this process will continue in Q2 2012.

**Action 2.4:** Promote the improved Seed Capital Tax Relief Scheme for new start-ups, which will now apply to a wider range of sectors. This Scheme provides for a refund of tax paid by an individual, including those unemployed, who sets up and takes employment in a new business. (D/Finance / DJEI / Enterprise Ireland / Business Associations)

**Update:** Complete.

Information on the enhanced Seed Capital Tax Relief Scheme is available on the websites of Enterprise Ireland, the CEBs, and the Revenue Commissioners. The Scheme has also been highlighted in the recently published "Supporting Job Creation" leaflet and in the media through coverage on shows such as "The Business" on RTE Radio 1.

Action 2.5: Establish a new Community Enterprise Development Programme for the maintenance or establishment of a strong business development function in the Community Enterprise Centres funded by Enterprise Ireland. This will see up to 30 centres benefit from a full-time business development function, providing a 50% grant towards eligible costs or €50,000 over two years.

### **Quarter 1 Commitments:**

- Target 30 Centres for new Community Enterprise Development Programme
- Provide a full-time business development function, 50% grant towards eligible costs or €50,000 over two years.

(DJEI/EI)

**Update:** Complete.

The Programme is now underway with the call for proposals closing on April 9<sup>th</sup> 2012. The evaluation panel met on April 16<sup>th</sup>, and decisions will be announced formally in Q2 2012.

**Action 2.11:** Launch a new *Women in Business Start-Up* drive.

**Quarter 1 Commitment:** Design, and launch a promotional drive for women in business with an emphasis on start-ups. (EI)

**Update:** Delayed.

Enterprise Ireland has assigned responsibility for Female Entrepreneurship to a senior manager within the High Potential Start-Up division. This manager is being supported by the team within the division to design and launch the initiative. Three focus groups were held in March 2012 to assist in the design phase. The design phase is expected to conclude in early June 2012 with an initiative expected to be agreed by the Board of Enterprise Ireland at that time, with a subsequent launch.

# 3. Assisting Indigenous Businesses to Grow

**Action 3.2:** Enterprise Ireland and the IDA will establish a senior management team to drive effective collaboration on key priorities such as:

- Attracting inward entrepreneurs;
- Maximising procurement opportunities for Irish business with MNCs; and
- Coordinating a new faculty of leading edge companies to provide peer to peer learning to Irish companies.

In addition, Enterprise Ireland and the IDA will explore opportunities to further strengthen linkages including an 'informal adoption' arrangement between MNCs and SMEs.

**Quarter 1 Commitment:** Establish team and put in place plan to drive effective collaboration with associated targets. (EI/IDA)

**Update:** Complete.

Enterprise Ireland and IDA Ireland have established the senior management team to drive collaboration and support delivery on the key priorities as outlined above. The team is currently developing a work plan to drive collaboration with associated targets.

**Action 3.4:** Support industry-led clustering in key areas of export opportunity, based on new models, industry proposals, and newly developed niche market strategies.

**Quarter 1 Commitment:** Develop an approach and a programme to support industry-led clustering, taking account of best practice, and industry views. (DJEI/ Forfás/ EI/ Industry)

**Update:** Delayed.

A working group comprising the Department of Jobs, Enterprise and Innovation, Forfás, Enterprise Ireland and IDA Ireland met on March 13<sup>th</sup> to progress development of an approach and a programme to support industry-led clustering. The group identified a number of areas where there may be potential to stimulate further industry-led clustering. The group also identified some of the key principles which a clustering programme should embody. Early stage consultations with industry were undertaken during April.

Enterprise Ireland has also assigned responsibility for clustering initiatives to a Senior Manager. Enterprise Ireland met with a cohort of companies in Q1 2012 to explore industry proposals and has also engaged with Invest Northern Ireland as part of an assessment of best practice.

From the developments to date, it is clear that a new programme must be tailored to respond to specific gaps or market failures and must have clear objectives and anticipated outcomes. In this context, further work needs to be undertaken in Q2 - building on the progress made in Q1 - with a view to finalising the design of the programme.

The roll out of the clustering programme is scheduled for Q3 in line with the Action Plan commitments.

**Action 3.6:** Establish a faculty of elite / leading edge indigenous businesses organised on a regional and/or national basis to promote peer to peer learning, experience sharing and collaboration with companies aspiring to leading positions.

**Quarter 1 Commitment:** Review existing initiatives to promote peer to peer learning, experience sharing and collaboration, to identify factors critical to broadening the adoption of such models across Ireland. (EI)

**Update:** Complete.

Enterprise Ireland is now intensively engaged with a number of initiatives (e.g. FUSE, collaborative activities on procurement, Techovate in Wexford) and is currently examining these with a view to replicating success in other regions, with an early candidate being a procurement initiative in the mid-West.

**Action 3.10:** Establish a new Potential Exporter Division to stimulate greater activity within companies across all regions and to reorient those demonstrating real growth potential from the domestic to the international market place. The new unit will provide assistance designed to aid client companies investigate, prepare and execute an international strategy including:

- Practical business advice, information and market intelligence
- Targeted funding supports where appropriate
- Suitable training and development

**Quarter 1 Commitment:** Division Operational (EI)

**Update:** Complete.

The Potential Exporters Division in Enterprise Ireland was officially launched on March 9<sup>th</sup> 2012. The Division aims to support more indigenous companies to trade in foreign markets and has launched a new programme of supports, "Get Export Ready" tailored specifically for pre-export and early stage exporting companies.

**Action 3.11:** Introduce a Foreign Earnings Deduction (FED) as announced in Budget 2012, to further support the export drive by aiding companies where an individual spends 60 days a year developing markets for Ireland in Brazil, Russia, India, China and South Africa, and examine the extension of the FED to other countries beyond this initial group. (D/Finance)

**Update:** Complete.

The FED is detailed in the Finance Act 2012 which was signed into law on March 31<sup>st</sup> and provides a deduction from income for income tax purposes up to a maximum of €35,000 for employees who travel abroad to certain countries as part of the duties of their employment.

The deduction will be provided for an introductory period of three years, at which point it will be reviewed. Depending on the outcome of that review, the Minister will decide whether the relief should be retained and extended to support exports to other countries.

**Action 3.12:** Roll out a schedule of sector specific Trade Missions and market evaluation Missions that reflect the priority markets identified in the Trade Strategy as well as firms' interest and stage of development, aiming for at least 15 Ministerial-led Missions.

**Quarter 1 Commitment:** Prepare schedule of Missions. (DJEI / DFAT / EI / DTTS/ Tourism Ireland)

**Update:** Complete.

A schedule of trade missions has been prepared for 2012. The schedule currently anticipates there will be approximately 20 Minister led missions during the year.

A number of these missions took place in March 2012, notably a trade mission to China led by the Taoiseach. March also saw Minister-led sectoral trade missions to China (education services) and Turkey (engineering, telecommunications and waste water), as well as a technology visit to Austin, Texas and a market evaluation mission to Sweden and Finland, both of these also Minister-led. During the course of 2012, a total of 4 missions will be undertaken to China and plans are also in place for missions to India, Russia, Brazil, South Africa, Japan and to the key Gulf States, in addition to some of our more traditional export markets in the EU and North America.

**Action 3.16:** Develop and implement local market plans as provided for in the Strategy for Trade, Tourism and Investment for key high-growth regions and through the Export Trade Council work to optimise the resources of embassies and agencies to deliver ambitious targets.

**Quarter 1 Commitment:** Update Market Access Plans for each high growth market. Evaluate in context of Agencies' present strategies. (D/FAT / DJEI / Enterprise Agencies / DTTS / Tourism Ireland)

**Update:** Complete.

The meeting of the Export Trade Council on February 16<sup>th</sup> considered the Market Plans for 2012 prepared by local market teams, each chaired by the relevant Ambassador, and covering the 27 priority markets identified under the Government's Trade Strategy.

The Tánaiste underlined the need for the State Agencies to engage fully in the local market teams and for all to work in the most joined up way possible with the Embassies in priority markets.

**Action 3.17:** Promote Enterprise Ireland's 'Source Ireland' portal to market Irish goods and services abroad. (EI)

**Update:** Complete.

Enterprise Ireland's "Source a Product or Service from Ireland" web page contains profiles of Irish suppliers of goods and services across a wide range of sectors. It includes company contact details for those wishing to source goods or services from Ireland.

"Source a Product or Service from Ireland" is a priority link on Enterprise Ireland's website homepage and enables those seeking to source a product or service from Ireland to browse for information or to submit an enquiry to Enterprise Ireland in relation to their business needs. The webpage is promoted by Enterprise Ireland's overseas offices, as well as by its offices based in Ireland. Additional material on company profiles which have been used on recent Irish Trade Missions abroad has been added to the webpage and the overseas offices have been asked to promote this.

To further market Irish goods and services abroad, Enterprise Ireland has assigned responsibility for Global Sourcing to a senior manager. This role encompasses management of the "Source a Product or Service from Ireland" webpage. Promotion of the "Source" page is an ongoing process and the progress made in Q1 of 2012 will be built upon in subsequent quarters. In this context, the Global Sourcing manger is developing a plan to build on the existing architecture for sourcing queries and promotion in the context of the wider Global Sourcing initiative outlined in the Action Plan for Jobs.

**Action 3.19:** Reallocate up to €1.2 million per annum from the National Training Fund to fund management development networks and mentors for SMEs through Skillnets.

Quarter 1/2 Commitment: Pilot programme to be designed and developed. (DES/ Skillnets)

**Update:** Complete.

The €1.2m has been allocated to Skillnets as part of their overall 2012 allocation. This has been ring fenced for this pilot programme. The design and development of the pilot programme is ongoing at present.

**Action 3.22:** Promote the achievement of standards such as ISO 9001 and similar management standards.

**Quarter 1 Commitment:** Survey of ISO 9001 users to understand full benefits and any drawbacks. (NSAI)

**Update:** Complete.

ISO 9001:2008 outlines the requirements for Quality Management Systems. It is firmly established as the international standard for providing assurance about the ability to satisfy quality requirements and to enhance customer satisfaction in supplier-customer relationships.

Survey responses have been received from over 200 Irish firms. Of these, over 70% stated that Quality Management Systems assist in meeting business and market needs, support customer satisfaction, improve organisational performance, increase confidence in producing conforming products, create a competitive advantage and improve an organisation's understanding of its processes.

**Action 3.23:** Support companies to develop best HR practice and standards for improved talent development and retention.

Quarter 1 Commitment: Re-launch updated Excellence Through People scheme. (NSAI)

**Update:** Complete.

The *Excellence Through People* scheme was re-launched under the National Standards Authority of Ireland on January 30<sup>th</sup> 2012. The scheme provides a business improvement model for organisations to enhance performance and realise strategies through the development of their people and is attainable by all organisations, in both the public and private sector, regardless of their size. More than 30 Irish and Irish based multinational companies were certified to the scheme in Q1 2012.

Action 3.29: Design and implement a new Development Capital Scheme, aimed at addressing a funding gap for mid-sized, high-growth, indigenous companies with significant prospects for jobs and export growth. This Scheme will support companies which would not generally fall within the focus of seed or venture capital funds, by leveraging further institutional capital. €50 million of State investment is expected to leverage up to an extra €100 million in private sector funding.

**Quarter 1 Commitment:** Design of Development Capital initiative and launch of call for Expressions of Interest. (EI)

**Update:** Complete.

The Development Capital Scheme has been designed and was launched on April 12<sup>th</sup>.

**Action 3.30:** Roll-out the temporary targeted partial credit guarantee scheme, to complement existing initiatives to improve the credit environment and to address specific market failures.

Quarter 1 Commitment: Publication of Credit Guarantee Bill. (DJEI)

**Update:** Complete.

The Credit Guarantee Bill was published on April 11<sup>th</sup>.

Quarter 1 Commitment: Appointment of an Operator (DJEI)

**Update:** Complete.

Following a competitive tendering process, the Department of Jobs, Enterprise and Innovation has awarded a preliminary contract with an Operator to manage the preparatory work for the Guarantee Scheme. This will enable swift implementation of the Scheme following enactment of the legislation.

**Action 3.31:** Launch a second call under Innovation Fund Ireland (worth approximately €60 million) to attract additional significant venture capital players to Ireland.

Quarter 1 Commitment: Launch second call. (EI)

**Update:** Complete.

On March 16<sup>th</sup> 2012, the Minister for Jobs, Enterprise and Innovation issued a global call to top venture capitalists to signal their interest in establishing a presence in Ireland. As part of the second call under Innovation Fund Ireland, the Government through Enterprise Ireland will invest a total of more than €60 million in venture capital funds which establish a presence in Ireland.

The Minister also announced a joint investment by Enterprise Ireland and the National Pension Reserve Fund (NPRF) in Sofinnova Ventures, one of the premier US healthcare venture capital funds, as part of the first Innovation Fund Ireland call. These investments will help ensure that Irish based high-tech companies in key sectors can have access to venture capital funds. It is expected that similar investments will follow as part of the second call announcement.

**Action 3.34:** Monitor closely the lending targets for pillar banks and ensure these targets are met, and develop a sharper focus on the "new money" element.

### **Quarter 1 Commitments:**

- Pillar banks to produce quarterly reports which incorporate figures for sanctions and draw-downs by SMEs. (D/Finance / Credit Review Office)
- The pillar banks to also provide monthly figures on balance sheet volumes, sanctioned facilities and area based and industrial breakdowns of their SME lending. (D/Finance/ Credit Review Office)

**Update:** Complete.

The pillar banks have provided figures on balance sheet volumes, sanctioned facilities and area based and industrial breakdowns of their SME lending on a monthly basis to date in Q1. The Economic Management Council met with the pillar banks to discuss a range of issues in relation to SME business, including the availability of credit, on February 21<sup>st</sup> 2012.

**Action 3.35:** Engage with stakeholders on the findings revealed in credit supply and demand surveys with a view to identifying and addressing blockages in the system. (D/Finance/Credit Review Office/DJEI)

**Update:** Complete.

On foot of the independent Mazars survey of SME credit which was published late last year, six regional meetings with local stakeholders have taken place to date (Dundalk, Dublin, Cork, Waterford, Galway, and Sligo). The meetings were hosted by the Minister for Small Business, supported the Secretary General in the Department of Finance. The aim of these meetings is to examine further the actions which might be taken by the Government to improve access to credit for SMEs.

**Action 3.44:** Make available an Official Notice regarding the Government's current 15 day Prompt Payment Practice. (DJEI)

**Update:** Complete.

In March, the Department of Jobs, Enterprise and Innovation published an Official Notice regarding the Government's current Prompt Payment Practice.

Industry Representative Associations have been asked to make this Official Notice available (including online) for use by their members, to accompany invoices to public bodies reminding them of their obligation to pay suppliers within 15 days of receipt of a valid invoice. The Official Notice is also available on the DJEI website.

**Action 3.46:** Simplify and extend the Employer Job (PRSI) Incentive Scheme, which exempts employers from liability to pay their share of PRSI for certain employees. The scheme will be extended to cover the first 18 months of employment. (DSP)

Eligibility criteria for the scheme will be amended to;

- Allow time spent on the Work Placement Programme and JobBridge count as the qualifying period for the scheme
- Allow persons on eligible payments undertake short SOLAS courses without impacting on their eligibility
- Allow time spent in casual employment count towards the qualifying period for the scheme, where a person is progressing to a new full-time job offered by a different employer

 Allow linking periods for illness payments provided on qualifying payment immediately prior to commencement of employment

**Update:** Complete.

Applications for Scheme are being accepted based on the extended period and expanded eligibility criteria set out above. Information on the simplified and extended Employer Job (PRSI) Incentive Scheme is available on the DSP website.

Action 3.47: Target the increased take-up of support schemes available to employers who take on additional workers, such as Revenue Job Assist and the Employer Job (PRSI) Incentive Scheme, by increasing employers awareness of the schemes through relevant Departments, agencies and business and employer representatives; we will actively monitor the take-up of the schemes and remove any identified obstacles to increased take-up.

**Quarter 1 Commitment:** Agree targets (DSP)

**Update:** Complete.

More than 900 people were approved under the Employer Job (PRSI) Incentive Scheme in 2011. The Department of Social Protection has now set a target of 2,000 people for approval under the Scheme in 2012.

As per Action 3.46 above, the Scheme has been simplified and the duration has been extended to cover the first 18 months of employment. The eligibility criteria have also been expanded. It is expected that these improvements to the Scheme, coupled with increased awareness of the Scheme through greater promotional activities will lead to increased take-up of the Scheme.

Information on the Scheme is being promoted by the Department of Social Protection in a number of ways including through the Department website and information booklets. It was covered in the *Pathways to Work* programme launch and associated press releases. DSP is also contacting a mailing list of 4,500 employer contacts outlining the extension of the scheme.

The Revenue Job Assist Scheme is publicised and promoted through detailed information leaflets on the Revenue website. Revenue is sending copies of the leaflets to employers and is currently reviewing the best approach for this in terms of cost effectiveness and impact. Revenue also engages with employer and business representative organisations on an ongoing basis and is seeking to leverage these engagements so as to increase awareness of the Job Assist Scheme.

**Action 3.49:** Facilitate more SMEs in competing for procurement opportunities by ensuring that pre-qualification criteria (e.g. turnover, insurance thresholds, experience) for public procurement contracts are proportionate.

**Quarter 1 Commitment:** Identify areas in procurement which appear to create difficulties for SMEs in accessing procurement opportunities and provide clarifications to contracting authorities on the operation of Procurement Circulars, where necessary. (NPS / D/PER)

**Update:** Complete.

The National Procurement Service (NPS) have published the results of a survey to "Assess Opportunities in Public Sector Procurement." One of the areas examined was the issue of the extent to which public purchasers and private suppliers were aware of circular 10/10 (Facilitating SME participation in Public Procurement). The NPS and the Department of Public Expenditure and Reform are examining the findings of this survey and will develop proposals to ensure that the requirements contained in public tendering processes are proportionate to the needs of the contract.

**Action 3.52:** Initiate a campaign to encourage more SMEs to register on the Government's eTenders website to enable forthcoming procurement opportunities to be brought to their attention.

**Quarter 1 Commitment:** Initiate a campaign to encourage greater SME registration on eTenders, including identifying some "shining examples" of successful SMEs with support from small business representatives. (NPS / EI / DJEI / Small Business Representatives)

**Update:** Complete.

An extensive, multifaceted campaign is ongoing to encourage more SMEs to register on the national procurement platform. Currently there are some 80,000 SMEs registered of which 75% are Irish. This represents a significant increase from 55,000 prior to the involvement of the National Procurement Service. The campaign to promote registration includes:

- Specific call for registration from Minister of State Brian Hayes T.D. at a major procurement event in January 2012
- Specific modules on registration of SMEs at all workshops and presentations given nationwide by NPS. To date, the NPS has spoken directly to some 3,000 SMEs on this.
- Press releases and interviews given to national media outlets highlighting the need for registration on www.eTenders.gov.ie.
- The NPS has established a Working Group on SMEs attended by all the main employer/industry representative groups in addition to all sectors of the public service.

Among many other items discussed, the issue of registration has been placed firmly on the Group's agenda. It is hoped that all representative groups will encourage their members to register.

In a further effort to highlight the role that SMEs can play in public service procurement, the NPS arranged a major media event for April 3<sup>rd</sup> 2012 where the Taoiseach and Minister of State Brian Hayes met a group of SMEs who have successfully secured contracts with the public service. This event was supported by a press release to the national media.

Enterprise Ireland also directly encourages registration on the eTenders website by client SMEs as part of ongoing company engagement with the Global Sourcing and Public Procurement Team and through publicising registration with small business representative organisations.

**Action 3.53:** Develop a Procuring Innovation initiative to increase the purchasing of innovative solutions from SMEs by encouraging a more flexible approach to tendering that focuses on procuring solutions to specific needs, rather than specific products or services.

**Quarter 1 Commitment:** Hold a Round Table with key procuring authorities to outline the objectives of the new initiative. Identify and use examples to support the initiative. (DJEI/EI/NPS)

**Update:** Complete.

The Roundtable took place on April 2<sup>nd</sup> and was attended by senior representatives from key procuring bodies. The objectives of the Procuring Innovation initiative were outlined and a number of companies presented examples of innovative solutions which they have delivered to the public sector. The Roundtable discussions will be built on in Q2.

**Action 3.54:** Identify a number of key projects across Government that will provide subcontracting and supply chain opportunities for SMEs through pre-qualification panels.

**Quarter 1 Commitment:** As part of a Round Table with key procuring authorities, consult with Departments/ Agencies, particularly in the context of the capital framework, to identify suitable projects for principal contractor/sub-contractor approach. (NPS/ DJEI/ EI)

**Update:** Complete.

The Roundtable took place on April 2<sup>nd</sup> and was attended by senior representatives from key procuring bodies. The objectives of the Supply Chain initiative were outlined and will be built on in Q2.

## 4. Attracting Inward Entrepreneurial Start-Ups

**Action 4.1:** In the context of process set out in Action 3.2 above, EI and IDA will work together to attract inward start-ups with ambitious targets for start-ups and jobs potential.

**Quarter 1 Commitment:** Establish team and put in place plan to drive effective collaboration with associated targets. (EI/IDA)

**Update:** Complete.

Enterprise Ireland and IDA Ireland have established the senior management team to drive collaboration and support delivery on the key priorities as outlined above. The team is currently developing a work plan to drive collaboration with associated targets.

**Action 4.7:** Put in place attractive immigration arrangements to facilitate entrepreneurs from outside the EEA in establishing businesses in Ireland through the Immigrant Investor Programme and the Start-up Entrepreneur Programme:

- The Immigrant Investor Programme will allow approved participants and their immediate family members to enter the State on multi-entry visas and to remain here for a defined period;
- The Start-up Entrepreneurship Programme will allow migrants with a good business idea in the innovation economy and funding of €75,000 to be given residency in the State for the purposes of developing their business.

### **Quarter 1 Commitments:**

- Establish evaluation committee for investment and entrepreneur applications (DoJ/ INIS)
- Put in place application process, forms, fee structure etc. (DoJ/ INIS)
- Launch Programme (DoJ/INIS)

**Update:** Complete.

On March 13<sup>th</sup> 2012, the Minister for Justice and Equality, formally announced the date of commencement of the two new immigration programmes aimed at stimulating investment and job creation in Ireland. The new initiatives, which were approved by Government in January, will be known as i) The Immigrant Investor Programme, and ii) The Start-up Entrepreneur Programme.

The programmes are open for applications from April 15<sup>th</sup>. Application forms are available for download from March 30<sup>th</sup> together with detailed guidelines on the application process, including a comprehensive collection of "Frequently Asked Questions."

# 5. Developing and Deepening the Impact of FDI

Action 5.6: Deliver the Diaspora 'job finder's fee' scheme - Succeed in Ireland.

**Quarter 1 Commitment:** Launch initiative (IDA)

**Update:** Complete.

The "Succeed in Ireland" initiative was launched by the Taoiseach, the Tánaiste, and the Minister for Jobs, Enterprise and Innovation on March 8<sup>th</sup>. The initiative aims to create 5,000 jobs within five years by targeting international companies and business people, who would otherwise not be reached by the State enterprise agencies, for employment opportunities to Ireland.

**Action 5.7:** Introduce a package of measures in the Finance Bill to support the continued success of the international funds industry, the corporate treasury sector, the international insurance industry and the aircraft leasing industry. (D/Finance)

**Update:** Complete.

The Finance Act 2012 contains 13 sections which introduce 21 individual measures to support the ambitious jobs targets contained in the new Strategy for the International Financial Services industry. In summary, the measures enhance the competitive position of the sector through:

- Reducing double taxation in the corporate treasury and aircraft leasing sectors,
- Providing clarity around the tax treatment of complex financial transactions in terms of stamp duty in particular,
- Addressing tax issues arising for investment funds due to the UCITS IV Directive which was implemented on July 1<sup>st</sup> 2011; and
- Further easing the administrative burden in relation to non-resident investors in Irish investment funds.

Taken together with the SARP and the FED, the measures represent a significant package which will support the competitiveness of the international financial services industry in Ireland.

**Action 5.8:** Introduce a Special Assignee Relief Programme to allow multinational and indigenous companies to attract people to Ireland so as to create more jobs and to facilitate the development and expansion of businesses in Ireland. (D/Finance)

**Update:** Complete.

This item is contained Finance Act 2012 which was signed into law on March 31<sup>st</sup>. This programme will reduce the cost to employers of assigning key individuals in their companies from abroad to take up positions in the Irish based operations of the employer. For example, such individuals could be transferred to head up new divisions of the company or take charge of new product development and thus the relief has the potential to lead to additional investments in Ireland.

The scheme will be introduced for an initial three-year period ending on December 31<sup>st</sup> 2014, in order to allow for review. Any assignee that avails of the scheme during this time will have access to the relief for the period of their assignment, up to the maximum 5 years.

**Action 5.9:** Utilise the Global Irish Network as official advocates of new and expanded FDI investment in Ireland including introductory meetings, briefings and establishing a restricted website access portal on IDA Ireland website to provide communication and information to relevant Diaspora.

Quarter 1 Commitment: Identify Diaspora who will partake in the initiative. (DFAT/IDA)

**Update:** Complete.

A Register of Advocates, made up of more than 130 influential members of the Irish Diaspora worldwide has been set up in the following areas: Foreign Direct Investment; Tourism; promoting Irish businesses abroad; and the promotion of Irish culture. The Registers for the Banking/Financial Services and Reputational Enhancement will be finalised shortly.

Working with Irish Government Departments and the State Agencies, these Advocates will play a key role in facilitating high level access for the Government and Irish companies; spreading key messages through business connections and media markets; and undertaking specific project work.

**Action 5.10:** Intensify focus on attracting sub-suppliers to existing multinational base to locate in Ireland.

**Quarter 1 Commitment:** Examine potential supply chain niche areas across the portfolio in sub-supply, technology partnerships etc. (IDA Ireland)

**Update:** Complete.

IDA is looking at opportunities across the sub-supply area in relation to both attracting inward investment, and increasing sales from existing Irish based companies. IDA is examining the portfolio of companies in terms of their purchases to inform both this overall action and action 3.2 (maximising procurement opportunities for Irish business with MNCs). A first run at identifying companies with a purchasing function in manufacturing sectors is complete. This information will inform actions in Q2 to identify specific opportunities.

**Action 5.11:** Enterprise Ireland and the IDA will establish a senior management team to deliver on key priorities such as:

- Attracting inward entrepreneurs;
- Maximising procurement opportunities for Irish business with MNC's; and
- Coordinating a new faculty of leading edge companies to provide peer to peer learning to Irish companies.

In addition, Enterprise Ireland and the IDA will explore opportunities to further strengthen linkages including an 'informal adoption' arrangement between MNCs and SME's.

**Quarter 1 Commitment:** Establish team and put in place plan to drive effective collaboration with associated targets (EI/IDA)

**Update:** Complete.

Enterprise Ireland and IDA Ireland have established the senior management team to drive collaboration and support delivery on the key priorities as outlined above. The team is currently developing a work plan to drive collaboration with associated targets.

## 6. Developing Employment Initiatives within the Community

**Action 6.5:** Develop a new sectoral strategy to promote employment, and support local enterprise by Local Government, to include measures in the area of business charges, local enterprise and business support arrangements, procurement support, local development and community based initiatives, the Green Economy and local government participation in employment support schemes. These measures will complement, and assist in the delivery at a local level, of other actions set out in this Action Plan.

**Quarter 1 Commitment:** Establish Strategy Working Group. (D/EC&LG/ Local Authorities/ DJEI)

**Update:** Complete.

A wide range of measures and support/promotional structures are already in place across the local government system to engage with local business and to encourage enterprise. Practices can vary depending on local circumstances, needs and opportunities. A Working Group has been established by the County and City Managers Association (CCMA Sub-Committee on Economic Development). This Group consists of five Directors of Service and two County Managers. It has met with the Department of the Environment, Community and Local Government on two occasions and arrangements are being made for it to engage with the Department of Jobs, Enterprise and Innovation. The identification of best practices in the provision of business supports is being progressed. This will feed into the development of a strategy, tailored to local circumstances, to be rolled out across all local authority areas.

Action 6.7: Commission a report on the potential of social enterprise to create jobs, with a view to completion by end 2012. The report will identify the actions required, in funding, procurement, etc, by Government and other relevant bodies and agencies to create jobs in this sector. It will examine potential initiatives in this area (e.g. a Micro-Working Initiative) and will be prepared with particular reference to the European Commission's Social Business Initiative and associated funding.

Quarter 1 Commitment: Project scoping and initial research. (Forfás)

**Update:** Complete

The project scoping and initial research has involved discussions with relevant parties – the Department of Jobs, Enterprise and Innovation, Scottish Enterprise, Meitheal Mid-West, the Cooperative Development Society, and Dunhill Rural Enterprises Ltd. to progress the final terms of reference. The final report to the Minister for Jobs, Enterprise and Innovation will outline the potential for the sector to create jobs and set out recommendations for the sector.

Action 6.10: Deliver a new round of the Sports Capital Programme (SCP) in 2012.

**Quarter 1 Commitment:** Finalise application form and terms and conditions for new round of the SCP. (DTTS)

**Update:** Complete.

The SCP was launched on March 28<sup>th</sup> 2012. The €30 million fund is the main channel of Government support for developing sports facilities and purchasing sports equipment for sports clubs and organisations across Ireland. Information on the programme, eligibility criteria and details on the application process are available on a dedicated website.

**Quarter 1 Commitment:** Advertise new round of the SCP (DTTS)

**Update:** Complete.

The SCP is being advertised and promoted widely. In addition to a dedicated website on the SCP, the launch of the programme has received coverage in national and local newspapers and material on the programme has been disseminated widely through national, regional and local sports organisations and clubs e.g. the Football Association of Ireland, Leinster Rugby and the GAA.

## 7. Exploiting Sectoral Opportunities

## Health/LifeSciences

**Action 7.2.1:** Deliver a Health Innovation Hub to drive collaboration between the health system and commercial enterprises leading to the development and commercialisation of new healthcare technologies, products, services and start-ups emerging from within the health system and/or firms.

**Quarter 1 Commitment:** DJEI and D/Health to designate "go-to" person to address barriers. (DJEI / DoH)

**Update:** Complete.

Designated personnel have been nominated.

**Quarter 1 Commitment:** Designate a Project Team with a representative from each of Enterprise Ireland, IDA, SFI, HSE, the Department of Health, and the Department of Jobs, Enterprise and Innovation to guide the process. (DJEI / DoH)

**Update:** Complete.

The Project Team has been established and has held its first meeting.

**Action 7.2.3:** Support the development of Ireland as a Global Centre of Excellence for the Medical Device industry by providing a local high-quality, wide-scope, responsive CE mark certification service.

**Quarter 1 Commitment:** Provide a high-quality, wide scope, responsive CE mark certification service to the medical device industry in Ireland. (NSAI)

**Update:** Complete.

Through its Medical Device certification activity, the National Standards Authority of Ireland provides an infrastructure for indigenous, multinational and FDI companies to access international markets. In Q1, 100 applications were received or scheduled for certification, product renewals and changes, up from 53 for the same period in 2011.

## **Agri-food Production**

**Action 7.4.3:** Attract graduate talent into marketing roles within the food industry in line with the targets set out in Food Harvest Milestones for the Bord Bia Marketing Fellowship, Alumnus and Food Graduate Marketing Programmes.

**Quarter 1 Commitment:** Commence second module for first cohort (13 places) of Food Marketing Graduate programme (Bord Bia)

**Update:** Complete.

All 13 participants have started the second module of this programme.

**Quarter 1 Commitment**: Recruit and commence second cohort (25 places) of Strategic Growth Programme (Bord Bia)

**Update:** Complete

The 25 participants started the Strategic Growth Programme in January 2012.

**Action 7.4.8:** Progress the development/licensing of large scale offshore finfish aquaculture sites in line with the road map set out in Food Harvest 2020 Milestones report.

**Quarter 1 Commitment:** Submit first deep sea aquaculture licence application with companion EIA. (BIM with technical advice from MI)

**Update:** Complete

The First licence deep sea aquaculture licence with detailed Environmental Impact Assessment has been submitted for approval.

**Action 7.4.9:** Involve more food businesses in the Teagasc Food SME Technology Support Programme which targets start-up companies, growing enterprises and artisan food producers.

**Quarter 1 Commitment:** Run an intensive campaign to promote the programme using industry-research data base, food events and other activities. (Teagasc / EI)

**Update:** Complete.

The Teagasc Food SME Technology Support Programme is promoted on an ongoing basis through an industry data base of contacts, coverage in trade journals, the Teagasc website, and industry interactions. In Q1, the service was promoted specifically through the Bord Bia Small Business Open Day in January. Teagasc, Bord Bia and Enterprise Ireland launched a new food entrepreneurship initiative for food start ups on March 8<sup>th</sup> 2012 and this will be promoted nationwide over the coming months.

**Action 7.4.14:** Run a number of business market development ventures, including two significant projects in 2012.

**Quarter 1 Commitment:** Follow up on Marketplace International event enabling more than 150 Irish food companies meet almost 500 trade buyers. (Bord Bia)

**Update:** Complete.

176 companies participated in Marketplace 2012 held on February 7<sup>th</sup> 2012. This involved 4,644 structured meetings with more than 500 buyers. All interactions and follow-ups are being tracked through a data base. In addition, 35 companies have availed of optional training to assist their follow-up.

### **Cloud Computing**

**Action 7.6.1:** Progress the Cloud Computing Strategy for the Public Service - Centre for Management and Organisational Development to bring the strategy to Government for consideration and approval. (D/PER / CMOD)

**Update:** Delayed.

This Strategy is currently in development. CMOD will complete the drafting in conjunction with the Public Service Chief Information Officer Council over the coming weeks with the intention of bringing it to Government for approval early in Q2 2012.

### **Tourism**

**Action 7.8.6:** Advance promotion and preparations for "The Gathering 2013" - a year long programme of events, festivals and gatherings driven by arts, sports, business and community groups and supported by the Tourism Agencies.

**Quarter 1 Commitment:** Finalise core financial and other resource requirements. (Fáilte Ireland / DTTS)

**Update:** Complete.

A project board has been established to drive delivery of the Gathering 2013. The Board is operational and €5 million has been allocated for the Gathering in the 2012 estimates.

**Quarter 1 Commitment:** Launch nationally and internationally. (Tourism Ireland / Fáilte Ireland)

**Update:** Complete.

An official launch was held in London on 16<sup>th</sup> March and all Ministers travelling overseas for St. Patrick's Day promotional activity availed of suitable opportunities to highlight the Gathering 2013. In addition a national launch of the initiative is planned for mid-April where a number of flagship events taking place throughout 2013 will be unveiled.

**Quarter 1 Commitment**: Promote Gathering 2013 internationally. (Tourism Ireland)

**Update:** Complete.

A website has been set up to promote the Gathering 2013 nationally and internationally. In addition to the dedicated website the Gathering 2013 has received extensive coverage in the international and national media.

#### International Financial Services

**Action 7.9.4:** Focus on winning investment opportunities in activities that have high job creation potential. IDA will establish a Global Institution Group within its Financial Services Division to explicitly target these very large groups with a view to winning projects of scale. (IDA Ireland)

**Update:** Complete.

The new Global Institutions Group (GIG) has been established and the executives have been appointed. The group is part of the International Financial Services Division of IDA Ireland and reports directly to the Head of Division. The group has commenced working with and through IDA's network of overseas offices to engage with large financial services groups to compete for and attract significant investments to Ireland.

**Action 7.9.5:** Identify large, global financial services groups that are restructuring their operations in response to the challenges facing the sector and offer Ireland as a high quality, cost-effective and sustainable location with the skill sets directly aligned with their needs. The Global Institution Group referenced in the recommendation above will be relevant here also. (IDA Ireland)

**Update:** Complete.

Following the progress made under action 7.9.4 above, IDA Ireland's Global Institutions Group has had preliminary engagement with large global financial services groups, and is currently preparing an operational plan including a list of relevant global financial services groups.

#### Retail/Wholesale

**Action 7.13.1:** Actions identified throughout the Action Plan will impact positively on the retail and wholesale sector, in particular our stated intention to:

Quarter 1 Commitment: Progress legislation to reform wage setting mechanisms. (DJEI)

**Update:** Complete.

The Industrial Relations (Amendment) (No. 3) Bill has been published and is scheduled for Committee Stage in April.

**Quarter 1 Commitment:** Simplify and extend the Employer Job (PRSI) Incentive Scheme. (DSP)

**Update:** Complete.

Applications for Scheme are being accepted based on the extended period and expanded eligibility criteria set out above. Information on the simplified and extended Employer Job (PRSI) Incentive Scheme is available on the DSP website.

**Action 7.13.2:** Implement the following recommendations of the Advisory Group for Small Business for retail:

**Quarter 1 Commitment:** Make available an Official Notice regarding the Government's current 15 day Prompt Payment Practice, to support full compliance for all public sector bodies and agencies (DJEI)

**Update:** Complete.

In March, the Department of Jobs, Enterprise and Innovation published an Official Notice regarding the Government's current Prompt Payment Practice.

Industry Representative Associations have been asked to make this Official Notice available (including online) for use by their members, to accompany invoices to public bodies reminding them of their obligation to pay suppliers within 15 days of receipt of a valid invoice. The Official Notice is also available on the DJEI website.