Innovation to Enterprise: Supporting the Future Development of Rural Irish Business

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Economic Situation
After sharp decline and bouncing along bottom, we are now in recovery
- 15% growth – GNP per capita now nearly the same as peak
Employment growth since lowest point in 2012 Q1 – 105,000 jobs
- However 10% less than peak → challenge to create jobs
Services – the highest share of employment
- Recovery across all sectors – back to peak – Construction well down from peak
Sectoral Growth 2012-Present

Fastest Growing sectors
- Agri, construction, Tourism, ICT, Professional, Industry
- Opportunities for Rural Areas

Growth 2012-2015
Regional Employment Growth 2012-Present

Employment Growth Highest on East Coast and in Commuting reach of Dublin

West - Weakest
## Top and Bottom Counties (Change in Live Register)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Top</th>
<th>Rank</th>
<th>Bottom</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Limerick (ex City)</td>
<td>27</td>
<td>Carlow</td>
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<tr>
<td>2</td>
<td>Meath</td>
<td>26</td>
<td>Laois</td>
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<tr>
<td>3</td>
<td>Kerry</td>
<td>25</td>
<td>Kildare</td>
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<tr>
<td>4</td>
<td>Cork (ex City)</td>
<td>24</td>
<td>North Tipp</td>
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<tr>
<td>5</td>
<td>Clare</td>
<td>23</td>
<td>Offaly</td>
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</tbody>
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Larger urban centres and commuting zones

Midlands and SE slowest recovery in unemployment
SME’s

The Irish Agriculture and Food Development Authority
Jobs per €m of Gross Value Added by Turnover size

- SME’s are more job intensive per unit of output

Source: CSO
Micro most important in Rural Areas
Small and Medium share similar
Large businesses more important in urban areas
Policy Environment
National Spatial Strategy

- Recognise
  - Critical to improve the focus on rural areas and towns in new spatial strategy
  - Quite a young population in towns, even in more remote areas
  - Skills level often lower, particularly in weakest towns
  - Many have lost jobs
    - Higher unemployment, Jobless Households
  - Negative Equity
    - Likely to remain so for the foreseeable future
  - Long Term Issue
    - The issue will not go away
    - Long term challenge for services and economic development
Local Economic and Community Plan

- Development requires a different mindset
  - Taking risks
  - Proactive not passive
  - Focus on finding solutions
  - Need to identify strengths and optimising them

- Build community capacity
  - Top-Down will not work in the long term
    - Rural Economic Development Zones – emphasise bottom up
  - Communities don’t necessarily have the skill set
    - Capacity Building Necessary

- Spread the load
  - Partner with other agencies (both national and local)
  - Local Community and Development Committees critical in coordination at local level
  - Jobless households is a multi-dimensional problem
CEDRA Recommendations

- **Supporting Local Economic Development**
  - Importance of the Coordination of enterprise support
  - No gaps in the provision of support by agencies
  - Improve Access to Private and Public Finance for SME’s
  - Faster decision making by regulatory Agencies
    - Greater focus on solutions than just barriers
  - Regulatory and administrative frameworks should be proportionate, agile and customer focused
Food Wise 2025: Local Roots Global Reach

- New Agri Food Strategy

- Increasing the value of agri-food exports by 85% to €19 billion.
- Increasing value added in the agri-food sectors by 70% to €13 billion.
- Increasing the value of Primary Production by 65% to €10 billion
- The creation of an additional 23,000 jobs across supply chain
Source of Inputs for Agri-Food Businesses

- Food SME’s have
  - a higher local impact
  - a higher import share

Source Teagasc Agri-Business Survey
Destination of Outputs for Agri-Food Businesses

- Challenge to get more SME’s to export
  - Much lower export share the larger businesses
- Key recommendation in CEDRA

Source Teagasc Agri-Business Survey
From Idea to Fork – Food SME Development Pathway
- Needs to be coordinated at a local level
Thank You