



An Roinn Iompair
Turasoireachta agus Spóirt

Department of Transport,
Tourism and Sport

PEOPLE, PLACE AND POLICY GROWING TOURISM TO 2025





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TOURISM IS ONE OF IRELAND'S MOST IMPORTANT ECONOMIC SECTORS AND HAS SIGNIFICANT POTENTIAL TO PLAY A FURTHER ROLE IN IRELAND'S ECONOMIC RENEWAL.



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MINISTERS' STATEMENT



Minister for Transport, Tourism and Sport
Paschal Donohoe T.D.



Minister of State for Tourism and Sport
Michael Ring T.D.

Ireland has an exceptional tourism offering and the sector is of critical importance to the economy. To ensure the sector continues to grow in a sustainable manner, it is essential that a clear policy framework is in place.

Ireland's tourism performance has encountered periods of growth and decline, with wider political and economic trends at home and overseas significantly influencing overseas visitor numbers in each decade. The period of growth which had occurred from 2002-2007 turned into a sharp decline from 2008, fuelled by the worldwide economic crisis as well as competitiveness issues at home.

Since 2011, in responding to the economic crisis, the Government placed tourism at the centre of its economic recovery plan. Due to its regionally dispersed nature, and the range of skills required in the sector, the Government recognised that it could play a significant role in reversing the increase in unemployment seen over the previous three years.

Since then, tourism has been supported with measures such as the new 9% VAT rate, the Gathering Ireland 2013, the reduced 0% Air Travel Tax and the Visa Waiver. Tourism has played its part, delivering significant increases in inbound visitor numbers and revenue compared to 2010 (up almost 1,600,000 and

an estimated 10% respectively). Most importantly, it is estimated that an extra 30,000 people are now employed in the 9% VAT categories with 19,000 of these in the tourism sector.

Three years ago, the emphasis was on stabilisation and recovery, not only in tourism but across the economy. Now that the tourism sector has stabilised and is in recovery, it is appropriate to map out the Government's long term vision for the sector. This document sets out that vision. At the core of that vision are the three aspects of People, Place and Policy. It is well-recognised that the warmth and welcome of our people, complemented by the richness and beauty of our places, landscape and heritage – which

are closely intertwined at community level – are at the heart of what makes Ireland a unique experience for the overseas visitor. At the same time, ensuring that the people who deal with our visitors have the right mix of skills and, critically, that there is a robust and effective policy framework is essential if we are to reap the benefits of those assets on the ground.

Tourism is one of Ireland's most important economic sectors and has significant potential to play a further role in Ireland's economic renewal. In 2013, tourism was responsible for overseas earnings of €3.3 billion (excluding carrier receipts – airfares and ferry costs). Combining the data from the domestic market and international visitors, total tourism revenue for the economy in 2013 was around €5.7 billion. Of this revenue, €1.4 billion directly benefited the Exchequer through taxation.

The tourism sector supports 140,000 jobs in the accommodation and food sector alone, and overall employment in tourism is estimated to be in the region of 200,000. However, tourism's contribution is not confined to directly generating employment, economic activity and exports. It also contributes by encouraging social inclusion and access to the labour market.

Given Ireland's position as a small island economy, we are heavily dependent on the exporting sectors to generate the revenue that fuels domestic economic activity and provide a significant contribution to the taxation that funds public services. The focus

of tourism policy must therefore be to maximise the export contribution of tourism, while protecting the invaluable assets that are our natural, built and cultural heritage. This involves a change of focus from overseas visitor numbers to overseas visitor revenue. In terms of specific targets, by 2025 the Government's ambition is that overseas tourism revenue will reach €5 billion in real terms (i.e. in 2014 prices), and employment in the sector will reach 250,000. This will be underpinned by 10 million overseas visits per year by 2025, compared to 7.6 million in 2014.

To place this growth target in context, it requires visitor revenue to grow approximately 5% per year for ten years, net of inflation. By comparison, the World Tourism Organisation (UNWTO) forecasts that international tourist arrivals in EU-28 destinations will grow by just 2.1% (2.0% in Northern European countries including Ireland) a year on average to 2025¹.

An additional goal is that at least 95% of all visitors will be 'very satisfied' with Ireland as a destination in the Fáilte Ireland visitor attitudes survey.

In the past, our people and our place have been consistently cited as the primary motivating factors for people choosing to visit in the first place and for subsequently enjoying their holiday experience in Ireland. For the future, our people and our place will remain the key pillars around which our tourism offering will be built, but now for the first time we

¹ International tourism trends in EU-28 member states - Current situation and forecasts for 2020-2025-2030: European Commission / UNWTO

THE FOCUS OF TOURISM POLICY MUST THEREFORE BE TO MAXIMISE THE EXPORT CONTRIBUTION OF TOURISM, WHILE PROTECTING THE INVALUABLE ASSETS THAT ARE OUR NATURAL, BUILT AND CULTURAL HERITAGE. THIS INVOLVES A CHANGE OF FOCUS FROM OVERSEAS VISITOR NUMBERS TO OVERSEAS VISITOR REVENUE.

will also have an agreed policy framework in place. The Government is committed to the objectives set out in this Tourism Policy Statement. In the coming months, we will launch a detailed Action Plan to set out specific measures that will be implemented to achieve the policy objectives.

In 2025, our aim is that we will have a vibrant, attractive tourism sector that makes a significant contribution to employment across the country,

is economically, socially and environmentally sustainable, helps promote a positive image of Ireland overseas, and is a sector that people wish to work in. This Policy Statement provides the framework to deliver this ambition and we look forward to working with the industry, tourism agencies, Government Departments and everybody with an interest in Irish tourism to ensure we achieve our ambition.



Paschal Donohoe T.D.

Minister for Transport, Tourism and Sport



Michael Ring T.D.

Minister of State for Tourism and Sport

March 2015

“BY 2025, THE GOVERNMENT’S AMBITION IS THAT OVERSEAS TOURISM REVENUE WILL REACH €5 BILLION IN REAL TERMS”



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EXECUTIVE SUMMARY

There are clear signs of recovery in Irish tourism. However, the scope for State investment in tourism will remain constrained for the foreseeable future. It is timely therefore to make a policy statement that prioritises investment that will maximise the return from tourism in the long term.

By supporting tourism, the Government aims to maximise the wide-ranging economic and social benefits of the sector, by promoting Ireland, supporting enterprises and jobs and providing an attractive, competitive overall offering for tourists.

The overall tourism goal of Government is that:

By 2025, revenue from overseas visitors, excluding carrier receipts, will increase to €5 billion in real terms² (i.e. excluding the effects of inflation).

Employment in the tourism sector will be 250,000 by 2025, compared with around 200,000 at present.

There will be 10 million visits to Ireland annually by 2025.

In order to achieve this target, the Government affirms and has agreed that:

It will place tourism as a key element of its economic strategy, with development in the tourism sector reflecting the highest standards of environmental and economic sustainability, and the role of tourism in promoting peace and political co-operation on the island of Ireland will continue to be recognised and encouraged.

Our people and our place remain our biggest assets in terms of our ability to attract an even greater number of overseas visitors in the future. At the same time, these assets must be mobilised within a robust and effective policy framework if Ireland is to reap the economic and social benefits of tourism.

² 2014 prices

To ensure that Ireland is successfully promoted overseas and our visitors' expectations are met, the marketing of Ireland as a visitor destination will aim to generate a balance of visitors from both mature and developing markets; our heritage assets will be protected, and any public investment in tourism will be based on evidenced need.

Ireland's tourism industry will have the capacity and capability to meet the changing needs of visitors, underpinned by a clear and coherent framework for the development of human capital in the industry.

There will be a clear understanding of the responsibilities and expectations of Government, State agencies, Local Authorities, the tourism industry and other stakeholders in the development of our tourism industry; with an enhanced role for Local Authorities and recognition of the contribution of communities to tourism.

The Government's primary objective in tourism is to maximise the services export revenue of the sector, and therefore, this policy statement is centred on Ireland achieving its full potential as a destination for overseas tourism. However, it is recognised that the domestic tourism market underpins the range of visitor accommodation and services that provide competitive advantage to Ireland in the international market and many of the measures contained in this Statement will similarly benefit the domestic tourism sector.

The specific policy proposals set out in the Chapters that follow are brought together in Appendix 2.

METHODOLOGY

PUBLIC CONSULTATION PROCESS

The Tourism Policy Review commenced with the launch on the 11th of September 2013 of a consultation document, raising a series of questions about policy priorities, and inviting comments and responses.

The consultation document was placed on the Department's website and comments sought from tourism industry stakeholders. The consultation process also involved a series of regional seminars with Ministerial representation. These meetings included regional tourism actors and were designed to maximise constructive discussion of the questions raised. The consultation process also included a workshop for national bodies in Dublin.

Over 170 submissions were received in response to the consultation document. Reflecting the diverse nature of tourism itself, a wide range of issues emerged from the consultation process, which have fed into the formulation of this policy.

A first draft of this Tourism Policy Statement was published in July 2014, which provided an opportunity for tourism stakeholders to provide feedback on the initial version of the text. A further 73 submissions were received in response to the draft version.

A list of those who made formal submissions to the public consultation process, and/or provided feedback in response to the Draft Tourism Policy Statement, is shown in Appendix 3.

ANALYSIS

The submissions received in response to the public consultation document were collated, as were records of the regional seminars. In preparing the Draft Tourism Policy Statement, the views expressed by stakeholders were considered, in the context of the overall economic and legislative environment in which tourism is placed.

Following publication of the Draft Tourism Policy Statement in July 2014, the feedback received was again recorded, and the issues raised were compared against those addressed in the draft text, in order to identify areas requiring further attention.

In order to ensure that this policy is consistent with other Government policies in related areas, and is fixed within the overall Government policy framework, a series of direct consultations was undertaken by the Department of Transport, Tourism and Sport with other Government Departments and key agencies.

This policy statement is intended to identify key priorities that will enable all the stakeholders in tourism to more effectively contribute to the overall development of Ireland as a visitor destination.



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PLACE - CREATING THE DESIRE TO TRAVEL AND MEETING VISITOR EXPECTATIONS

1

PLACE - CREATING THE DESIRE TO TRAVEL AND MEETING VISITOR EXPECTATIONS

This chapter focuses on 'Place' within the People, Place and Policy Framework. It sets out policy objectives that seek to heighten visitors' anticipation of Ireland as a place and increase their desire to visit, focusing on the optimum mix of short, medium and longer term markets. It also seeks to maintain and enhance the quality of the sense of place that they experience during their visit, including protecting assets for the future and adapting to changing visitor needs.

1.1 Marketing Ireland as a visitor destination

BACKGROUND

Tourism is one of Ireland's most important economic sectors. In 2013, tourism was responsible for overseas earnings of €3.3 billion (excluding carrier receipts – airfares and ferry costs). It supports 140,000 jobs in the accommodation and food sector alone, and it is estimated that tourism supports in the region of 200,000 jobs overall.

Given Ireland's small population, we are heavily dependent on the exporting sectors to generate the level of economic activity required to maintain our living standards and to contribute to the taxation that funds public services.

RATIONALE FOR PRIORITISING OVERSEAS TOURISM

The domestic tourism market sustains a level of investment in tourism product that is of considerable benefit to Ireland's attractiveness as a destination, and domestic demand also maintains sector revenue during non-peak periods. However, the small size of the domestic market, and the high existing level of domestic tourism consumption by Irish residents, limits the potential for further growth from domestic demand. Therefore, the tourism sector's best prospects for growth are in generating increased levels of overseas revenue. The focus of this Tourism Policy Statement is to increase the economic contribution of tourism to the Irish economy, by increasing the value of tourism services exports.

The promotion of Ireland as a tourism destination in overseas markets has additional significance beyond its direct purpose of generating additional visitor numbers and revenue. The positive images of Ireland that are highlighted in tourism marketing, such as our high quality natural environment, and friendly and welcoming people, support the Government's activities in other areas of economic development, such as the promotion of foreign direct investment into Ireland. The continued promotion of Ireland as a tourism destination in overseas markets is also significant in terms of raising public awareness and perception of Ireland. The communication of a positive image of our country as a place to visit can also contribute to the overall favourable view of Ireland that is held by those viewing promotional material with consequential additional benefits for the country.

ROLES OF KEY PUBLIC BODIES IN MARKETING IRELAND

The primary issue for any country that wishes to generate export earnings from tourism is how to entice residents of other countries to visit. Tourists do not choose between competing accommodation operators, tour operators, or transport providers, in the first instance. Customers choose a destination. The quality of the tourism offering, including natural scenery, culture, and visitor attractions and events, are all contributors to the overall attractiveness of the destination. Therefore, the effective combination of Ireland's people and place are key to our tourism success, and this Tourism Policy Statement emphasises the strong foundation that this provides for further growth.

If customers are not aware of Ireland and what we have to offer, they will choose an alternative destination and the economy as a whole loses out. When we look at how tourists choose to spend their money, it supports the argument for continued State funding of overseas promotion of Ireland as a destination. The so-called "purchase funnel" sets out a purchase process from:

becoming aware of the destination → through increasing levels of interest → to active planning and purchase.

The time lag, which can be a number of years, between generating general interest in visiting and the ultimate purchase of a holiday means that no single player could justify the investment in interest-building. As tourism enterprises are competing for

business within the consumer's choice of destination, they have little incentive to market the destination alone. Therefore, the role of Tourism Ireland (the State agency with primary responsibility for the overseas promotion of Ireland as a tourist destination) is to gather consumers into the funnel and move them through interest to active planning. At that point they move into the ambit of the enterprises in the tourism industry.

Fáilte Ireland (the National Tourism Development Authority) also works with Tourism Ireland on international marketing activity for certain specialist areas of tourism. The agencies concerned will continue to coordinate their activities to ensure that no duplication takes place, and that the respective roles of the two agencies are clearly communicated to stakeholders.

The Department of Foreign Affairs and Trade, including through its Embassy network, also plays a role in promoting Ireland as a tourism destination. A co-ordinated approach through the Export Trade Council and the local market team structure is crucial, to ensure that all key actors are working together to good effect in our target markets.

In addition, given the all-island nature of Tourism Ireland, and the wider context of East-West relations, the agency also works with Visit Britain and the United Kingdom (UK) authorities where appropriate.

THE FUTURE OF DESTINATION MARKETING

The extent to which the potential visitor is aware of, or is positively disposed towards, Ireland as a destination varies between markets. Higher levels of familiarity are witnessed in some markets, due to historic links, and the cumulative effect of past and current marketing activity. In contrast, the level of familiarity with Ireland in long-haul or developing destinations is likely to be limited, with a greater need for destination marketing activity to build awareness. There may also be new market segments within established geographies which have high growth potential.

Factors to be taken into account when deciding where to focus marketing include:

- economic conditions, consumer sentiment in key overseas tourism markets;
- product fit to the market or segments of the market, looking at what types of tourists (particular age-groups, backgrounds, interests) would be most interested in Ireland's offering;
- marketing leverage and share of voice (overall or in key segments); and
- access trends and growth prospects for passenger transport and global tourism generally.

It is also important that marketing activity to shape visitor expectations gives an accurate picture of what Ireland has to offer.

A balance must be struck between short-term “quick wins” and markets and segments requiring longer-term investment. There is a need to distinguish between those areas (geographical and segmental) where the State may be substituting for investment that the private sector could make given the short-term return available, and those where the State must invest in order to build brand awareness in a market over the longer term.

For long-haul and developing markets, our marketing efforts should recognise that Ireland will rarely be the sole destination for prospective travellers but may be included in a wider trip also taking in Great Britain and/or continental Europe. These markets can be a particular challenge due to their size with a consequential risk of ineffective expenditure. Furthermore, it may take considerable time to effectively establish the profile of a visitor destination in a developing market.

BRAND ARCHITECTURE AND CONSUMER SEGMENTATION

The Tourism Recovery Taskforce (TRT), consisting of public and private tourism stakeholder bodies in Ireland and Northern Ireland, was formed in early 2011 to devise a new plan for restoring tourism growth from Great Britain, which remains the island of Ireland’s single biggest source market.

The research carried out for the TRT found that, for the island of Ireland to capture greater market share in GB, its brand positioning needed to evolve and develop specific propositions for each market segment. The TRT recommended that the most effective way to present the island of Ireland as a tourism destination to potential GB visitors is to take an ‘umbrella master-brand’ approach. Under the umbrella of the overarching master brand for the island of Ireland, the tourism offering would group our tourism assets around experiences.

The consumer research indicated that the most effective way to group all the brand assets under the single umbrella master brand is to group them



Photograph © Tourism Ireland

into experience bundles. There are four different experience types that are highly motivating for potential GB consumers and which Ireland can present to potential holidaymakers in a credible and engaging manner:

- Vibe of the City – fresh, exciting and stimulating experiences and attractions in a lively atmosphere;
- Living Historical Stories – interesting and informative experiences and attractions in urban and rural areas;
- Awakening the Senses – stimulating and profound experiences within natural and unspoiled landscapes;
- Getting Active in Nature – revitalising and energising experiences and activities in the spectacular outdoors.

To grow, Ireland must focus on those experiences that will appeal to potential visitors, forcing them to reappraise Ireland as a destination.

To unlock tangible growth opportunities, the tourism agencies together have implemented a new consumer segmentation model to inform thinking from a

development, industry activation, and consumer engagement perspective.

Certain segments have a higher likelihood to select Ireland as a destination. These include:

- “Culturally Curious”: Travellers in the over 45 age group taking a holiday with their partner. They are out to broaden their minds and expand their experience by exploring new landscapes, history and culture.
- “Great Escapers”: These tend to be younger and are specifically interested in rural holidays. Great Escapers are on holiday to take time out, and experience nature at close range.
- “Social Energisers”: Younger visitors who like to holiday in groups or as couples. Friends or colleagues looking for an exciting trip to a new and vibrant destination.



Photograph © Tourism Ireland / Brian Morrison Photography

Ireland's tourism offering must appeal to the key market segments with relevant and targeted experience propositions. Within each of those propositions, we need to develop distinctive visitor experiences tailored to the interests and needs of the segments. While only launched in 2014, the Wild Atlantic Way is an example of an experience proposition that is already proving very successful, and this is examined in more detail in Section 1.3.

Whereas the brand architecture and consumer segmentation model was originally developed for the GB market, such an approach has also been tested successfully in other markets.

This policy statement endorses an evidence-based approach to maximising return on marketing investment, as reflected in the brand architecture and consumer segmentation model described above. Such an approach is also critical to the tourism industry's own outlook in terms of meeting the needs of visitors.

In order to achieve the 2025 visitor revenue target, Fáilte Ireland and Tourism Ireland will continue to formulate their corporate and business plans strictly on the basis of evidence of those regions and segments that have the strongest prospects for revenue growth in the medium to long term.

THIS POLICY STATEMENT ENDORSES THE OBJECTIVES SET OUT FOR LONG-TERM COLLABORATIVE ACTION IN THE GROW DUBLIN TASKFORCE REPORT AND THE STATED AIMS OF THE GROW DUBLIN TOURISM ALLIANCE.

TOURISM INDUSTRY ROLE IN DESTINATION MARKETING

In turn, the tourism industry is expected to take a greater tangible role in marketing, particularly in mature markets where familiarity with Ireland is high and there is less of a case for the State to shoulder the full responsibility for destination marketing activity.

The co-operative marketing approach has already been used successfully by Tourism Ireland and industry sectors, particularly air and sea carriers (see box).

CO-OPERATIVE MARKETING

The objective of Tourism Ireland's co-operative marketing investment is to support tourism partners to gain market share from competitive destinations outside the island of Ireland.

Co-operative marketing is well-established for some years between Tourism Ireland and carriers (airlines and ferry companies). This co-operative marketing is operated on a matched funding basis, and combines destination marketing with specific offers by carriers to encourage travel to Ireland.

Once approved, Tourism Ireland will match up to 50% of the total investment in the marketing activity subject to certain conditions. Programme objectives must be agreed in advance and the partner is required to indicate how performance of the programme will be measured.



Photograph © Fáilte Ireland / Derek Cullen

The nature and scale of the industry contribution to tourism marketing will vary according to the competitiveness and capacity of various sectors within the industry. In Dublin for example, there is a concentrated tourism sector of considerable scale. Dublin's principal competitor destinations for overseas visitors are other comparable cities in Western Europe, rather than other regions in Ireland. The Grow Dublin Taskforce, established by Fáilte Ireland in late 2012, recommended a co-funded model for the sector in Dublin, along with the sharing of other important resources such as expertise, research, communications and digital technology.

The Grow Dublin Tourism Alliance was established in 2014 to advance the work of the Grow Dublin Taskforce and develop a brand identity for Dublin to allow it to compete competitively for market share with other cities across Europe. The Grow Dublin

Tourism Alliance will, for the first time ever, focus on a unified branding and marketing of Dublin and will bring together key stakeholders such as the Local Authorities, tourism agencies and industry representatives. It is expected that the tourism industry in Dublin will contribute to the costs associated with the branding and marketing of the city. This Policy Statement endorses the objectives set out for long-term collaborative action in the Grow Dublin Taskforce report and the stated aims of the Grow Dublin Tourism Alliance.

Outside of Dublin, the more dispersed nature of the tourism sector means that it is not realistic to expect a direct funding contribution from the tourism industry towards destination marketing expenditure. Nonetheless, the industry in these regions will be expected to play an enhanced role in marketing programmes, within the framework of the brand architecture and consumer segmentation model through, for example, attendance at travel fairs and facilitating familiarisation visits by overseas trade representatives and travel media.

MONITORING THE EFFECTIVENESS OF DESTINATION MARKETING

The measurement of marketing effectiveness can be a difficult task. However, there are specific types of market research activity which can be carried out to evaluate the effectiveness of marketing programmes. In the future, in order to ensure the optimal use of the Government's tourism budget, the effectiveness of overseas destination marketing activity will be externally assessed on a regular basis.

POLICY PROPOSALS

- 1.1.1 Tourism Ireland's marketing of Ireland as a visitor destination will be evidence based and targeted at a range of geographical and segmental markets with the highest revenue growth potential, and the evidence for these decisions will be shared with industry partners.
- 1.1.2 The tourism industry will be expected to make a greater contribution to destination marketing activity in regions and segments where awareness of Ireland is already high.
- 1.1.3 The State's investment in overseas destination marketing will be externally evaluated on a regular basis.



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1.2 Protecting key tourism assets

BACKGROUND

Visitors who travel to Ireland do so with certain expectations. The annual Visitor Attitudes Surveys carried out by Fáilte Ireland asks visitors about their motivations to choose Ireland as a destination. The most frequently cited reasons are again our people and our place; in particular the friendliness and hospitality afforded to our overseas visitors, the quality of our environment, the range of activities to see and do, and our history and culture. Meeting and exceeding the expectations of visitors in this area is critical to our future success as a destination. The quality of our natural scenery and physical environment, physical heritage, and the range of activities for visitors, are areas in which the State has a key role to play, through preservation of that which is irreplaceable and the development of that which enhances the visitor's overall experience.

SUSTAINABLE DEVELOPMENT OF TOURISM

At international level, the United Nations *Sustainable Tourism Programme of the Ten Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP)* emphasises that well designed and managed tourism can make a significant contribution to the three dimensions of sustainable development, has close linkages to other sectors, and can create decent jobs and generate trade opportunities.

National climate policy in Ireland anticipates and supports mobilisation of a comprehensive international response to climate change, and global transition to a low-carbon future. It aims to achieve transition to a competitive, low-carbon, climate-resilient and environmentally sustainable economy by 2050, in the context of existing and future obligations of the State under international agreements and European law.

The Government's Framework for Sustainable Development for Ireland – *Our Sustainable Future* sets out a vision on how we can transition Ireland to a resource efficient, low-carbon and climate resilient

future, and notes that that this sustainable approach to economic development complements the core strength of our economy in the use of natural resources across a number of sectors, including tourism.

Many beneficial initiatives are already underway that promote and encourage sustainability in tourism. The Green Hospitality Award is an Environmental Protection Agency (EPA) supported programme established to assist enterprises in the hospitality sector in becoming more resource efficient. Fáilte Ireland and The Heritage Council have published studies on the challenges of climate change for the tourism sector³. Both public bodies and private enterprises must continue to ensure that social, economic and environmental sustainability is central to our tourism offering in order to maximise the future competitiveness of Ireland as a visitor destination.

Notwithstanding the pressures of modern economic and social development, Ireland retains a long-standing and enviable reputation as a clean and green country, and many of our landscapes and seascapes, as well as our most significant built heritage, form a key part of our tourism offering. It is essential that the preservation and presentation of these assets is

³ Facing the Challenges of Climate Change - http://www.failteireland.ie/FailteIreland/media/WebsiteStructure/Documents/3_Research_Insights/3_General_SurveysReports/Carbon-Strategy.pdf?ext=.pdf
Climate Change, Heritage and Tourism - http://www.heritagecouncil.ie/fileadmin/user_upload/Publications/Marine/ClimateReportWeb_version_june_09FINAL.pdf

planned and delivered effectively. At the same time, consistent with Government policy on sustainable development, we must also ensure that these assets are handed down to future generations with their value fully preserved.

Equally, such assets are often best safeguarded for the future when it is shown that they can make a contribution to the social and economic benefit of the country.

Developments which are clearly at odds with the prevailing quality of the natural environment and the rural or urban landscape are likely to damage the quality of the visitor experience. Measures to improve the quality of future development, and to ameliorate the negative effects of existing structures that are out of character with the surrounding landscape, should be a priority of all bodies that have a role in this area.

CONSIDERATION OF TOURISM BY KEY PUBLIC BODIES IN THE PLANNING PROCESS

The effective protection and presentation of our natural and built heritage requires various bodies at central and local government levels to place tourism as a priority consideration in formulating their own strategies. Key public bodies in this regard are those which have a legislative or regulatory role in the planning process (Department of Environment, Community and Local Government, An Bord Pleanála, the Environmental Protection Agency, and Local Authorities).

Development of public infrastructure and private construction activity should be carried out with as much sympathy as possible for the natural landscape,

as well as with regard for the value of built heritage. Effective and balanced management of key natural and built heritage is essential for growth in tourism that is both economically and environmentally sustainable.

Fáilte Ireland has a role in planning legislation and will continue to engage with Departments that have policy responsibility in relation to infrastructure, as well as the appropriate regulatory bodies.

POTENTIAL IMPACT OF ENERGY INFRASTRUCTURE INVESTMENT ON TOURISM

The very significant infrastructural investments required for our future energy needs, particularly linear infrastructure, requires careful management, with consideration of appropriate routes taking account of sensitivity of particular sites, routes and other potential tourism assets.

The Department of Communications, Energy and Natural Resources published a Green Paper on Energy Policy in Ireland in May 2014. A White Paper is expected to be published in the first half of 2015. The Department of Transport, Tourism and Sport and Fáilte Ireland will engage with the Department of Communications, Energy and Natural Resources to ensure that the right balance between future energy needs and maintaining our tourism assets for the future is achieved.

IMPORTANCE OF ENVIRONMENT AND HERITAGE TO TOURISM

Maintaining and improving the quality of water in our inland waterways and coastal locations, the

protection of native biodiversity, soil quality and geology, and the maintenance of our high levels of air quality, are all important areas of priority that will help to ensure the overall quality of our tourism offering in the years ahead.

The experience of people visiting Ireland, as well as those living in Ireland who choose to holiday at home, should be one which enhances their individual and collective health and wellbeing in the broadest sense. Significant development of facilities for activity-based holidays has contributed to Ireland's positive image and its attractiveness as a tourist destination. Ireland's cultural heritage, including the built heritage sector (monuments, historic estates, gardens, national parks, and many other nationally significant protected structures and antiquities) is integral to our tourism offering, and many individual sites directly contribute to employment that is regionally dispersed throughout the country. Cultural heritage assets also underpin the authenticity of the overall tourism offering, and are important in addressing the seasonality of tourism. Cultural heritage is also a 'smokeless industry' that supports Ireland's image as an unspoilt destination.

Many of these important tourism assets are in the care of State bodies. The Office of Public Works (OPW) has responsibility for maintaining and operating the country's most important heritage sites. The National Parks and Wildlife Service (NPWS) division of the Department of Arts, Heritage and the Gaeltacht is responsible for a wide range of activities relating to the care and protection of our natural heritage. Within these responsibilities, it manages the State-owned Nature Reserves and National Parks.

The contribution of both the OPW and the NPWS to tourism is highly significant. Both work closely with Fáilte Ireland on matters concerning the presentation of natural and built heritage to visitors. Optimising these assets for the benefit of visitors, particularly overseas visitors, requires an on-going and effective relationship between the OPW, NPWS and the tourism agencies. Waterways Ireland, a cross-border body, develops and promotes Ireland's waterways as national assets for future generations, and a visitor attraction in their own right.

In addition, the Department of Arts, Heritage and the Gaeltacht (including the National Monuments Service), and the Heritage Council have important roles in the protection of the natural landscape and historic sites. The Department of Arts, Heritage and the Gaeltacht's National Landscape Strategy is the means by which the State aims to promote the sustainable management and planning of our landscape until 2024. The Department of Transport, Tourism and Sport (and the tourism agencies as appropriate) will be key partners in the implementation of this strategy and will contribute to the drafting of the implementation programme of the landscape strategy.

A range of other public and private bodies have key roles in the preservation and presentation of built heritage, including local authorities, universities, the Irish Heritage Trust, the Irish Georgian Society, the Irish Landmark Trust, as well as private owners. The extent to which tourism is facilitated at historic built heritage sites may vary depending on the principal use of the property and the resources available to the custodian. It is important that any future fiscal



Photograph © Tourism Ireland

or financial measures to support the built heritage sector fully reflect the contribution that tourism makes to supporting the viability of Ireland's built heritage assets.

PROTECTING AND PROMOTING CULTURAL HERITAGE

Our culture is an equally important tourism asset. The Department of Arts, Heritage and the Gaeltacht, and its agencies, have a key role in the preservation, conservation and presentation of Ireland's culture, through the National Cultural Institutions, support for regional museums, development of systems to facilitate genealogical research, support for literary tourism, support for the Irish language and Gaeltacht, and sustainable development of the populated offshore islands. The Arts Council supports smaller arts festivals and has developed the Culturefox online

events guide. The Irish Film Board co-operates with the tourism agencies to leverage tourism benefits that can flow from productions set in Ireland, and Culture Ireland creates and support opportunities for the promotion of Irish culture overseas.

Tourism will be a key component of the Government's new National Cultural Policy, and the Department of Transport, Tourism and Sport will contribute to ensuring that tourism considerations are fully incorporated in the final agreed policy.

There will also be an examination of additional opportunities to present Ireland's cultural and sporting heritage to visitors, particularly that which is unique to Ireland, and areas where Ireland is recognised as a World leader.

POLICY PROPOSALS

- 1.2.1 The formulation of policies, strategies and plans by public bodies with a role in relation to natural and built heritage will give consideration to the contribution that sustainable tourism can make to the protection of heritage assets.
- 1.2.2 The Department of Transport, Tourism and Sport and its agencies will work closely with the Department of Arts, Heritage and the Gaeltacht in the implementation of the National Landscape Strategy and the new National Cultural Policy.
- 1.2.3 The design of any future supports for the built heritage sector will recognise the importance of tourism to the viability of the sector.
- 1.2.4 There will be an examination of additional opportunities to present Ireland's cultural and sporting heritage to visitors.



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1.3 Supporting investment in the visitor experience

BACKGROUND

To provide an effective tourism product, there must be a diverse range of activities for visitors. However, in the absence of a large domestic market, the economic case for purely private sector capital investment in tourism is limited, particularly outside of visitor accommodation. This is particularly important for Ireland, where tourism offerings that are dependent on large populations (either existing holidaymakers or residents) within short distances are not usually feasible (e.g. large theme parks).

While much of our attractiveness as a tourism destination is down to the natural environment, since the early 1990s, the State has supported the development and improvement of our place by investing in our physical visitor attractions, visitor infrastructure, and facilities for visitor activities. This public funding of capital investment in tourism has facilitated investment all over Ireland. This includes:

- a major programme of investment in looped walks;
- the improvement of forest recreational infrastructure in co-operation with Coillte;
- the development of new destination frameworks, such as the Wild Atlantic Way, and the Dublin;e;
- investment in major individual projects like the Cliffs of Moher Visitor Centre, Waterford Viking Triangle;
- the development of greenways;
- improvements to the quality of interpretation at a large number of existing visitor attractions; and
- improvements to signage in historic areas of cities and towns.

Public funding to support capital investment in projects such as those listed above has been provided through Fáilte Ireland. In addition, outdoor infrastructure projects like the Great Western Greenway in Co. Mayo and other cycling routes have received significant funding from the Department of Transport, Tourism and Sport under sustainable transport initiatives like the National Cycle Network.

The development of bike sharing schemes in a number of cities has enhanced the quality of place in these locations and provided additional transport choices for visitors.

This has been complemented by State investment under a range of other channels, for example urban renewal, and the EU co-funded Rural Development Programme, which has nurtured and developed a strong local tourism sector since the early 1990s.

This prolonged support for tourism capital investment has dramatically improved the range and quality of activities for both overseas and domestic visitors. In addition, the tax incentives which encouraged development of visitor accommodation have led to a high quality tourism accommodation base, although it is recognised that some of the investment in this area was not reflective of market needs.⁴

⁴ This is addressed in more detail as part of the section on fiscal policy in the chapter 'The Wider Contribution of Government to the Future of Tourism in Ireland'.

ALIGNING TOURISM INVESTMENT WITH THE BRAND ARCHITECTURE

The Government's Medium Term Exchequer Framework 2012-2016 includes provision for significant investment in tourism product development. This is in recognition of the contribution that capital investment in tourism can make to increasing visitor numbers in the medium term and to sustainable economic recovery.

Almost all of the funding available in the period 2014-2016 will be used to meet prior existing commitments, such as the Dublin, the Kilkenny Medieval Mile, and the Wild Atlantic Way, as well as a range of other investments.

It is the Government's intention, in 2016, to fund a further programme to support capital investment in tourism.

In Section 1.1, the brand architecture and consumer segmentation model, developed by the tourism

agencies, was outlined. In terms of the tourism offering, there are two key responses required to meet the needs identified in the model. The first is the need to build propositions of scale capable of achieving international cut-through (i.e. standing out among the large supply of alternative tourist experiences that are available internationally) and securing consumer attention. The second is to re-position Ireland's tourism asset base so that it directly mirrors the interests and requirements of the consumers identified in the most promising market segments.

The current ongoing development of three new tourism propositions The Wild Atlantic Way, Dublin Plus, "Culture and Heritage (South & East)"– was initiated as a deliberate strategic response to the issues identified in the research (see box).



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TOURISM PROPOSITIONS

Section 1.1 above described how the realignment of tourism marketing has been structured around the experiences that motivate visitors and the consumer segments that are most likely to select Ireland as a destination. The third element under this overall strategy is on the supply-side - a re-framing and re-positioning of those assets and experiences in which the most promising market segments have expressed an interest.

The development of three new tourism propositions – The Wild Atlantic Way, Dublin Plus, “Culture and Heritage (South & East)” – was initiated as a deliberate strategic response to the issues identified in the research carried out by the tourism agencies.

Wild Atlantic Way

The Wild Atlantic Way is Ireland’s first long-distance touring route, stretching along the Atlantic coast from Donegal to West Cork. The allocation of €8m towards the project in Budget 2014 enabled the commencement of a programme of signage and the development of 159 discovery points, including 15 signature discovery points, along the 2,500km route. The overriding objective of this programme is to secure more international visitors, entice them to stay longer and spend more thereby contributing to sustaining tourism employment and providing new commercial opportunities for businesses along the route. The development of the Wild Atlantic Way could not have taken place without the support provided by Local Authorities, and the level of community interest in the project since its inception has exceeded all expectations, re-inforcing

the key role that communities can play in tourism development. The potential for Local Authorities to support the key tourism strengths of people and place is explored further in Section 4.1.

Dublin Plus

The objective of the Dublin Plus programme is to activate the recommendations of the Grow Dublin Taskforce (see Section 1.1) and in so doing support business growth from key overseas markets. This programme targets two segments; “social energisers” and “culturally curious” and involves extensive trade engagement, experience development and sales support activity.

Culture and Heritage (South & East)

This project involves an overarching and customer-oriented proposition of scale and singularity for the South and East, into the Midlands, majoring on the abundance of cultural and heritage assets in the area. These areas share a strength in the richness of their historic built environment such as Viking Waterford, Medieval Kilkenny and Brú na Boinne.

The brand proposition will group the cultural and heritage tourism assets and experiences of Ireland’s East and South via a network of routes, trails and journeys into a new tourism experience that can easily be understood by and will appeal to overseas visitors.

The tourism agencies will continue to explore opportunities for new propositions in other areas or segments in the future.

In order to ensure the alignment of tourism investment with the needs of key consumer segments, future support for capital investment in tourism will be focused on projects that fit within the brand architecture and consumer segmentation framework. This means that the type of investments prioritised for support may vary between regions. Furthermore the design of future tourism capital programmes will require that supported projects are compliant with relevant European and national environmental regulations, including the European Communities (Birds and Natural Habitats) Regulations 2011.

Funding for tourism capital investment will not be a substitute for other sources of funding for basic infrastructure, but may complement it where this is consistent with the objectives of the brand architecture.

While the development of public tourism infrastructure, for example walking routes, is a form of capital investment, the subsequent upkeep and maintenance of these projects is generally viewed as current expenditure. It is essential to consider how the subsequent upkeep of developed assets will be funded, and project sponsors and funders will be required to sufficiently provide for periodic maintenance, prior to receiving public capital assistance.

A WIDER VIEW OF TOURISM CAPITAL ASSETS

A further issue is the scope of activities that are considered to be 'capital investment'. Previously, supports for capital investment in tourism have focused on physical construction activity and other fixed, physical assets. While the quality of Ireland's

tourism physical assets is quite strong, it is recognised that the "experience" is now the primary focus for the worldwide tourism industry. Therefore, the full range of tourism investments, that can improve the overall visitor experience, must be considered in the design of any future Tourism Capital Investment Programme. Therefore, support for capital investment may encompass additional types of expenditure, for example information technology projects that enhance the quality of the visitor experience, and expenditure on the development of experiences that animate a destination for visitors.

EUROPEAN UNION SUPPORT FOR TOURISM

As the third largest EU economic sector, tourism has a wide-ranging impact on economic growth, employment and social development. The European Commission is therefore constantly working on the development of new tools and services contributing to boost the competitiveness of the European tourism sector. Further detail in this regard is in Chapter 6 'The International Context'.

POLICY PROPOSALS

- 1.3.1 The provision of future State supports for capital investment in tourism shall be designed to support development that fits within the brand architecture and consumer segmentation model, and will require that supported projects are compliant with the requirements of relevant European and national environmental regulations.
- 1.3.2 Support for capital investment in tourism will require that sponsors have provided for the future upkeep of developed assets.
- 1.3.3 The design of future supports for capital investment in tourism will recognise the need for investment in both physical assets and in other areas that provide a lasting improvement in the overall quality of the visitor experience.



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1.4 The contribution of events to the quality of the visitor experience

BACKGROUND

Sporting, cultural and business events have contributed significantly to the success of Irish tourism, and the quality of the visitor experience. At an international level, some flagship events, mostly stadium-based, can directly attract tens of thousands of visitors.

Large participative sporting events, such as adventure races, attract increasing numbers of overseas competitors.

Major festivals, like the St. Patrick's Festival in Dublin can also generate several thousand overseas visitors. The Gathering Ireland 2013 was an outstanding example of the power of the Irish tourism product when people and place combine. Over 5,000 gatherings, many small community or family events, collectively attracted an estimated additional 275,000 people, to gatherings in every county in Ireland.

Events will continue to be an important part of the Irish tourism offering, and the Government will ensure that the correct structures are in place to enable events to contribute effectively to the overall quality of the visitor's experience of Ireland.

Other large-scale events, for example concerts and music festivals, operate on an entirely commercial basis. Some of these events are significant from a tourism perspective, as the prospect of seeing a particular artist in concert, or attend a particular music festival while on holiday provides an additional incentive to travel.

Business tourism, in particular the meetings, incentives, conferences and exhibitions (MICE) sector, has proved to be particularly successful for Ireland in recent years, with expenditure by the tourism agencies on business tourism marketing providing a high level of return on investment in terms of visitor expenditure. Business tourism is also particularly beneficial in offsetting seasonality.



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EVENT TYPES OF SIGNIFICANCE FOR TOURISM

Events that are of relevance to tourism generally fall into a number of categories.

- Visiting international events - either sporting or cultural e.g. visiting American Football games (2012 and 2014), Tall Ships Race (Waterford 2011 and Dublin 2013), Special Olympics (2003).
- Large participative sporting events e.g. adventure races, marathons.
- Annual or regular self-financing sporting events e.g. rugby and soccer internationals, gaelic games, major horse racing fixtures.
- Major annual festivals, e.g. St. Patrick's Festival, Galway Arts Festival, Wexford Opera Festival.
- Regional festivals and events.
- Business tourism events.

Upcoming anniversaries of historical events will also provide an opportunity for tourism, with due regard to the varied sensitivities that may exist in relation to the event being commemorated.

A STRUCTURED APPROACH TO TARGETING INTERNATIONAL SPORTING EVENTS

The selection of venues for international sporting events is typically decided some years in advance. In such cases, Fáilte Ireland has been constrained in its ability to make commitments of support for an event taking place outside the current calendar year. As a result, the approach of many event promoters was to seek an advance funding commitment by the Government.

This ad-hoc approach had shortcomings, including the impact on Fáilte Ireland budgeting process when a commitment had to be met from Fáilte Ireland's existing funds. Therefore, a new strategy will be put in place to manage the provision of support for event tourism. Fáilte Ireland will apply the model used successfully in the business tourism sector. This involves targeted analysis of events that fit best with our facilities and our tourism offering, and the provision of assistance to Irish 'event ambassadors' who will seek to influence their relevant international bodies to bring the targeted events to Ireland.

THE FUTURE OF FESTIVAL AND EVENT FUNDING

For festivals, both major and regional, funding has been a significant challenge, particularly for those which take place in the public realm and for which there is no fee income from participants or spectators. Many events, particularly festivals, are dependent on a combination of commercial sponsorship and public funding to meet their operating and marketing expenses.

Fáilte Ireland funding has been provided through an annual programme called the Festivals and Events Initiative. The available budget for this has varied from year to year, depending on the overall Exchequer allocation to Fáilte Ireland. Therefore, events are required to apply for funding annually, which has constrained their ability to develop. In order to assist event organisers plan effectively, a rolling process of



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application and evaluation shall be put in place so that event organisers will be informed of decisions at least six months before their event is due to take place. Within the framework of Public Financial Procedures, Fáilte Ireland should consider three year commitments of support, where this can provide the stability needed for events to become significant drivers of overseas tourism revenue.

The availability of funding to support events should be weighted strongly towards those events which provide the greatest direct impact in terms of incremental overseas visitor revenue. A secondary

focus should be on the ability of an event to animate a destination and facilitate interaction between overseas visitors and local residents. The generation of overseas media coverage by an event is no longer a primary consideration in assessing suitability for support.

In addition, the provision of support for events will be weighted to assist in offsetting seasonality in tourism.

REALISING THE LONG-TERM POTENTIAL OF EVENTS

Small and medium-sized events that drive tourism activity are frequently organised by volunteer committees. There is often great enthusiasm on the part of volunteer organisers but a shortfall in formal management and marketing skills. The longer-established events may be operated on a more commercial footing, but many remain heavily dependent on public support for their viability. However, there must be a full realisation that public funding for events should be to assist the event towards commercial viability, rather than a permanent on-going subsidy. An exception is where there is a clear arts or cultural element which will not be viable in the long run but nonetheless is significant under the tourism criteria above.

To realise the full potential of events, there must be a structure to facilitate the sharing of expertise between established and developing events. There must also be a greater strategic focus to ensure that events are scheduled effectively, and co-ordination of events to present a stronger overall offering that will generate greater visitor interest.

EXAMINATION OF OPPORTUNITIES FOR A FUTURE GATHERING OR THEMED YEARS

There have been calls for the Gathering Ireland 2013 to be repeated. The Gathering was highly successful in achieving its objectives but repeating the initiative too soon may result in a lesser level of benefit. Accordingly, the Government will examine how the Gathering, (or another similar project) will be repeated in the future without its impact being diluted. In addition, the tourism opportunities that arise from themed years in other areas of Government will be fully developed.

ROLE FOR LOCAL AUTHORITIES

The provision of support for smaller events through Local Authorities, with the support of IPB Insurance, was an important contributor to the success of the Gathering. Local Authorities will, as part of their new tourism role (see Section 4.1), play an important part in providing support for smaller events.



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POLICY PROPOSALS

- 1.4.1 Fáilte Ireland will put in place a structure to target international events which generate additional overseas tourism revenue, and can be most effectively matched with our overall tourism offering.
- 1.4.2 Funding for festivals and events of benefit to tourism will be weighted towards events that have potential to become established and reach financial viability, rather than as an on-going public subsidy.
- 1.4.3 More established events will be encouraged to share expertise with developing events in order to maximise the overall benefits of festivals and events for the Irish tourism sector.
- 1.4.4 The Government will examine how the Gathering, or a similar project, can be repeated without diluting its impact, and the tourism opportunities that arise from themed years in other areas of Government will be fully developed.
- 1.4.5 Local Authorities will have a role in the future funding of smaller tourism and diaspora-related events.



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PEOPLE - EMPOWERING THE TOURISM INDUSTRY FOR THE FUTURE

2

PEOPLE - EMPOWERING THE TOURISM INDUSTRY FOR THE FUTURE

This chapter refers to the 'People' aspect of the People, Place and Policy Framework. Its purpose is to set out policy objectives that will strengthen the capacity of people working in the tourism sector to provide the highest quality experience to visitors, and to compete effectively for business in the international tourism marketplace.

2.1 A changing approach to human resources and training in tourism

BACKGROUND

While the most readily identifiable element of the tourism industry is the visitor accommodation sector, the industry includes a far wider scope of activities including air and sea carriers, tour operators, visitor attractions, tour guides, and so on. A much larger range of business sectors draw part of their revenue stream from tourists, including public transport, retail, pubs and restaurants, entertainment venues, and parts of the education sector. Research by Fáilte Ireland indicates that up to 200,000 jobs in total are supported by the tourism sector.

The jobs in tourism encompass a wide range of roles, qualifications and skills, and are geographically dispersed. The sector is an essential component of Ireland's employment base. In addition, many third-level students are employed on a part-time or seasonal basis in the tourism industry, and the income earned from this employment assists in meeting their living expenses and other costs associated with third-level education.

The interaction between overseas visitors and those employed in our tourism sector is highly important in terms of creating a positive link between the qualities of Ireland as a place and the qualities of the Irish people. Therefore it is essential that the level of service provided to visitors is of the highest possible standard.

TOURISM AS AN ATTRACTOR OF FOREIGN DIRECT INVESTMENT

It was noted in Section 1.1 that tourism marketing may indirectly assist the promotion of Ireland for other purposes, for example as a location for foreign direct investment.

In Ireland, the tourism sector itself has traditionally had a high level of indigenous ownership of enterprises, with some businesses remaining in the same family across several generations. However, in recent years tourism has become a focus of foreign direct investment (in particular hotels and golf resorts), as overseas business interests avail of opportunities to expand into Ireland. This trend creates opportunities both for the investors and for those employed in the purchased assets.

For the foreign investors in the Irish tourism sector, the traditional qualities of the Irish welcome, demonstrated by staff at all levels to international visitors, provides a benchmark against which the quality of service in other countries can be measured. For employees, the changing ownership pattern provides opportunities for career development and learning in the context of a multinational enterprise setting.

RECOGNITION AND RESPECT FOR DIVERSITY OF VISITORS

Every business owner, employee, or self-employed person whose work brings them into contact with overseas visitors should treat visitors with a high level of courtesy and respect, regardless of the visitor's age, gender, ethnicity or cultural background. In an era of

increasing diversity of visitors, and having regard to the more rapid growth in visitors from new markets, enterprises and operators should continually review their offerings to ensure that they are meeting the needs and expectations of those from a range of backgrounds.

In addition, in some of our main overseas tourism markets there is likely to be an ageing of the population, and the tourism industry should plan for increased accessibility of its services for all people, regardless of their age, size, ability or disability. There must also be the highest level of understanding and respect for the needs of visitors who have a physical or intellectual impairment.

STRUCTURAL CHANGE IN DELIVERY OF TRAINING

The ability of the tourism sector to grow is closely linked to the range of skills among those employed in the sector.

With regard to the skills required to meet the future challenges of the tourism sector, it is timely that a significant realignment of skills and training structures in Ireland is currently underway. It is important that the trades associated with the tourism industry are incorporated fully into these new structural arrangements. Fáilte Ireland (and one of its predecessor bodies, CERT) previously provided training in catering and tourism skills. Reflecting changed industry needs, Fáilte Ireland now supports the Institutes of Technology in the design and delivery of tourism sector training courses. Fáilte Ireland also



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supports a number of 'Earn and Learn' programmes, which enable individuals to go to college part time to receive a fully recognised qualification while receiving valuable paid work experience in a 'best practice' establishment in the tourism industry.

At an overall level, SOLAS is now responsible for funding, planning and co-ordinating a wide range of training and further education programmes and has a mandate to ensure the provision of 21st century high-quality programmes to jobseekers and other learners. As the Education and Training Boards (ETBs) take over the management of training delivery, SOLAS will focus on planning, funding and implementing a new, integrated further education and training service. This new approach is welcomed and endorsed.

In looking to the future of the tourism sector, it will be necessary to balance direct enterprise support, entry level training and advanced/professional training. SOLAS, employers, further and higher education providers, particularly the Education and Training Boards, and Fáilte Ireland will all have complementary roles to play in this new approach. Significant progress has already been made on implementing the new structures for tourism related training, and in fact tourism can be a lead sector in the new skills and apprenticeship model.

SOLAS has the networks, research and training centres through the existing Education and Training Boards and education network. Given that vocational training falls under the remit of SOLAS,

the Government will not duplicate this infrastructure solely for the tourism industry. Suitable training programmes will be managed at a local level by the ETBs in consultation with local tourism employers and SOLAS, with certification in line with the National Framework for Qualifications (NFQ). Local provision will assist in ensuring that the training matches the demands of the industry in each region.

SKILLS TO UNDERPIN FUTURE GROWTH

The Expert Group of Future Skills Needs (EGFSN) is planning to commence a detailed assessment of the workforce skills and competency requirements for the hospitality sector in Ireland up to 2020. The Department of Transport, Tourism and Sport and Fáilte Ireland will contribute actively to this assessment.

The broader tourism sector requires a wide range of skills including management capability, IT, and design. These skills are required across all tourism sub-sectors, including marketing, transport, product development and delivery. The EGFSN report titled 'Key Skills for Enterprise to Trade Internationally', made a number of recommendations relating to the subjects of applied training programmes that should be developed for tourism. Fáilte Ireland will assist the EGFSN to liaise with key industry groups with the aim of predicting the skills needed for both hospitality and tourism, and identifying emerging needs for tourism education.

Fáilte Ireland will also assist SOLAS in supporting the development of further education and training in the sector and will engage with SOLAS and the

industry to support the successful establishment and implementation of any new tourism apprenticeship that might emerge from the work of the Apprenticeship Council, given the positive effect of training on the quality of the tourism product.

The tourism industry itself must also work to maximise the attractiveness of the sector as a career choice, for example by emphasising the opportunities for career progression that exist within the area.

ENCOURAGING CAREERS IN TOURISM

In addition to providing suitable training structures for tourism, there will also be action to encourage students to consider a career in the tourism sector. DTTAS and Fáilte Ireland will engage with the Department of Education and Skills to explore how tourism can gain an enhanced profile in second-level education. In particular, second level schools will be encouraged to implement the tourism modules that are already available for Transition Year. At present, there are two tourism programmes developed specifically for Transition Year - "The Tourism Awareness Programme" and "Tourism Studies – the Irish Experience". Both aim to promote the importance of tourism as an

economic activity by developing an awareness among students of the Irish tourism product both locally and nationally, as well as an awareness of the careers and employment opportunities within the tourism industry.

FOREIGN LANGUAGE SKILLS IN THE TOURISM SECTOR

Separately, Ireland has not ranked strongly in terms of the percentage of the working population that can speak an overseas language with a reasonable level of fluency. While foreign languages are of obvious importance in terms of everyday contact between tourism industry staff and visitors, equally important is the capability of tourism industry personnel to do business with buyers in overseas markets where English is not the first language. The Department of Education and Skills is currently preparing a *Foreign Languages in Education Strategy*, which will provide a framework for the future development of Ireland's overall level of proficiency in foreign languages.



Photograph © Ireland's Content Pool / Aoife King

POLICY PROPOSALS

- 2.1.1 State support for training and career development in the tourism sector will be designed to maximise the ability of the industry to meet the needs of future visitors and to enable those employed in the tourism sector to achieve their potential.
- 2.1.2 Fáilte Ireland will have a key role in influencing the design of training and skills development programmes for the tourism industry, and will work closely with SOLAS in this regard. Fáilte Ireland will assist in engaging with the tourism industry in relation to support for the new programmes.
- 2.1.3 The Department of Transport, Tourism and Sport, and Fáilte Ireland will engage closely with the Expert Group on Future Skills Needs in its assessment of the hospitality sector.
- 2.1.4 The capacity of the tourism industry to effectively communicate with trade customers in non-English speaking markets will be examined within the context of available resources, and the industry will be encouraged to expand its cultural awareness in respect of visitors from developing markets.
- 2.1.5 The Government will encourage and support the highest standards of service, in both the public and private sectors, in the provision of services that are used by visitors.
- 2.1.6 The Department of Transport, Tourism and Sport and Fáilte Ireland will engage with the Department of Education and Skills with the aim of encouraging tourism education options at second level.



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2.2 Competitiveness, research, and innovation in the Irish tourism sector

BACKGROUND

The Irish tourism industry, both public and private, has shown an increasing ability to innovate. Innovative product ideas, for example the Great Western Greenway in Co. Mayo, have been made possible by co-operation between public agencies and private landowners. Such projects facilitate the creation of enterprises to serve the needs of visitors. They also provide new opportunities for overseas visitors to encounter our key assets of people and place at first hand.

At a national level, the development of new destination frameworks like the Wild Atlantic Way indicates a more direct involvement by the State tourism agencies in creating an overall tourism product that is of sufficient scale to be marketed internationally. Private tourism enterprises in the region concerned are encouraged to tailor their offering to meet the needs of the visitors who are enticed to travel by the overall concept.

The economic difficulties of recent years have encouraged private enterprises to devise more efficient ways to operate. This has assisted the industry's ability to return to growth over the last four years. There is also an increasing trend towards structural innovation, for example the development of new forms of tourism intermediaries, and the convergence of tourism with other areas of economic activity, such as the growth of food tourism. These trends reflect the tourism sector's adaptability to a changing environment, and help to foster the industry's future competitiveness.

RISKS ASSOCIATED WITH TOURISM INFLATION

There is no room for complacency concerning the overall competitiveness of the Irish tourism sector.

There are many contributors to competitiveness that affect not just the tourism sector but the economy as a whole. The National Competitiveness Council has noted that, while Ireland's cost base has improved over the last four or five years, Ireland remains a high cost location for a range of key business inputs. Addressing Ireland's international cost competitiveness must, therefore, remain a key economic priority for Government.

The calculation of overall consumer inflation in an economy includes the cost of a wide range of goods and services that are typically purchased by residents. However the purchases made by visitors will typically be from a much narrower range. The prices paid by visitors for accommodation, food and drink in restaurants and pubs, organised tours, access to visitor attractions and facilities, and internal transport services are among the specific sub-sectors of the economy where price rises may damage tourism competitiveness (the tourism inflation rate).

While all enterprises will seek to maximise their returns, the tourism industry needs to ensure that rising prices do not cause a repeat of the value-for-money issues that contributed to the downturn in tourism that took place from 2007-2010.

Tourism performance often lags value for money perceptions, (e.g. visitors who experience poor value do not return, or tell others about their negative experience). CSO data indicates that prices in the category of 'Restaurants and Hotels' rose by 20%

between 2003 and 2008. According to Fáilte Ireland research, in 2007, 28% of overseas visitors considered the value for money of an Irish holiday to be poor. By 2009 this figure had risen to 40%. CSO data shows that overseas visit numbers fell by 23% between 2008 and 2010. While other external factors also impacted visitor numbers, there is little doubt that the perception of Ireland as a poor value destination had a significant negative impact on our performance. Key Government actions, such as the introduction of the 9% VAT rate, contributed significantly to reduced prices for visitors.

Since 2009, the percentage of overseas visitors who said Ireland provided poor value has improved significantly. Only 13% of visitors thought that Ireland provided poor value in 2013.

The Government expects visitors to benefit from any fiscal measures that are introduced to support tourism price competitiveness. Accordingly, the State will continue to monitor price trends in the sector and encourage corrective action where appropriate. The industry representative bodies will also be required to play a leading role in this. If the Government observes that prices in the tourism sector are increasing faster than is reasonable, it will be clear that the competitive advantage conferred by the reduced VAT rate is no longer required and the Government will respond accordingly.

It is clear that, should the tourism industry again engage in unrestrained price increases as occurred during the mid-2000's, it will face another rapid fall in visitor numbers and revenue as more visitors are dissatisfied with the level of value on offer.

ENSURING VALUE COMPETITIVENESS

Of course, price is not the sole indicator of competitiveness. The overall value provided by tourism enterprises is equally or more important. It is essential that the entire tourism sector continually seeks to add value, both through competitive pricing and also through improvements to the service provided.

Service-level improvements are a product of both capital and intellectual investment. The quality of premises or equipment must be matched by the highest standards of skill and professionalism. This is the key to maximising visitor revenue in the longer

term: combining a quality of service that exceeds expectations with a competitive price, all of which gives the visitor the satisfaction of having achieved value from their expenditure.

It is also vital that the tourism industry builds capacity in the skills associated with information and communications technology. Effective online marketing and advertising is now critical to the success of a tourism enterprise or tourism destination and is now a central aspect of the tourism agencies marketing mix. While larger tourism accommodation providers are more likely to have access to the necessary skills to effectively manage their online



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activity, some tourism small and medium enterprises (SME's) continue to face challenges in this regard. This is particularly relevant in areas other than basic website design, for example search traffic measurement and website analytics. Fáilte Ireland will continue to support the industry in developing its technology skill base.

While the increase in visitor numbers since 2011 has contributed to normalisation of room rates, the events of the last few years underlines the need for various categories of accommodation providers to focus on innovations that differentiate their tourism offerings, so that the visitor is more likely to consider the overall experience on offer rather than comparing different categories solely on price.

IMPACT OF NEW FORMS OF VISITOR ACCOMMODATION

The growth of non-conventional accommodation models in recent years (for example, 'couch-surfing', AirBnB) brings an additional complexity to the competitive environment in tourism. While providers in these new categories of visitor accommodation may have little interaction with the conventional tourism industry, they are a reality in the marketplace and their future contribution to tourism growth cannot be discounted. The diversification of accommodation providers will be considered in the context of the review of visitor accommodation regulations (see Chapter 3).

PUBLIC AND PRIVATE SECTOR INNOVATION, SUPPORTED BY RESEARCH

Outside of visitor accommodation, new innovative services to tourists continue to appear, for example unusual themed tours and various new participative experiences. Such innovation is welcome and will continue to be supported by the relevant agencies. Private enterprises can generate and test new offerings quickly, adopting those which are positively received by visitors, while discontinuing ideas that, while innovative, fail to make an impact in the market. The public sector has played a leading role in tourism innovation and many new tourism offerings are the result of collaboration between public bodies e.g. the Wild Atlantic Way, and the development of 'blueways' on the West Coast. Other tourism innovations result from collaboration between the public and private sectors, for example the Merrion Square Innovation Network. The innovative developments that are undertaken in tourism, by the public and private sectors, will be complemented by high quality research that facilitates understanding of changing patterns in visitor needs and emerging solutions to meet those needs.

The Central Statistics Office (CSO) has a lead role in the collection and publication of statistics on overseas and domestic tourism activity. The Department of Transport, Tourism and Sport will establish and chair a forum to identify key areas, and ways in which additional sources of data can be harnessed to provide enhanced understanding of tourism performance and its economic contribution. The Department will invite the CSO, tourism agencies, universities and

institutes of technology to contribute to the forum. A multi-annual framework of research on tourism will be agreed between the parties. This may include the development of a Tourism Satellite Account for Ireland.

Separately, the tourism agencies carry out research that informs their priorities in terms of marketing and development. As previously noted, it was primary research by the tourism agencies that informed the brand architecture and consumer segmentation model that is now in place. Although the number of academic researchers specialising in Irish tourism research is small, the high quality of the published research continues to provide valuable insight into the ongoing development of the sector. It is important that existing research can be clearly disseminated to the wider tourism industry, and that priority areas for new research can be identified and progressed.

COMPETING THROUGH ENGAGEMENT WITH ONLINE COMMUNITIES

Ireland has taken a leading position in the re-positioning of tourism marketing activity away from reliance on traditional media, towards direct engagement with potential visitors through online outlets and social media. In 2014, Tourism Ireland was the fourth most popular tourism board in the world on Facebook, number three on Twitter, and number two on YouTube. Tourism Ireland's global marketing website, Ireland.com, attracted about 13.6 million visitors in 2014 (including 37% from mobile devices).

Traditional media advertising will continue to play an important role with regard to particular segments of the overall tourism market, but the growth trend in tourism marketing via online and social media will continue in the coming years.

It was formerly the case that potential visitors relied on official grading and printed guidebooks as their main source of information on tourist accommodation. It is clear that the internet is now the primary source of information used by visitors to assess the quality of accommodation and other tourism-facing enterprises.

In particular, online communities (for example, TripAdvisor) are frequently the primary research tool by those who are planning to visit a particular destination. Accordingly, the tourism industry must work actively to increase its skillset in effectively communicating with online communities. The approach taken by representatives of tourism enterprises when communicating with members of online communities will be viewed as a reflection of the qualities of Irish people generally, and therefore the same standards must be maintained in these interactions as would take place in face-to-face discussions. Fáilte Ireland will continue to provide training on these issues to tourism enterprises, as part of its work in assisting the tourism sector to increase its information systems skills.

PROVISION OF RURAL BROADBAND

A high quality, reliable broadband service is essential for both providers of tourism products and services and for visitors. Many areas of the country which currently experience shortfalls in accessing quality broadband provision are often places of considerable tourism potential. Addressing this issue will include the dual approach of continued commercial activity and the National Broadband Plan, which is overseen by the

Department of Communications Energy and Natural Resources. The Plan sets out a framework for the delivery of high quality broadband throughout the country. Bringing forward an improved broadband service to places not adequately served by commercial providers will result in enhanced employment and investment opportunities in tourism, and improve the ability of existing tourism providers to trade on-line.



Photograph © Tourism Ireland

POLICY PROPOSALS

- 2.21 The Government will support innovation and continual improvement in the competitiveness and sustainability of our tourism offering, in order to most effectively meet the needs of future visitors.
- 2.22 The competitiveness of Irish tourism is dependent on both price issues and value. The Department will monitor price trends in tourism, and the Government will take account of such trends in its supports of relevance to tourism particularly the reduced VAT rate for tourism services.
- 2.23 The Department of Transport, Tourism and Sport will, with the CSO, tourism agencies and third level institutions, establish a forum to identify key areas and ways in which additional sources of data can be harnessed to provide enhanced understanding of tourism performance and its economic contribution, including the possibility of developing a Tourism Satellite Account for Ireland.
- 2.24 The tourism agencies will continue to assist the tourism industry in managing its communication with online communities.



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POLICY - REGULATION OF THE TOURISM SECTOR

3

POLICY - REGULATION OF THE TOURISM SECTOR

This chapter refers to the 'Policy' aspect of the People, Place and Policy framework. Its purpose is to set out policy objectives that will ensure the continued quality of the Irish tourism sector's offering, particularly in the most formally regulated area of accommodation, while enabling it to adapt to changing visitor needs.

3.1 The regulatory structure for visitor accommodation

BACKGROUND

Tourism enterprises are covered by many of the same statutory obligations as all other enterprises. However, there are areas of legislation which are particularly focused on the tourism industry.

Statutory regulation of visitor accommodation in Ireland is based on the Tourist Traffic Acts (1939 – 1998) and the National Tourism Development Authority Act 2003. This body of legislation prescribes the use of twenty nine tourist accommodation descriptors, and assigns responsibility to Fáilte Ireland to put supporting regulation in place, and to maintain annual statutory registers of premises which use those descriptors.

Entities that are required to register include Hotels, Guest Houses, Holiday and Youth Hostels, Caravan & Camping Parks, Self-Catering accommodation (apartment and cottage properties in excess of 7 units on one site) and Holiday Camps. Registration under the Acts is also a requirement where, for example, a hotel wishes to apply for a Publican's Excise Licence.

The objective of a tourist accommodation regulatory structure is to help resolve any information asymmetry which may exist in the area of visitor accommodation. This is achieved through independent and objective assessments of tourist accommodation thus providing consumers with a benchmark that gives them reassurance about the type of product that they are purchasing.

In addition to the statutory regulation arrangements described above, Fáilte Ireland offers a quality assurance approval system for non-statutory tourist accommodation. This is voluntary and would include, for example, Irish home bed and breakfasts, historic houses with accommodation, and individual self-catering properties.

In addition to its regulatory function, Fáilte Ireland operates a classification system for approved tourist accommodation, which helps to differentiate each business offering to the visitor.

There are also other aspects to the regulatory environment for the tourism sector. Businesses are required to comply with the relevant regulatory frameworks of the State, including local government (e.g. Planning, Sanitary services), Fire Services, Building Regulations, Food Hygiene Regulations, health and safety, employment legislation, etc.. EU and domestic legislation in other spheres has a direct impact on enterprises that are central to the tourism industry, for example the range of legislation pertaining to air travel or coach tour operators.

TOURISM REGULATION IN A CHANGING TOURISM MARKET

It is timely to examine whether the rationale that first justified the statutory regulatory framework still exists: namely the need for tourists to have access to objective, independent information and reassurance about accommodation standards prior to purchase, and whether those standards remain relevant to their needs.

The current Irish system of registration and classification may be too restrictive in that it may act as a barrier to innovation in the tourism sector. The existing criteria that determine compliance are primarily "hard" – i.e. relating more to physical attributes and characteristics, rather than integrating more "soft" features such as pre-arrival communications, the intrinsic quality of the experience (e.g. service, ambience, the welcome), and end-of-stay assessment.

Increased innovation in tourist accommodation globally has been aided by online intermediaries that facilitate direct contact between the visitor and accommodation provider, and between visitors themselves. Examples include glamping, yurts, pod parks, limited service urban hotels, 'couch surfing', and the short-term renting of rooms facilitated by intermediaries like AirBnB. Accommodation providers

that use these intermediaries typically remain outside the established tourism regulation and promotion structures, but other considerations, such as duty of care to visitors, remain applicable.

The regulatory framework for any business sector is typically subject to on-going evaluation, amendment, retrenchment or expansion. For the tourism industry, what is required is an overall regulatory framework that ensures the safety of visitors and employees, while providing a statutory foundation for private enterprise that is stable and equitable, and encourages the tourism industry to grow and innovate in order to meet the future needs of its customers.

MINIMISING THE ADMINISTRATIVE ASPECTS OF REGULATORY COMPLIANCE

The reduction of the administrative burden associated with regulation has been a central focus of the Government's Action Plan for Jobs, for example the APJ 2014 included actions related to a more streamlined workplace relations structure, and an Integrated Licencing Applications Service for the retail sector. The Department of Transport, Tourism and Sport will support efforts across Government to reduce or streamline the administrative processes associated with regulatory compliance, particularly for small and medium sized enterprises.

POLICY PROPOSALS

3.1.1 Fáilte Ireland will undertake regular reviews of the regulatory framework for the tourism sector to ensure that it remains fit for purpose.

3.1.2 The Department of Transport, Tourism and Sport will support measures across Government that reduce or streamline administrative processes associated with regulatory compliance.



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PEOPLE AND PLACE - A CENTRAL ROLE IN TOURISM FOR LOCAL AUTHORITIES AND COMMUNITIES

4

PEOPLE AND PLACE - A CENTRAL ROLE IN TOURISM FOR LOCAL AUTHORITIES AND COMMUNITIES

This chapter focuses on what is perhaps our greatest potential tourism offering over the next ten years, namely where the aspects of People and Place converge at the level of the local community – as already mobilised for the Gathering Ireland 2013 and the Wild Atlantic Way – and endorses that potential as being heart of our Policy framework. Its purpose is to set out policy objectives that will provide a foundation for communities to develop quality tourism experiences that meet and, preferably, exceed the needs and expectations of visitors by ensuring they get the optimal exposure to our Places and our People.

4.1 Local Authorities supporting communities in tourism

BACKGROUND

Local Authorities have long recognised the important contribution of tourism to their local areas. They provide infrastructure and environmental management that is essential for a fully-functioning economy like the provision of roads, and the provision of recreation and amenity facilities, with consequent benefits for both locals and visitors. More directly, Local Authorities are active in many aspects of tourism, such as the organisation and funding of events, and the development of public tourism infrastructure. In this context, many Local Authorities work closely with Fáilte Ireland in the development of these projects.

Local communities have also contributed to tourism, being centrally involved in initiatives like the Tidy Towns Competition, festival organisation, and local amenity development, but with little formal recognition of this contribution. The success of the Gathering Ireland initiative in 2013 (see box) was a strong example of the value that is created by combining the key assets of people and place, supported by a clear policy objective of encouraging additional tourism activity. It built on the ability of communities to contribute to tourism for the benefit of their localities. This was reflective of a strong concern not just for tourism, but also for the economic sustainability which it brings to urban and rural localities throughout the country. Coupled with this was the strong performance of many Local Authorities in supporting and co-ordinating Gathering-related activities.

The strength of the community sector as a driver of diaspora-related tourism has been recognised by the new Community Tourism Initiative for the Diaspora, which seeks to build on the legacy of the Gathering Ireland 2013. The initiative, a joint partnership between Fáilte Ireland, IPB Insurance and the 34 Local Authorities (under the auspices of the County and City Managers Association), is providing an annual fund of €1m over the period 2014-2016 to support up to 700 local community-based events and festivals each year.

The Gathering Ireland 2013

In 2012 the Irish Government launched The Gathering Ireland 2013 – Ireland’s biggest ever tourism initiative – which took place throughout 2013. Over 70 million people worldwide claim Irish ancestry. Throughout 2013, Ireland extended a welcome to those who have moved away, their relatives, friends and descendants and invited them home to gatherings in villages, towns and cities.

Communities throughout Ireland, with the support of their Local Authorities, showcased and shared the very best of Irish culture, tradition, business, sport, landscape, food and the uniquely Irish sense of fun. The initiative provided an opportunity for those with ancestral links, and those with an affinity for Ireland to play a part in – and benefit from – efforts to revive the economy.

The Gathering Ireland 2013 aimed primarily to generate additional tourist numbers and revenue. It succeeded in this aim, drawing an additional 275,000 visitors who would not otherwise have travelled to Ireland, generating additional tourism revenue of approximately €170 million.

The Gathering, however, was never just about visitor numbers and revenues. It was also about community pride and strengthening links with the diaspora. The Gathering helped to strengthen existing links with Irish communities abroad and create new connections. The tourism agencies will continue to work with the diaspora networks and will include this global family as part of future promotional work overseas. The networks and databases created through The Gathering will also remain as a valuable asset to Irish tourism.

LOCAL AUTHORITIES – SUPPORTING COMMUNITY TOURISM INITIATIVE

The organisational support provided by Local Authorities for The Gathering was the essential link that enabled community effort to be supported by State resources. The success of the Gathering has provided a foundation on which to develop a more structured role for Local Authorities in support of community initiative in tourism.

The Government’s “Action Programme for Effective Local Government – Putting People First” envisages the local government system performing a strategic role in relation to economic development in partnership with the relevant government departments and agencies. The Action Programme outlines a stronger role for local government, coordinated through the proposed new regional assemblies, in shaping and supporting overall national and regional economic development policy by the creation of spatial and economic strategies by the new regional assemblies. This full integration of these strategies will ensure the co-ordination of economic and spatial development across the regions and enable local government to play a stronger role in economic development.

The main functions of the new Regional Assemblies will include formulation of Regional Spatial and Economic Strategies, other strategic functions under relevant legislation, functions in relation to EU funding programmes, and oversight of local authority performance and national policy implementation. Tourism is a key area in which Local Authorities can promote economic development in conjunction with community effort.

Some communities have been particularly successful in the establishment and development of new destinations, with the support of their Local Authority. There is considerable value in facilitating and encouraging co-operation between established destinations, and groups that are working to develop newer destinations. Such cooperation helps to build the overall strength of Ireland's tourism offering.

There are a range of examples of best practice in both established and newer destinations, such as those recognised by the European Destinations of Excellence (EDEN) awards, and Tidy Towns competition winners. Communities that wish to develop their tourism offering can learn from this good practice by engaging with those who have achieved success.

Specifically, it is envisaged that Local Authorities will:

- Continue to act as primary developer of a range of public tourism infrastructure, including outdoor tourism infrastructure and urban and rural heritage;
- Act as a link between the State tourism agencies and communities by supporting community effort with regard to major national tourism initiatives such as the Gathering;
- Support community effort in destination development, including assisting communities to align their efforts with the tourism agencies brand architecture and consumer segmentation model;
- Provide a competitive environment for tourism enterprises through continued focus on high quality maintenance of public infrastructure frequently used by visitors;
- Contribute to capacity building in tourism

nationally by co-ordinating exchange of knowledge between established and developing tourism destinations; and

- Provide a range of advice and support through the Local Enterprise Offices.

ALIGNMENT OF LOCAL AUTHORITY ACTION WITH NATIONAL POLICIES

Local Authorities need to have due regard for national tourism policy as expressed in this document.

Within Ireland, individual counties may compete for domestic visitors. However, research carried out for Tourism Ireland indicates that the level of awareness of Ireland's internal administrative boundaries is low among potential overseas visitors, and therefore expenditure by public or private entities on marketing an individual county to consumers in overseas markets is unlikely to provide an adequate return on investment. Given the limited awareness among overseas consumers of Ireland's internal administrative geography, the State tourism agencies will continue to lead overseas tourism destination marketing.

A key consideration for Local Authorities is that tourism destinations do not necessarily align with administrative boundaries. A county may contain more than one destination, or a single destination may cross administrative boundaries. Therefore it is important that Local Authorities act in co-operation with one another in managing and developing destinations, and that such effort takes place with due regard for the brand architecture and consumer segmentation model as already outlined.

CO-OPERATION BETWEEN LOCAL AUTHORITIES AND THE TOURISM INDUSTRY

It is recognised that Local Authorities will continue to operate in a tight budgetary position for the foreseeable future and that they face a range of demands on their resources. As the tourism industry and other aspects of retail trade are the primary beneficiaries of Local Authority actions to support tourism, it is reasonable to expect that they will support the additional tourism responsibilities that Local Authorities will undertake in future.

One existing example of how Local Authorities can provide additional services to local enterprises is through the Business Improvement District Schemes (BIDS) model (see box). There may be scope for similar schemes in the tourism sector, where businesses in a Local Authority area agree a programme of additional actions in support of tourism.

Business Improvement Districts

The Business Improvement District Schemes (BIDS) model was established by the Local Government Act of 2006. The purpose of BIDS is to deliver significant positive impacts on the economic vitality and viability of cities and towns. A BID scheme is an organisational and financing mechanism through which businesses can develop and implement initiatives in defined areas to improve those areas for the betterment of the trading environment. A group of businesses come together and decide firstly that they want enhanced services or a wider range of services, or new facilities or activities in an area. Secondly, these businesses decide that they are willing to pay for such services, facilities or activities.

Once approved by the council and following a successful plebiscite, a specially established BID company will have responsibility for implementing the provisions of a BID scheme, with the local authority playing a key role in any such company. A key feature of BIDS is that all investment made through BIDS is both additional and complementary to the current level of services provided by the Local Authority.

LOCAL SUPPORTS FOR TOURISM

With the roll out of Local Enterprise Offices (LEOs), based in Local Authorities, the establishment of Local Community Development Committees, and the development of Local Economic and Community Plans, there is potential for a more integrated approach to the delivery of supports at Local Authority level.

LEOs will fully engage and collaborate with Fáilte Ireland in order to maximise State support to the micro and small business sector. A protocol has been signed between Enterprise Ireland and Fáilte Ireland to ensure clarity and consistency with regard to the range of LEO supports available to tourism enterprises.

With regard to financial support, LEOs have clear eligibility criteria in respect of such assistance. Tourism enterprises generally must be aimed at overseas visitors, and should not be in direct competition with any similar local business nor give rise to deadweight or displacement. Decisions to grant funding will be solely at the discretion of the LEO.

All small businesses both exporting and domestically trading may avail of non-financial assistance from the LEOs in the form of a wide range of business advice

and information services, management capability training and development programmes, e-Commerce training initiatives etc. Training courses include such topics as internet marketing, ideas generation and negotiation skills. The LEOs also provide a referral service to a range of supports available from other State organisations including Revenue, Department of Social Protection, Skillnets and the Credit Review Office.

As well as providing some direct funding, LEOs can also advise on a range of alternative funding options available, e.g. under a partnership between Microfinance Ireland and the Local Enterprise Offices, business loans are now available through the Local Enterprise Office with a reduced interest rate for LEO clients.

In addition to Local Authorities, LEADER Local Action Groups have provided a wide range of supports to local tourism initiatives over successive LEADER programmes and operation of programmes such as the Rural Social Scheme under which many local tourism assets have been maintained and improved. The Department of the Environment, Community and Local Government are proposing to implement a number of changes to the way in which LEADER is delivered in the next programme period (2014-2020). The Department of Transport, Tourism and Sport will work with the Department of Environment, Community and Local Government to ensure that tourism-related investment continues to be supported following any structural changes in the delivery of the Rural Development Programme.

TOURISM AS A DRIVER OF RURAL ECONOMIES

The 2014 report of the Commission for the Economic Development of Rural Areas (CEDRA) - 'Energising Ireland's Rural Economy' focused on a range of measures which are intended to support the economic regeneration of rural communities. The report included a number of recommendations in the tourism sphere. The Department of Transport, Tourism and Sport is participating in the inter-Departmental Group tasked with the implementation of the recommendations of the CEDRA report.

The encouragement and support of community tourism effort by Local Authorities, as described above, provides a foundation on which the tourism potential of rural areas can be realised. The brand architecture and consumer segmentation model developed by the tourism agencies shall provide the framework under which rural tourism will be supported.



Photograph © Tourism Ireland

SUPPORTING VOLUNTEER EFFORT IN TOURISM

Volunteer effort has proven to be a key asset in hosting major events that have an impact on tourism, for example the Special Olympics in 2003. The natural friendliness of Irish people in dealing with visitors provides a competitive advantage to large events that can put in place an appropriate volunteer structure. However, this is most effective when there is a social good aspect to the event, and may not always transfer to a purely commercial event, where the use of volunteers may be viewed as a substitute for paid employment. There may also be potential for volunteer programmes to be encouraged at key natural or built heritage sites, again subject to ensuring that it is not used to displace employment. The Department of Transport, Tourism and Sport will engage with other relevant bodies to examine the potential for volunteerism to be encouraged where it is of benefit to the overseas visitor's experience of Ireland.

POLICY PROPOSALS

- 4.1.1 Local Authorities will be encouraged to support communities in tourism development, and will co-operate with neighbouring authorities as appropriate to maximise tourism opportunities for their region as a whole.
- 4.1.2 The Department of Transport, Tourism and Sport, and Fáilte Ireland will encourage the sharing of expertise between communities that have been successful in building the tourism capacity of their localities, and those that are at an earlier stage of development.
- 4.1.3 The Department of Transport, Tourism and Sport will engage with other relevant bodies to maximise the use of volunteerism where it is of benefit to the overseas visitor's experience of Ireland.
- 4.1.4 The identification of tourism as a priority in the Local Economic and Community Plans, and the provision of support to start-up and developing tourism enterprises will be aligned with the Local Authorities tourism objectives and plans for their areas.



Photograph © Chris Hill Photographic

POLICY - THE WIDER CONTRIBUTION OF GOVERNMENT TO THE FUTURE OF TOURISM IN IRELAND

5

POLICY - THE WIDER CONTRIBUTION OF GOVERNMENT TO THE FUTURE OF TOURISM IN IRELAND

This chapter focuses in on the 'Policy' aspect of the People, Place and Policy framework, aiming to ensure that Government policies across a range of issues - including fiscal incentives, support for enterprise, access, and transport - are appropriate for the development of a competitive and sustainable tourism sector.

5.1 Fiscal and Enterprise Policies and Actions

BACKGROUND

Tourism does not operate in isolation. Given the diverse nature of tourism-related economic activity, it is affected by a wide range of policies, both at the domestic and EU level. For example, policies that impact on the natural and built environment, the nature and rates of taxation on various forms of economic activity, and structures for the public support of private enterprise all impact on the sector.

In addition to its regulatory role, the State has a wider role in framing an environment that allows enterprise to prosper. This can include the provision of targeted supports that are compliant with EU State Aids rules. The support for capital investment in tourism provided by Fáilte Ireland is an example in this regard. Fáilte Ireland also provides other forms of support to the tourism industry, including advice and assistance on establishing and developing a tourism enterprise, tourism-related academic research, and tourism destination development.

The Export Trade Council, chaired by the Minister for Foreign Affairs and Trade, was established to oversee the implementation of the Government Trade, Tourism and Investment Strategy (2010-2015) and ensures the close coordination of Ireland's economic, trade, tourism and investment promotion overseas. Tourism Ireland has been closely involved with other enterprise agencies and with the Embassy network in implementing the measures identified in this Strategy.

In addition, since coming to office the Government has implemented a series of Action Plans for Jobs. These have identified key actions to be achieved within specific timeframes in order to create an environment which encourages job creation. Actions to support tourism have formed a key part of these plans and have helped the industry to return to growth.

TAXATION MEASURES IN SUPPORT OF TOURISM

Fiscal policy is the use of government revenue collection (taxation) and expenditure (spending) to influence the economy. Alternatively, it involves the government changing the levels of taxation and government spending in order to influence demand and economic activity.

Fiscal policy has had both a positive and negative effect on the tourism sector in recent years. Tourism has benefited from a number of fiscal policy measures since the Government took office, including the 9% VAT rate, and the setting of the Air Travel Tax to zero in Budget 2014 which has facilitated growth in airline capacity into Ireland, supported by close co-operation between the tourism agencies, other enterprise agencies, and airports (see Section 5.2).

Previous property-related incentives, which were designed to address market failure in the provision of high-quality visitor accommodation, were retained for too long, resulting in some inappropriate developments that did not address genuine visitor demand. The key priority is that future State incentives in the visitor accommodation sector must only take place to address an identified market failure, and avoid incentivising investment that would take place anyway. Incentives must be time-limited or structured to close once the market failure is addressed.

An additional concern is that investment may sometimes be delayed because of created market failure i.e. intentional delay in expectation of the

future introduction of incentives. The Government will be clear and unambiguous regarding its intentions in this area. The Department of Finance has published guidelines for tax expenditure evaluation.⁵ Where the outlay to the Exchequer of any new fiscal incentive is expected to be significant, an appropriate evaluation methodology will be identified before the measure is implemented, with arrangements in place for the capture of the necessary data over the lifetime of the scheme to allow for its evaluation.

NATIONAL AND REGIONAL ENTERPRISE POLICIES AND STRATEGIES

A review of the Government's enterprise policy is currently underway, led by the Department of Jobs, Enterprise and Innovation. The Department of Transport, Tourism and Sport will engage closely with this process in the context of tourism-related enterprise.

A framework for Regional Enterprise Strategies has been developed, to better integrate the efforts of enterprise agencies and the other regional stakeholders in building enterprise based on sustainable competitive advantage of each region. It is envisaged that the application of this framework to the different regions will make an important contribution to the Regional Spatial and Economic Strategies to be prepared by the new Regional Assemblies, and to the Local Economic and Community Plans to be developed by the Local Authorities.

⁵ http://www.budget.gov.ie/Budgets/2015/Documents/Tax_Expenditures_Oct14.pdf

EXPLOITING THE OPPORTUNITIES FOR CONVERGENCE BETWEEN TOURISM AND OTHER SECTORS

In order that the contribution of tourism to economic prosperity and the social fabric of the country is fully considered across the full range of Government actions, tourism must be considered fully by Departments and public bodies in the development of their policies, strategies, and actions. An emerging trend is the combining of tourism with other areas of economic activity, for example the food sector. This trend, known as 'convergence' may provide additional opportunities for revenue growth in the tourism sector and the wider economy. Under the Action Plan for Jobs 2014, Fáilte Ireland and Enterprise Ireland engaged in identifying convergence opportunities.

One notable existing area of convergence is that of English Language Training (ELT), which encourages overseas visitors to Ireland. Following the closure of a number of English language schools, the Department of Education and Skills, with the support of the Department of Transport, Tourism and Sport and Fáilte Ireland, is currently examining how this sector can be most effectively returned to a leadership position in the international ELT market.

POLICY PROPOSALS

- 5.1.1 The role of tourism in the wider economic and social fabric in the State shall be recognised in the formulation of fiscal policy.
- 5.1.2 Fiscal incentives for the development of tourism-related property investment should only exist to address genuine market failure and be discontinued as soon as the market failure is addressed.
- 5.1.3 The Department of Transport, Tourism and Sport, and Fáilte Ireland will continue to work to identify and exploit opportunities for convergence between tourism and other areas of enterprise.
- 5.1.4 The Department of Transport, Tourism and Sport, and Fáilte Ireland will support the Department of Education and Skills in its review of the English Language Training sector to ensure it is returned to a leadership position in the international ELT market.



Photograph © Fáilte Ireland / Valerie O' Sullivan

5.2 Access to and within Ireland

BACKGROUND

The more convenient and more economical it is to get to Ireland the easier it is to entice visitors to experience our people and our place. Ease of access to Ireland extends to border controls as well as transport routes. Physical access is constrained due to our island status. Therefore it is important that our air and sea access infrastructure are conducive to encouraging growth in inbound capacity from regions that present the best prospects for tourism. In addition to physical access, the prevailing regulatory environment for entry to Ireland must balance the needs of genuine visitors with the protection of our borders from unregulated migration.

Ireland has seen very substantial investment in transport infrastructure over the last ten to fifteen years.

There has been considerable investment at our main airports and the National motorway network now extends to some 1,200 km. Significant investment in rail has also occurred with, for example, renewal of the mainline rail network and rolling stock. Bus transport also witnessed significant investment, in particular through the development of quality bus corridor networks and fleet replacement and expansion programmes in Bus Éireann and Dublin Bus. In addition to improving connectivity within Dublin, the LUAS light rail system has improved the image of Dublin as a modern and contemporary city, as well

as increasing accessibility to visitor facilities such as the Irish Museum of Modern Art and the National Museum at Collins' Barracks.

Collectively, these investments have improved the experience of visitors to Ireland, and the ease with which visitors can travel within the country.

PASSENGER FACILITIES AT SEA PORTS AND FRONTIER CONTROLS

While there are some concerns that the passenger facilities at our ports are not currently of a suitable standard, a number of port companies have ambitious plans to improve their facilities. Under EU competition law, ports are largely precluded from receiving State support for investment, and therefore improvements to infrastructure must be met primarily from their own resources. Reflecting their importance to the tourism industry, all the state port companies must give full consideration to the quality of the visitor experience in their investment plans.

In addition to the quality of physical infrastructure at airports and ports, the quality of service to visitors at frontier checks is important in creating a first impression of Ireland's welcome.

IMPROVING VISITOR EXPERIENCE THROUGH TRAVEL TECHNOLOGY INVESTMENT

In addition, internal public transport in Ireland has also seen investment in rail and bus stations, and information technology. The key issue for the future is the provision of greater integration in connectivity

between different modes of public transport, through the further rollout of initiatives like the Leap card, and a greater level of focus on the provision of information in languages other than Irish and English. Public transport operators, in both the public and private sectors, will be encouraged to jointly address these issues.

In addition, there is the need to encourage inter-modal connectivity in public transport, in particular the scheduling of local public transport (trains, and public and private bus services) to coincide with arrivals and departures at national and regional airports, and ferry ports. The Government will ensure the sharing of timetabling data between all categories of public transport operators in a common format that facilitates inter-modal scheduling. The National Transport Authority (NTA), in considering Public Service Obligation (PSO) routes, will give full consideration to tourism, and where market failure exists in the linking up of airports and seaports to public transport, the PSO will include provision to address this issue.

The advances of integrated ticketing, which were initially targeted at commuters, are now being extended to measures aimed at visitors. The National Transport Authority (NTA) has developed a Visitor Leap Card which offers tourists 72 hours of unlimited travel on Luas, DART, Iarnród Éireann's short-hop zone and Dublin Bus, and also a Trainee Leap Card, available to language school trainees through their schools and directly from Dublin Bus.

ADVANCES IN VISA POLICY

Ease of access is an important consideration for visitors from developing destinations. Building on the success of the Irish Visa Waiver Programme, the Irish Naturalisation and Immigration Service of the Department of Justice and Equality and the UK Home Office have recently announced a reciprocal Common Travel Area visa arrangement which will allow visitors to travel to and around the Common Travel Area between Ireland and the UK on a single visa. The new arrangement has been initially launched in respect of China and India, and will be expanded worldwide on a phased basis.

Given that the UK is likely to remain outside the Schengen area, it is unrealistic to consider that Ireland would become a member of Schengen as that would require the re-introduction of border controls between Ireland and the UK, including between Ireland and Northern Ireland. Therefore, the goal is to continue to work to maximise the efficiencies that can be gained in the processing of visas for visitors for whom a visa is required to enter Ireland and the UK.

COMBINING POLICY PRIORITIES IN TOURISM AND AVIATION

As an island, inbound tourism and the export earnings and employment supports are profoundly dependent on the volume, affordability and range of air access. Airports are core elements of the tourism infrastructure. In turn, tourism is an important source of traffic and customers for airports.

In that context, the tourism policy focus on developing

tourism experiences of significant scale, particularly the Wild Atlantic Way and the forthcoming Culture and Heritage proposition for the South and East of Ireland, as well as the renewed focus on growing tourism in Dublin with the Destination Dublin group, provides significant opportunities for airports, particularly those which are positioned as gateways to those propositions.

Tourism has figured prominently in the Government's Draft Aviation Policy, including recognition of the need to develop inward access from high potential markets such as China, India, and the Middle East. The Aviation Policy also highlights the challenges facing regional airports from a tourism perspective. It is considered that the best prospects for the viability of regional airports is the securing of additional direct flights from specific regions in other countries that have a high percentage of priority market segments within their overall population.

Tourism Ireland, in co-operation with other enterprise agencies, engages in case-making activity for the introduction of routes of strategic importance for Ireland and undertakes co-operative marketing activity with airports and air carriers to stimulate demand. The tourism agencies will continue to case-make for new routes and work with the relevant airports and airlines in this regard.

POLICY PROPOSALS

5.2.1 The Department of Transport, Tourism and Sport will continue to support the initiative of the Department of Justice and Equality in the development of the British Irish Visa Scheme and other enhancements of the visa system to promote growth in tourist and business visits to Ireland.

5.2.2 Air and sea port operators will be encouraged to ensure that visitor reception facilities are managed so that the visitor experience is optimised.

5.2.3 Public transport operators in the public and private sectors will be encouraged to develop joint frameworks to facilitate inter-modal connectivity that facilitates international visitors. The NTA will include this as a priority in the designation of PSO routes.

5.2.4 The Department of Transport, Tourism and Sport, the operators of State and regional airports, and the tourism agencies will continue to work closely to increase access to Ireland from high-potential overseas tourism markets, within the framework of the Government's Aviation Policy.

5.3 Tourism Risk Management

BACKGROUND

In the last fifteen years, it has been seen on a number of occasions how geopolitical, health, environmental, or economic incidents can have a very serious effect on international tourism traffic. Events like the outbreaks of foot and mouth disease, the SARS outbreak, the 9/11 attacks on the U.S., and the 2010 volcanic eruption in Iceland, all had significant impacts on international travel and tourism.

Forecasted levels of travel and tourism can be impacted severely, sometimes for a brief period as in 2010, or for a number of years as occurred after the 9/11 attacks. The Department of Transport, Tourism and Sport, the tourism agencies, and wider stakeholders in tourism, need to have in place a robust response mechanism to minimise the impact on the sector from any such adverse events.

GOVERNMENT ACTIONS TO MANAGE RISKS TO TOURISM

In 2001, certain Government structures were put in place to support emergency planning in Ireland and to improve co-ordination across the various existing national emergency plans.

The Government Task Force on Emergency Planning is the top-level structure which gives policy and direction, and which co-ordinates and oversees the emergency planning activities of all Government departments and public authorities. It promotes

the best possible use of resources and compatibility across different public authorities.

When an emergency occurs, the appropriate emergency plan is set into operation with the relevant department taking the lead in its implementation.

In addition, the Department of Transport, Tourism and Sport has in place a Risk Management Strategy to provide a framework for dealing with the varied risks that may impact on its operations. This in turn feeds into the business planning process of the Department. The tourism agencies will also have a risk management framework to address those risks that may impact on their respective areas of responsibility.

Within the overall risk database, a number of strategic tourism risks have been identified. In addition to physical risks (such as adverse natural events), the Department's risk database also includes reference to issues that may have a severe financial impact. The Department of Transport, Tourism and Sport will play an active role in the Government Task Force on Emergency Planning, and ensure that tourism considerations are fully factored in to plans developed by the group to deal with particular emergencies.

POLICY PROPOSALS

5.3.1 The Department of Transport, Tourism and Sport will play an active role in the Government Task Force on Emergency Planning, and ensure that tourism considerations are fully factored in to plans developed by the group to deal with particular emergencies.



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POLICY - THE INTERNATIONAL CONTEXT

6

POLICY - THE INTERNATIONAL CONTEXT

This chapter complements Chapter 5 by focusing on how Government can work at EU and international level, while taking account of the strongly locally-specific nature of tourism. It sets out how such policy objectives can support the development of tourism, including how Irish tourism can be supported through diplomatic activity and official visits.

6.1 Ireland's international activity to support tourism

BACKGROUND

Tourism is a key services export for many economies around the world and makes a significant contribution to job creation and regional economic development. The latest available data shows that, in OECD member countries, tourism directly contributes, on average, around 4.7% of GDP and 6% of employment.

The number of international tourists exceeded 1 billion for the first time in 2012: that number is expected to increase to 1.8 billion by 2030 (OECD 2014). The mix of highly attractive tourism destinations, high tolerance and stable political climate give Europe an unparalleled advantage in the world tourism market.

THE EUROPEAN UNION ROLE IN TOURISM

Since the ratification of the Lisbon Treaty, Article 6 of the Treaty on the Functioning of the European Union states that the Union shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States, in a number of areas, including tourism. Ireland will continue to play an active and constructive role in the evaluation of future EU proposals for tourism, with particular focus on the real value of any proposal to visitors generally and to the tourism industry in Ireland and the EU.

The Commission has developed a number of tourism-related initiatives to be implemented in collaboration with national, regional and local public authorities, for example the European Destinations of Excellence (EDEN) awards. While the EU is no longer a source of major funding for capital investment in tourism, funding for rural development, provided under the EU Common Agricultural Policy (CAP), continues to provide opportunities for diversification of the rural economy into areas such as tourism.

There are many EU funding programmes of potential interest for the sector. The Multi-Annual Financial Framework for 2014-2020 brings simplification at various levels: merger of EU funding programmes for easier access to information and harmonisation of application procedures, and so on. Gathering and digesting information about all these thematic programmes is a challenge for private and public entities involved in tourism. In recognition of this, the EU Commission has recently published a guide to these supports, which can be accessed at:

<http://ec.europa.eu/DocsRoom/documents/7203/attachments/1/translations/en/renditions/native> .

ENGAGEMENT WITH INTERNATIONAL BODIES

Ireland also works closely with other international bodies that are active in researching issues affecting tourism, including the OECD, the European Travel Commission (the pan-European representative organisation for national tourism organisations), and the World Travel and Tourism Commission (WTTC), the worldwide representative body for the largest travel and tourism companies.

CO-OPERATION WITH THE UNITED KINGDOM

In addition to the co-operation in tourism which exists between Ireland and Northern Ireland under the framework of the Good Friday Agreement, it is also recognised that there are opportunities for co-operation and mutual benefit between Ireland and Great Britain. This is most obvious in shared promotional activity in long-haul source markets. Therefore a memorandum of understanding was agreed in April 2014 between Tourism Ireland and Visit Britain, which involves the two bodies jointly promoting trips to Ireland and Great Britain in markets where it is commercially beneficial to do so. This recognises the fact that many visitors to Europe from long-haul source markets visit more than one European country during their trip.

The Visa Waiver Programme, introduced in 2011, allows visitors from 18 countries, in possession of a

valid UK visa, to enter Ireland without a separate Irish visa. As previously noted, the Irish Naturalisation and Immigration Service of the Department of Justice and Equality and the UK Home Office have developed a new scheme, the British Irish Visa Scheme, whereby a visitor may travel to and around the Common Travel Area between Ireland and the UK on the basis of a single visa.

SUPPORT OF IRISH EMBASSIES

In our overseas markets, Tourism Ireland relies on regular assistance from Embassies and Consulates. The Department of Foreign Affairs and Trade (DFAT), through its Trade and Promotion Division, geographic units and our Embassy network, also has a role in promoting Ireland as a tourism destination. The Embassy network plays a central role in growing and energising networks, organisations and communities of people of Irish descent worldwide, an important demographic for tourism promotion.

The Embassy network's ongoing focus on organisations of Irish business people overseas is also particularly relevant for promoting corporate tourism, meetings and conferences. Tourism Ireland works closely with the Embassy network in this regard.

In the context of the Memorandum of Understanding between Tourism Ireland and VisitBritain, Tourism Ireland will also work with relevant interests in the UK where appropriate.

MAXIMISING THE BENEFIT TO TOURISM FROM OFFICIAL VISITS OVERSEAS

The Government's recent review of the Trade, Tourism and Investment Strategy recognises that the Government's responsibility is to provide the best possible platform for business and State agencies to go about their work. In fulfilling this responsibility, the Government will continue to maximise the opportunities for tourism in overseas trade missions and other official visits. Opportunities to leverage the value of political engagement, and in particular high level visits, will be pursued with the support of our Embassy network, recognising the particular benefits that can accrue over time in markets where awareness of Ireland is still relatively low.

In those markets with lower existing levels of visitors to Ireland, a differentiated approach to that used in more mature markets is likely to be required. Cultural, governmental and linguistic factors are as crucial as the level of development of the economy. Regional variations within a country can also be quite distinct. In such markets where familiarity with Ireland is poor, promoting tourism often forms part of a wider effort to raise the profile of Ireland. A coordinated approach is crucial, with local market teams, chaired by the Ambassador, playing an important role in promoting tourism objectives in particular markets.

St Patrick's Day offers a unique opportunity to raise Ireland's profile abroad, deliver key messages, promote trade, tourism and investment, and strengthen relations with other countries. Decisions on which locations should have Government representation

during the St. Patrick's Day period will continue to be based on strategic considerations and will be taken as early as possible, so that the Embassy network and State agencies can take maximum advantage of the opportunities presented by the visit.

Certain trade missions are designed to maximise the tourism potential for Ireland and these are undertaken by Ministers in conjunction with Tourism Ireland. Others include tourism promotion where public diplomacy can be leveraged to heighten Ireland's profile from a tourism perspective. These visits are managed to achieve specific marketing objectives as part of an overall plan. Tourism Ireland will continue to liaise closely with the Department of Foreign Affairs and Trade, and enterprise agencies, in order to maximise the opportunities for inclusion of tourism in the scope of overseas trade missions.

POLICY PROPOSALS

- 6.1.1 Ireland will play an active role in the formulation and evaluation of EU tourism proposals to ensure their effectiveness from a visitor and industry perspective, and will work closely with the OECD and other relevant international bodies on matters concerning tourism research and the sharing of best tourism practice.
- 6.1.2 The Government will monitor developments in EU rural development funding to ensure continued focus on the potential of tourism to facilitate rural development.
- 6.1.3 In recognition of the strong bilateral relationship between the two jurisdictions, Ireland will continue to work with the UK on measures that benefit travel and tourism in both countries, and jointly promote tourism to the two islands in markets where it is commercially beneficial to do so.
- 6.1.4 The Government will maximise the tourism benefits of overseas trade missions and other official visits abroad.



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POLICY - THE GOVERNANCE MODEL FOR TOURISM

7

POLICY - THE GOVERNANCE MODEL FOR TOURISM

This chapter focuses on the 'Policy' aspect of the People, Place and Policy framework. It sets out policy objectives with regard to the governance of State tourism bodies, and the continuing opportunities for both jurisdictions presented by cooperation between Ireland and Northern Ireland in the area of tourism.

7.1 The role of the Department of Transport, Tourism and Sport and the tourism agencies

BACKGROUND

The Tourism Division of the Department of Transport, Tourism and Sport advises Government on national tourism policy, providing the strategic direction required to support the growth of a competitive and sustainable tourism industry. The tourism agencies, operating under the aegis of the Department, deliver and implement the policy. Fáilte Ireland, the National Tourism Development Authority was established under the National Tourism Development Authority Act 2003. Its role is to promote and facilitate sustainable growth in Irish tourism by supporting competitive tourism enterprises to develop, sell and deliver authentic Irish tourism experiences to new and repeat visitors.

Tourism Ireland Ltd, the all-island tourism marketing company, was formally incorporated in 2000, following the designation of tourism as an area for cooperation under the Good Friday Agreement (1998). Its overall objective is to promote increased tourism to the island of Ireland. Tourism Ireland is accountable to the North South Ministerial Council, with funding being provided by the Department of Enterprise, Trade and Investment in Northern Ireland and by the Department of Transport, Tourism and Sport in Ireland.

Further analysis of cross-border co-operation and Tourism Ireland is included in Section 7.2.

BRINGING GREATER CERTAINTY TO STATE SUPPORT FOR TOURISM

A key issue impacting the ability of the tourism agencies to plan their operations is the annual Estimates process. This Government has taken a multi-year approach to capital investment, with the Multi-Annual Capital Framework 2012-2016. This provides a greater degree of certainty for Departments with regard to the availability of funding for capital expenditure.

However, notwithstanding the multi-annual capital envelopes, the Estimates process is still conducted within an annual framework as envisaged in the relevant legislation. Within this existing framework, The Department of Transport, Tourism and Sport and the tourism agencies will develop proposals to bring greater certainty to the arrangements for funding of non-capital aspects of the Tourism Services budget.

REDUCTION IN NUMBER OF TOURISM BODIES

There has been a major reform of Irish tourism structures since the establishment of Tourism Ireland in 2000 and Fáilte Ireland in 2003. The present number of tourism agencies is two, compared with nine in 2005. In 2006, five regional tourism authorities were dissolved and their staff, assets and responsibilities transferred to Fáilte Ireland. In keeping with those reforms, and this Government's programme for the rationalisation of State agencies, Dublin Tourism was dissolved in 2012 and its staff, assets and responsibilities also transferred to Fáilte

Ireland. Most recently, responsibility for Shannon Development's tourism activities, and the related staff and assets, was transferred to Fáilte Ireland in 2013.

TOURISM AGENCY BOARD APPOINTMENTS

The oversight of the two agencies must meet the highest standards of corporate governance. The Chairman and members of the Fáilte Ireland Authority are appointed by the Minister for Transport, Tourism and Sport. Directors are appointed by the Minister to ensure the implementation of Government policy. In selecting Authority members, the Minister for Transport, Tourism and Sport will ensure that the Authority as a whole has the range of skills required to effectively carry out its responsibilities as required by the National Tourism Development Authority Act (2003) and the Code of Practice for the Governance of State Bodies.

In September 2014, the Government decided to implement new procedures for appointments to State boards, with the Public Appointments Service (PAS) providing a key role in assessing candidates. Ministers will be expected to provide a candidate specification to the PAS, containing the key requirements for each board role(s) including:-

- Specialist skills and technical knowledge;
- Relevant experience / sectoral expertise;
- Educational and other qualifications;
- Particular personal attributes; and
- Range of skills of existing Board members.

The Minister will ensure that the criteria provided to the PAS in respect of future vacancies on the Fáilte Ireland Authority will include a broad skills mix and fully comply with the new requirements.

The board of Tourism Ireland consists of 12 members. Ireland and Northern Ireland each nominate six members. The nomination of the Chairman alternates between Ireland and Northern Ireland. Whereas Tourism Ireland, as a North-South body, is not subject to the new arrangements for the appointment of Board members, the same requirements as set out above will be considered by the Minister with regard to the nominees from Ireland.

The diverse nature of employment opportunities in tourism has already been noted. CSO data indicates that employment in the core *Accommodation and Food Service* category is closely balanced between males (49% of those employed) and females (51% of those employed). It is important that opportunities to participate in tourism planning and management are available to persons of both genders. The Government recently decided that the boards of State bodies should include at least 40% female representation, or 45% where the 40% benchmark is already achieved. Future appointments to the Fáilte Ireland Authority will take account of this requirement. This target will also be reflected in future Southern nominees to the Board of Tourism Ireland.

The Government will encourage the private tourism industry to take comparable measures with regard to facilitating the advancement of women in tourism planning and management roles.

MAXIMISING EFFICIENCIES IN THE TOURISM AGENCIES

Whereas the tourism agencies are bound by overarching Government policy, they exercise discretion and operational independence, as provided for in legislation, in the execution of their responsibilities. It is essential that the agencies work together, and with other State agencies where appropriate, to maximise efficiencies, avoid unnecessary duplication of effort, and provide the best possible service to industry and to the consumer in line with Government policy priorities.

In terms of preparing their three-year Corporate Plan / Statement of Strategy, the tourism agencies will ensure that the objectives, strategies and targets contained therein are compatible and consistent with this policy statement. All possibilities to improve administrative efficiencies between the agencies will be availed of, with due regard to Tourism Ireland's status as a North-South body.

EARLY ANALYSIS OF EMERGING TRENDS

As the agencies with direct knowledge and experience of the tourism sector and overseas markets respectively, Fáilte Ireland and Tourism Ireland will submit, on an annual basis, a forward-looking report to the Minister on emerging trends in tourism that may have an effect, in a positive or negative way, on Ireland's future tourism performance.

POLICY PROPOSALS

- 7.1.1 Within the existing legal framework, The Department of Transport, Tourism and Sport and the agencies will develop proposals to provide greater certainty to the current funding elements of the Tourism Services budget.
- 7.1.2 The criteria for members of the Fáilte Ireland Authority will be in accordance with the new procedures and requirements that have been put in place for appointments to State boards. Ireland's nominations to the Board of Tourism Ireland will also be reflective of these requirements.
- 7.1.3 In terms of preparing their three-year Corporate Plan / Statement of Strategy, the tourism agencies will ensure that the objectives, strategies and targets contained therein are compatible and consistent with this policy statement.
- 7.1.4 The tourism agencies will formally advise the Minister annually of developments in the tourism market and tourism industry, including the capacity of the industry to meet the changing needs of visitors.

7.2 Tourism's contribution to cross-border co-operation

BACKGROUND

As part of the Northern Ireland Peace Agreement concluded in Belfast in April 1998, tourism was specifically designated as an area for north/south cooperation. In December 1998, the parties to the Agreement decided that a limited company would be established to carry out functions aimed at promoting tourism to the island of Ireland. Tourism Ireland was incorporated in December 2000, and is responsible for the overseas marketing of the island of Ireland as a tourist destination. Its Memorandum and Articles of Association govern its operations and it is accountable to the North-South Ministerial Council (NSMC). It operates in key overseas tourism markets such as Great Britain, USA and Canada, and mainland European countries, and has extended its reach to include emerging tourist markets, such as China, India, and the Middle East. By adding marketing investment from the Department of Transport, Tourism and Sport with investment from the Northern Ireland Department of Enterprise, Trade and Investment, Tourism Ireland gains greater purchasing power and voice in the overseas markets.

In addition, Ireland has benefited from funding streams that encourage cross-border and transnational cooperation, such as the INTERREG IV Programme. Tourism Projects funded under the 2007-2013 programme include Gobbins and Sliabh Liag, Marine Tourism and Angling (Lough Foyle and Carlingford Lough), Border Uplands (Cavan, Fermanagh, Sligo, Leitrim), and an All Island Light House Trail.

The effective operation of North South co-operation in tourism is assisted by the availability of high-quality visitor data. The CSO participates, with the Northern Ireland Statistics and Research Agency, the Department of Transport, Tourism and Sport, and the Northern Ireland Department of Enterprise, Trade and Investment, and the three tourist agencies on the island of Ireland, in an all-island statistics liaison group.

ISSUES

Substantive changes made to the statutory or North/South frameworks underpinning the two tourism agencies, Fáilte Ireland and Tourism Ireland Ltd, can only progress within a wider political and institutional framework, and is not just a matter of tourism policy. The current structure has delivered very significant efficiencies over the past decade and the number of agencies is the minimum that can be achieved within the current wider institutional framework. The ongoing joint oversight of Tourism Ireland through the North-South Ministerial Council, by Ministers with responsibility for tourism from the Irish Government and the Northern Ireland Executive, has contributed significantly to the success of the North – South aspect of the overall Northern Ireland political

settlement, set out in Strand Two of the Good Friday Agreement. In addition, the regular meetings between Ministers from Ireland and Northern Ireland has facilitated a level of cross-border cooperation that would have been inconceivable prior to the Good Friday Agreement. The Departments with responsibility for Tourism are actively cooperating on a series of tourism-related events, which complement the work of Tourism Ireland. There is now cooperation across both parts of the island on the Irish Open in golf, on other sports events such as the visit of the Giro d'Italia in 2014, and relevant Departments are working closely on an all-island bid for the Rugby World Cup in 2023.

POLICY PROPOSALS

- 7.2.1 The Government re-iterates its commitment to continuing cooperation on tourism matters with colleagues in Northern Ireland, through the framework of the Good Friday Agreement and the structures of the North-South Ministerial Council.
- 7.2.2 The Government supports the existence of two tourism agencies, Fáilte Ireland and Tourism Ireland, to carry out separate but complimentary roles in relation to tourism, and that any changes made to the statutory or North/South frameworks underpinning the two agencies could only progress within a wider political and institutional framework.
- 7.2.3 The Government will, with the Northern Ireland Executive, continue to jointly examine tourism projects that can provide mutual tourism benefits to both Ireland and Northern Ireland.



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THE NEXT STEPS - ESTABLISHMENT OF A TOURISM LEADERSHIP GROUP

8

THE NEXT STEPS - ESTABLISHMENT OF A TOURISM LEADERSHIP GROUP

Following the publication of this Policy Statement, the Minister for Transport, Tourism and Sport will establish a Tourism Leadership Group (TLG). The TLG will oversee the formulation of an Action Plan to implement the policy goals set out in this document. The TLG will draw its membership from key public sector bodies and from those with a strong track record of achievement in the wider tourism sector.

TOURISM ACTION PLAN

Once formed, the TLG will begin work on an action plan to deliver the objectives in this policy statement. The submissions received as part of this policy review will be again examined closely to identify potential actions for inclusion in the Plan. Tourism stakeholders will be given a further opportunity to identify issues and solutions that are of relevance to achieving these policy objectives. There will be a periodic reporting process to record progress towards the identified actions, and a corrective process where progress does not meet expectations.



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APPENDICES

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APPENDICES

APPENDIX 1:

Screening for Strategic Environmental Assessment and Appropriate Assessment Screening Overview of the National Tourism Policy Statement for SEA

The text in italics after each paragraph title refers to the headings and sub-headings in Schedule 1 *of S.I. 435 of 2004 - European Communities (Environmental Assessment of Certain Plans and Programmes) Regulations 2004*

Criteria for determining whether a Plan or Programme (or Modification thereto) is likely to have significant effects on the Environment

1. *The characteristics of the plan or programme, or modification to a plan or programme, having regard, in particular, to*

- *the degree to which the plan or programme, or modification to a plan or programme, sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources,*

The Tourism Policy Statement is intended to set out the Government's priorities in terms of Irish tourism (in both qualitative and quantitative terms) for the period up to 2025 that will allow the tourism agencies, other departments and the industry to have a clear view of Government intent.

The key headline goals in the policy statement are that, by 2025:

- revenue from overseas tourism, excluding carrier receipts (air fares and ferry charges) will be €5 billion per year (at 2014 prices i.e. adjusted for inflation between now and 2025).
- employment in tourism will reach 250,000 (approximately 200,000 at present).
- There will be 10 million visits to Ireland annually by 2025.

In order to achieve these goals, a range of policy priorities have been identified, that will assist in marshalling the efforts of the Department of Transport, Tourism and Sport, the tourism agencies Fáilte Ireland and Tourism Ireland, other Government departments and public agencies, the tourism industry, Local Authorities, and the wider community sector, to work more effectively together in the development of Irish tourism.

Among the policy priorities identified in this Statement are:

- A clear restatement of the purpose of State expenditure on tourism marketing. The Policy Statement focuses on the scope for the tourism industry to contribute to promotion activity.
- A new fund to support capital investment in tourism, to be launched in 2016.
- An enhanced role for local authorities and the community sector in tourism.
- Addressing the potential of events to further assist tourism growth.
- Setting out how agencies can support skills development in the sector, in the context of the new policy framework (especially in further education and apprenticeship).

The Tourism Policy Statement is an overarching policy, with broad objectives set out for the development of Ireland's tourism sector in the period up to 2025. In terms of setting a framework for projects or other activities, the Tourism Policy Statement endorses the brand architecture and consumer segmentation model that has been developed by the tourism agencies in order to focus marketing efforts on those consumer segments in overseas markets that are most likely to select Ireland as a visitor destination.

Integrated with this brand architecture and consumer segmentation model is the development of 'tourism propositions' – large scale tourism projects that encapsulate and enhance existing tourism assets into a proposition that can be marketed in its own right to the key market segments overseas. The Tourism Policy Statement does not itself propose the location, nature, size or operating conditions of these brand propositions, nor does it allocate specific resources to them.

With regard to the policy priority of establishing a new fund to support capital investment in tourism, it is specifically stated that the design of future tourism capital programmes will require that supported projects are compliant with relevant European and national environmental regulations.

- *the degree to which the plan or programme, or modification to a plan or programme, influences other plans including those in a hierarchy,*

The selection of the actions to be taken to implement the objectives of the Tourism Policy Statement, and the impact that they will give rise to, fall within the scope of the Tourism Action Plans that will follow this Tourism Policy Statement.

In addition, the Corporate Plans and Business Plans of the tourism agencies, Fáilte Ireland and Tourism Ireland, are expected to reflect the policy priorities that are set out in this Tourism Policy Statement.

As stated above, the design of future tourism capital programmes, which is a matter for Fáilte Ireland, will reflect the policy priorities in the Tourism Policy Statement.

- *the relevance of the plan or programme, or modification to a plan or programme, for the integration of environmental considerations in particular with a view to promoting sustainable development.*

THE TOURISM POLICY STATEMENT:

- recognises that the United Nations *Sustainable Tourism Programme of the Ten Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP)* emphasises that well designed and managed tourism can make a significant contribution to the three dimensions of sustainable development, has close linkages to other sectors, and can create decent jobs and generate trade opportunities;
- recognises that the Government's Framework for Sustainable Development for Ireland – *Our Sustainable Future* sets out a vision on how we can transition Ireland to a resource efficient, low-carbon and climate resilient future, and notes that that this sustainable approach to economic development complements the core strength of our economy in the use of natural resources across a number of sectors, including tourism;
- states that both public bodies and private enterprises must continue to ensure that social, economic and environmental sustainability is central to our tourism offering in order to maximise the future competitiveness of Ireland as a visitor destination;
- emphasises Ireland's long-standing and enviable reputation as a clean and green country, and the importance of Ireland's landscapes and seascapes, as well as the most significant built heritage, to the overall tourism offering;
- proposes that measures to improve the quality of future development, and to ameliorate the negative effects of existing structures that are out of character with the surrounding landscape, should be a priority of all bodies that have a role in this area;
- states that development of public infrastructure and private construction activity should be carried out with as much sympathy as possible for the natural landscape, as well as with regard for the value of built heritage. Effective and balanced management of key natural and built heritage is essential for growth in tourism that is both economically and environmentally sustainable;

- refers to the very significant infrastructural investments required for our future energy needs, particularly linear infrastructure, and that this investment requires careful management, with consideration of appropriate routes taking account of sensitivity of particular sites, routes and other potential tourism assets;
 - states that maintaining and improving the quality of water in our inland waterways and coastal locations, the protection of native biodiversity, soil quality and geology, and the maintenance of our high levels of air quality, are all important areas of priority that will help to ensure the overall quality of our tourism offering in the years ahead;
 - states that Ireland's cultural heritage, including the built heritage sector (monuments, historic estates, gardens, national parks, and many other nationally significant protected structures and antiquities) is integral to our tourism offering;
 - recognises the important contribution of State bodies such as the Office of Public Works (OPW), the Department of Arts, Heritage and the Gaeltacht (including the National Parks and Wildlife Service (NPWS) and the National Monuments Service), and the Heritage Council to the protection of the natural landscape and historic sites;
 - Makes a commitment that the Department of Transport, Tourism and Sport (and the tourism agencies as appropriate) will be key partners in the implementation of the Department of Arts, Heritage and the Gaeltacht's National Landscape Strategy and will contribute to the drafting of the implementation programme of the landscape strategy.
- *environmental problems relevant to the plan or programme, or modification to a plan or programme.*

Whereas all human activity, including tourism, has an impact on the environment, the absence of intensive tourism development in Ireland (of a type similar to that which took place in some sun and sea destinations in warmer climates) has meant that environmental problems specifically linked to tourism have not been a significant issue in Ireland, although it is recognised that some tourist accommodation projects were poorly located.

The Tourism Policy Statement endorses the protection of Ireland's natural and built heritage in a manner that is sustainable from an environmental, economic and societal perspective. The Statement includes a provision that any future programme of support for capital investment in tourism will be designed so that funded projects comply with European and national environmental regulations.

In addition, it is stated that to improve the quality of future development, and to ameliorate the negative effects of existing structures that are out of character with the surrounding landscape, should be a priority of all bodies that have a role in this area.

- *the relevance of the plan or programme, or modification to a plan or programme, for the implementation of European Union legislation on the environment (e.g. plans and programmes linked to waste management or water protection).*

As noted above, the Tourism Policy Statement includes a policy objective that future support for capital investment in tourism will require that supported projects are compliant with the requirements of relevant European and national environmental regulations.

2. *Characteristics of the effects and of the area likely to be affected, having regard, in particular, to*

- *the probability, duration, frequency and reversibility of the effects,*

Given the inclusion in the Tourism Policy Statement of the importance of natural and built heritage to tourism, and the inclusion of a policy priority that supported tourism capital investment projects are compliant with the requirements of relevant European and national environmental regulations, it is not expected that any specific environmental effects, or characteristics of same, are applicable to this Statement.

- *the cumulative nature of the effects,*

N/A

- *the transboundary nature of the effects,*

N/A

- *the risks to human health or the environment (e.g. due to accidents),*

N/A

- *the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected),*

N/A

- *the value and vulnerability of the area likely to be affected due to:*

(a) special natural characteristics or cultural heritage,

N/A

(b) exceeded environmental quality standards or limit values,

N/A

(c) intensive land-use,

N/A

- *the effects on areas or landscapes which have a recognised national, European Union or international protection status.*

As noted above, the Tourism Policy Statement includes a policy objective that future support for capital investment in tourism will require that supported projects are compliant with the requirements of relevant European and national environmental regulations.

Having consulted with the relevant public bodies, and having regard to the facts set out above, it is determined that the Tourism Policy Statement does not have a significant effect on the environment and therefore does not give rise to a requirement to carry out an environmental assessment under S.I. 435 of 2004 - European Communities (Environmental Assessment of Certain Plans and Programmes) Regulations 2004 as amended by S.I. No. 200 of 2011.

Screening for Appropriate Assessment under the European Communities (Birds and Natural Habitats) Regulations 2011

In accordance with Regulation 42 of the European Communities (Birds and Natural Habitats) Regulations 2011 (S.I. no. 477/2011), a screening for Appropriate Assessment of a plan or project for which an application for consent is received, or which a public authority wishes to undertake or adopt, and which is not directly connected with or necessary to the management of the site as a European Site, shall be carried out by the public authority to assess, in view of best scientific knowledge and in view of the conservation objectives of the site, if that plan or project, individually or in combination with other plans or projects is likely to have a significant effect on the European site.

The purpose of the Tourism Policy Statement is to prioritise the State's investment in tourism so as to maximise the return from tourism in the long term. It sets out high-level policy objectives to achieve specified goals for visitor revenue, and employment in the tourism sector.

The selection of the actions to be taken to implement the policy objectives, the potential alternative actions, and the impact that they will give rise to, fall within the scope of the Tourism Action Plans that will follow from this Policy Statement. Any actions that are identified in this regard will be implemented in full compliance (where relevant) with the regulations above. In view of the fact that the Tourism Policy Statement does not propose any action that creates a specific impact on areas that are covered by the regulations above, and that further consideration will be required to the actions required to achieve the policy objectives set out, this Policy Statement has been screened out for Appropriate Assessment.

APPENDIX 2: TABLE OF POLICY PROPOSALS

- 1.1.1 Tourism Ireland's marketing of Ireland as a visitor destination will be evidence based and targeted at a range of geographical and segmental markets with the highest revenue growth potential, and the evidence for these decisions will be shared with industry partners.
- 1.1.2 The tourism industry will be expected to make a greater contribution to destination marketing activity in regions and segments where awareness of Ireland is already high.
- 1.1.3 The State's investment in overseas destination marketing will be externally evaluated on a regular basis.
- 1.2.1 The formulation of policies, strategies and plans by public bodies with a role in relation to natural and built heritage will give consideration to the contribution that sustainable tourism can make to the protection of heritage assets.
- 1.2.2 The Department of Transport, Tourism and Sport and its agencies will work closely with the Department of Arts, Heritage and the Gaeltacht in the implementation of the National Landscape Strategy and the new National Cultural Policy.
- 1.2.3 The design of any future supports for the built heritage sector will recognise the importance of tourism to the viability of the sector.
- 1.2.4 There will be an examination of additional opportunities to present Ireland's cultural and sporting heritage to visitors.
- 1.3.1 The provision of future State supports for capital investment in tourism shall be designed to support development that fits within the brand architecture and consumer segmentation model, and will require that supported projects are compliant with the requirements of relevant European and national environmental regulations.
- 1.3.2 Support for capital investment in tourism will require that sponsors have provided for the future upkeep of developed assets.
- 1.3.3 The design of future supports for capital investment in tourism will recognise the need for investment in both physical assets and in other areas that provide a lasting improvement in the overall quality of the visitor experience.
- 1.4.1 Fáilte Ireland will put in place a structure to target international events which generate additional overseas tourism revenue, and can be most effectively matched with our overall tourism offering.
- 1.4.2 Funding for festivals and events of benefit to tourism will be weighted towards events that have potential to become established and reach financial viability, rather than as an on-going public subsidy.
- 1.4.3 More established events will be encouraged to share expertise with developing events in order to maximise the overall benefits of festivals and events for the Irish tourism sector.

- 1.4.4 The Government will examine how the Gathering, or a similar project, can be repeated without diluting its impact, and the tourism opportunities that arise from themed years in other areas of Government will be fully developed
- 1.4.5 Local Authorities will have a role in the future funding of smaller tourism and diaspora-related events.
- 2.1.1 State support for training and career development in the tourism sector will be designed to maximise the ability of the industry to meet the needs of future visitors and to enable those employed in the tourism sector to achieve their potential.
- 2.1.2 Fáilte Ireland will have a key role in influencing the design of training and skills development programmes for the tourism industry, and will work closely with SOLAS in this regard. Fáilte Ireland will assist in engaging with the tourism industry in relation to support for the new programmes.
- 2.1.3 The Department of Transport, Tourism and Sport, and Fáilte Ireland will engage closely with the Expert Group on Future Skills Needs in its assessment of the hospitality sector.
- 2.1.4 The capacity of the tourism industry to effectively communicate with trade customers in non-English speaking markets will be examined within the context of available resources, and the industry will be encouraged to expand its cultural awareness in respect of visitors from developing markets.
- 2.1.5 The Government will encourage and support the highest standards of service, in both the public and private sectors, in the provision of services that are used by visitors.
- 2.1.6 The Department of Transport, Tourism and Sport and Fáilte Ireland will engage with the Department of Education and Skills with the aim of encouraging tourism education options at second level.
- 2.2.1 The Government will support innovation and continual improvement in the competitiveness and sustainability of our tourism offering, in order to most effectively meet the needs of future visitors.
- 2.2.2 The competitiveness of Irish tourism is dependent on both price issues and value. The Department will monitor price trends in tourism, and the Government will take account of such trends in its supports of relevance to tourism particularly the reduced VAT rate for tourism services.
- 2.2.3 The Department of Transport, Tourism and Sport will, with the CSO, tourism agencies and third level institutions, establish a forum to identify key areas and ways in which additional sources of data can be harnessed to provide enhanced understanding of tourism performance and its economic contribution, including the possibility of developing a Tourism Satellite Account for Ireland.
- 2.2.4 The tourism agencies will continue to assist the tourism industry in managing its communication with online communities.

- 3.1.1 Fáilte Ireland will undertake regular reviews of the existing regulatory framework for the tourism sector to ensure that it remains fit for purpose.
 - 3.1.2 The Department of Transport, Tourism and Sport will support measures across Government that reduce or streamline administrative processes associated with regulatory compliance.
- 4.1.1 Local Authorities will be encouraged to support communities in tourism development, and will co-operate with neighbouring authorities as appropriate to maximise tourism opportunities for their region as a whole.
 - 4.1.2 The Department of Transport, Tourism and Sport, and Fáilte Ireland will encourage the sharing of expertise between communities that have been successful in building the tourism capacity of their localities, and those that are at an earlier stage of development.
 - 4.1.3 The Department of Transport, Tourism and Sport will engage with other relevant bodies to maximise the use of volunteerism where it is of benefit to the overseas visitor's experience of Ireland.
 - 4.1.4 The identification of tourism as a priority in the Local Economic and Community Plans, and the provision of support to start-up and developing tourism enterprises will be aligned with the Local Authorities tourism objectives and plans for their areas.
- 5.1.1 The role of tourism in the wider economic and social fabric in the State shall be recognised in the formulation of fiscal policy.
 - 5.1.2 Fiscal incentives for the development of tourism-related property investment should only exist to address genuine market failure and be discontinued as soon as the market failure is addressed.
 - 5.1.3 The Department of Transport, Tourism and Sport, and Fáilte Ireland will continue to work to identify and exploit opportunities for convergence between tourism and other areas of enterprise.
 - 5.1.4 The Department of Transport, Tourism and Sport, and Fáilte Ireland will support the Department of Education and Skills in its review of the English Language Training sector to ensure it is returned to a leadership position in the international ELT market.
 - 5.2.1 The Department of Transport, Tourism and Sport will continue to support the initiative of the Department of Justice and Equality in the development of the British Irish Visa Scheme and other enhancements of the visa system to promote growth in tourist and business visits to Ireland.
 - 5.2.2 Air and sea port operators will be encouraged to ensure that visitor reception facilities are managed so that the visitor experience is optimised.
 - 5.2.3 Public transport operators in the public and private sectors will be encouraged to develop joint frameworks to facilitate inter-modal connectivity that facilitates international visitors. The NTA will include this as a priority in the designation of PSO routes.

- 5.2.4 The Department of Transport, Tourism and Sport, the operators of State and regional airports, and the tourism agencies will continue to work closely to increase access to Ireland from high-potential overseas tourism markets, within the framework of the Government's Aviation Policy.
- 5.3.1 The Department of Transport, Tourism and Sport will play an active role in the Government Task Force on Emergency Planning, and ensure that tourism considerations are fully factored in to plans developed by the group to deal with particular emergencies.
- 6.1.1 Ireland will play an active role in the formulation and evaluation of EU tourism proposals to ensure their effectiveness from a visitor and industry perspective, and will work closely with the OECD and other relevant international bodies on matters concerning tourism research and the sharing of best tourism practice.
- 6.1.2 The Government will monitor developments in EU rural development funding to ensure continued focus on the potential of tourism to facilitate rural development.
- 6.1.3 In recognition of the strong bilateral relationship between the two jurisdictions, Ireland will continue to work with the UK on measures that benefit travel and tourism in both countries, and jointly promote tourism to the two islands in markets where it is commercially beneficial to do so.
- 6.1.4 The Government will maximise the tourism benefits of overseas trade missions and other official visits abroad.
- 7.1.1 Within the legal framework, The Department of Transport, Tourism and Sport and the tourism agencies will develop proposals to provide greater medium-term certainty to the current funding elements of the Tourism Services budget.
- 7.1.2 The criteria for members of the Fáilte Ireland Authority will be in accordance with the new procedures and requirements that have been put in place for appointments to State boards. Ireland's nominations to the Board of Tourism Ireland will also be reflective of these requirements.
- 7.1.3 In terms of preparing their three-year Corporate Plan / Statement of Strategy, the tourism agencies will ensure that the objectives, strategies and targets contained therein are compatible and consistent with this policy statement.
- 7.1.4 The tourism agencies will formally advise the Minister annually of developments in the tourism market and tourism industry, including the capacity of the industry to meet the changing needs of visitors.

- 7.2.1 The Government re-iterates its commitment to continuing cooperation on tourism matters with colleagues in Northern Ireland, through the framework of the Good Friday Agreement and the structures of the North-South Ministerial Council.
- 7.2.2 The Government supports the existence of two tourism agencies, Fáilte Ireland and Tourism Ireland, to carry out separate but complimentary roles in relation to tourism, and that any changes made to the statutory or North/South frameworks underpinning the two agencies could only progress within a wider political and institutional framework.
- 7.2.3 The Government will, with the Northern Ireland Executive, continue to jointly examine tourism projects that can provide mutual tourism benefits to both Ireland and Northern Ireland.



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APPENDIX 3: PUBLIC CONSULTATION

As part of the formulation of this policy statement, submissions were invited from tourism stakeholders and members of the public on issues of relevance and concern.

Over 170 submissions were received in response to the initial consultation document, and a further 70 in response to the Draft Tourism Policy Statement. The Department of Transport, Tourism and Sport wishes to thank all those who provided submissions, as listed below.

ORGANISATIONS

| | |
|---|---|
| Adventure Gently | Celtic Fairways |
| Age Friendly Ireland | Centre for Environmental Living & Training (CELT) |
| Alcohol Action Ireland | Chambers Ireland |
| An Óige – Irish Youth Hostel Association | Clare County Council |
| An Taisce | Clare Tourism Forum |
| Association of Architectural Conservation Officers (AACO) | Cnoc Suain |
| Association of Irish Festivals and Events (AOIFE) | Coach Tourism and Transport Council of Ireland |
| Association of Irish Professional Conference Organisers | Conradh na Gaeilge |
| Athlone Institute of Technology | Cork Airport (DAA) |
| B&B Ireland | Cork Chamber of Commerce |
| Bait All Tackle Fishing Tackle Shop | Cork City Council |
| Ballyhoura Development Ltd. | Cork County Council |
| BALLYHOURA.ORG | County and City Managers Association (CCMA) |
| Bay Sports, Hodson Bay, Athlone | County Kildare Fáilte Ltd |
| BCD Consultants | Craft Council of Ireland (CCOI) |
| BirdWatch Ireland | CRANN |
| Blueberry Cottage Country Retreat Accommodation | Cycleireland.ie |
| Border, Midland & Western Regional Assembly | DAA (Cork Airport) |
| Brazil Ireland Service | Department of Agriculture, Food and the Marine |
| Burren & Cliffs of Moher Geopark | Department of Arts, Heritage and the Gaeltacht |
| Burren Ecotourism Network | Department of Education and Skills |
| Café Sol Kilkenny | Department of Environment, Community and Local Government |
| Car Rental Council of Ireland | Department of Finance |
| Carlow Tourism | Department of Foreign Affairs and Trade |
| Caroline Boland and Stewart Stephens Tourism Consultants | Department of Health |
| Castle Leslie Estate | Department of Jobs, Enterprise and Innovation |
| | Department of Justice and Equality |
| | Department of Social Protection |

Department of the Taoiseach
 Derrynane Hotel & Holiday Homes
 Destination Waterford City Tourism Committee
 (Waterford City Council)
 Donegal Airport
 Donegal Bay Waterbus
 Donegal County Council
 Drogheda Tourist Office
 Dublin Airport Authority (DAA)
 Dublin City Council
 Dublin City Soul Festival
 Dublin Institute of Technology
 Dublin Theatre Festival
 Eagles Flying / Irish Raptor Research Centre
 Ecotourism Ireland
 Environmental Protection Agency
 EuroProBiol
 Federation of Irish Sport
 Féile an Phráta (Kerry Community and Voluntary
 Forum)
 Forfás
 Frank K. Finneran & Co., FKFCo Rentals, Coastal Hotel
 Group
 Gaelic Athletic Association
 Galway City Council
 Galway County Council
 Glance Promotions
 GM Innovations
 Golf Club Business Association of Ireland
 Good Food Ireland
 Green Hospitality Programme
 Grow Dublin Taskforce
 Hotel Westport
 Iarnród Éireann
 IBEC
 iCON architecture and URBAN Design
 Imagine Arts Festival, Waterford
 Incoming Tour Operators Association Ireland (ITOA)
 Inland Fisheries Ireland
 Institutes of Technology Ireland (ITOI)
 Institute of Technology Tallaght
 IRD Duhallow
 Ireland Golf Tour Operator Association
 Ireland West Airport Knock
 Irish Boat Rental Association
 Irish Ferries
 Irish Georgian Society
 Irish Heritage Trust
 Irish Hospitality Institute
 Irish Hotels Federation
 Irish Self Catering Federation (ISCF)
 Irish Tourist Assistance Service
 Irish Tourist Industry Confederation (ITIC)
 Irish Whiskey Museum
 Isaacs Hostel
 Island View Riding Stables
 Inland Waterways Association of Ireland (IWAI)
 Inspirational Homes Leitrim
 Institute of Technology Tallaght
 Institute of Technology Tralee
 Joint Committee on Transport and Communications
 Kerry Community and Voluntary Forum and Comhairle
 na nÓg
 Kerry County Council
 Kilkenny LEADER Partnership Company
 Killary Lodge
 Lakelands Windfarm Information Group
 Leitrim County Council
 Leitrim Development Company
 Leitrim Surf Company
 Limerick Chamber
 Living Cultural Solutions Ltd
 Longford Tourism Committee (Longford County
 Enterprise Board)
 Lough Derg Marketing Strategy Group / Mid West
 Regional Authority
 Manor House Hotels
 Marketing English in Ireland (MEI)

Mary Luthers
Pauline Lynch
Michael Maguire
Mary McGillicuddy
Catherine McMullin
Michael McPhillips
Mary Mooney
John Moran
John Murray
Geraldine O'Brien
Liam Ed O'Connor
Senator Susan O'Keeffe
Jackie O'Kelly
Martin O'Reilly
Siobhan O'Rourke
John O'Sullivan
Norah Owens
Tina Pommer
Jacki Proctor
Lorraine Quinn
Graham Reilly
Shane Rooney
Bill Tinley
Timothy Turk
Nick Turner
Mary Weir
Annie West

NOTES

NOTES



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FOR THE FUTURE, OUR PEOPLE AND OUR PLACE WILL REMAIN THE KEY PILLARS AROUND WHICH OUR TOURISM OFFERING WILL BE BUILT, BUT NOW FOR THE FIRST TIME WE WILL ALSO HAVE AN AGREED POLICY FRAMEWORK IN PLACE.



**An Roinn Iompair
Turasóireachta agus Spóirt**

Department of Transport,
Tourism and Sport