



*An Roinn
Turasóireachta, Cultúir agus Spóirt
Department of
Tourism, Culture and Sport*

Second Progress Report

from the

**Tourism Renewal Implementation Group
(TRIG)**

March 2011

Tourism Renewal Implementation Group: Second Progress Report (March 2011)

- This is the second progress report issued by the Tourism Renewal Implementation Group (the first was issued in October 2010)
- This report summarises the progress and position to date on measures under the Framework for Action set out by the Tourism Renewal Group
- The Tourism Renewal Implementation Group identified the following as the priority issues to be pursued in relation to public policy, having regard to the Report of the Tourism Renewal Group, the progress to date on its Framework for Action and the most urgent challenges facing the Irish tourism industry -
 - The restoration of sustainable levels of business lending, in particular to ensure availability of working capital for viable tourism businesses given the seasonal nature of the business
 - Measures to restore and enhance access to overseas markets, in particular to redress the adverse impact of the Air Travel Tax on carrier services
 - Continued investment in Overseas Marketing at national level
 - Measures to address and reduce enterprise costs, including local authority rates and charges, energy and utility costs and the cost of labour - noting in particular the TRG recommendations in relation to the costs of employing those not full-time in the labour force (e.g. students)
 - Measures to enhance OPW services, including longer opening hours, price and interpretation at certain tourist sites and exploration of ways of enhancing the marketing and promotion of heritage sites in the care of the OPW
 - Measures to co-ordinate tourism-related spending by Fáilte Ireland, local authorities and LEADER companies

Abbreviations Used

TRIG	–	Tourism Renewal Implementation Group
D/TCS	–	Department of Tourism, Culture & Sport
D/CEGA	–	Department of Community, Equality & Gaeltacht Affairs
D/JLR	–	Department of Justice & Law Reform
D/Transport	–	Department of Transport
OPW	–	Office of Public Works
ITOA	–	Irish Tour Operators Association
ILDN	–	Irish Local Development Network
CRO	–	Credit Review Office
DAA	–	Dublin Airport Authority
ITIC	–	Irish Tourist Industry Confederation

Tourism Renewal Group Framework for Survival 2009-2010: Urgent Actions – Update on Progress (March 2011)

	ACTION	MEASURES	PROGRESS
Survival Action 1	Keep Ireland in the Market – Invest in Marketing	<i>Maintain the overall level and value of investment in International and Domestic tourism marketing in real terms, to ensure continued impact and sustained returns</i>	<ul style="list-style-type: none"> Secured provision of €41.473 million for Tourism Marketing Fund in Budget 2011 Level and value of investment in core overseas marketing of Ireland therefore being maintained in real terms in 2011 Fáilte Ireland will continue its highly successful domestic marketing activities in 2011
Survival Action 2	Keep Ireland in the Market – Cut Access Costs	<i>Abolish the Air Travel Tax</i>	<ul style="list-style-type: none"> A single revised rate of Air Travel Tax of €3 came into effect from 1 March 2011 on a temporary basis until the end of 2011, thus reducing the rate for the majority of travellers. The position will be reviewed towards the end of 2011 The impact of this tax change will be maximised by the new financial incentive scheme introduced by the DAA for 2011 to encourage traffic growth at Dublin, Cork and Shannon airports. The DAA will rebate the airport charges for all passengers in excess of the threshold of 23.5 million passengers set for 2011 on both commercial scheduled and charter flights. Rebates will be based on each airline's proportion of the total traffic across Dublin, Cork and Shannon airports during the year and will be paid to airlines in early 2012
Survival Action 3	Make the Most of what we have	<p><i>Strengthen Ireland's Tourism Product by:</i></p> <ul style="list-style-type: none"> <i>Owners/operators of heritage and culture assets working more closely with the tourism sector</i> <i>Stronger linkages between tourism attractions in terms of information and marketing</i> <i>Using technology better to deliver interpretation more efficiently and easily</i> <i>Keeping people at work in the tourism sector while enhancing their skills</i> 	<ul style="list-style-type: none"> Factored into business and marketing plans of tourism agencies e.g. Fáilte Ireland focusing on linkages as part of its new Destination Management approach Fáilte Ireland, DTCS and OPW in ongoing engagement to identify investment opportunities and complementary ways to enhance interpretation through technology Following on from its meeting with the OPW on 27/10/10 and building on positive engagement and collaboration to date, the TRIG agreed that a group of relevant parties should meet to discuss the key priorities identified and to update the TRIG regularly on progress. A Cultural and Heritage Tourism Group, convened by D/TCS and consisting of representatives

			<p>of D/TCS, the OPW, Fáilte Ireland and the ITOA, held its first meeting on 08/02/11. The Group will meet regularly to progress priorities such as access to heritage sites, thematic grouping and interpretation, funding, gala venues, business tourism and marketing</p> <ul style="list-style-type: none">• D/TCS Cultural Tourism Initiative secured more cohesive integration in marketing cultural attractions including new online event guide. Better use of IT includes downloadable audio guides; and enhanced booking facilities for tickets• D/TCS awarded funding in excess of €1 million to 25 projects under a new initiative launched in July 2010. The Cultural Technology Grant Scheme made funding available to projects which sought to create, develop and/or exploit information and communication technologies and modern communication tools with a view to delivering a promotional, educational or information product to promote Irish arts and culture in all its forms. The level of interest in the Scheme greatly surpassed all expectations and the scope of the successful projects was far reaching and diverse, further developing and supporting the cultural tourism product on offer in Ireland and showcasing the best of Irish art, music, culture and heritage in exciting, innovative and dynamic ways. The successful projects include initiatives ranging from apps for iPhones and Smartphones, to mobile websites and tours of some of our cultural tourism highlights, online interactive games with a cultural twist, and even a hologram show. All of the projects have been completed; many have been launched and are already available and the remainder will go live in the coming months.• Fáilte Ireland has contracted with Ticketsolve Ltd. for a web-based ticketing solution, offering visitors access to ticket sales for any approved tour, activity or event. Whereas previously local tour operators and other providers could sell tickets through their local TIO, the new system affords companies the opportunity to sell their product and services throughout the national TIO network and directly via the Discover Ireland website
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Survival Action 4	Prioritise spending	<i>Focus and coordinate public spending on tourism-related investment (particularly funding for investment in tourism-related product which, because of EU programmes or other reasons, is not channelled through tourism agencies e.g. Rural Development funding)</i>	<ul style="list-style-type: none"> • D/TCS is driving collaboration efforts with other Departments and agencies, to achieve common objectives and maximise impact on tourism (building on consolidation of bodies already achieved within tourism and other sectors) • Fáilte Ireland is seeking to explore the potential for a closer working relationship with City/County Enterprise Boards in the area of supporting business start-ups in the tourism arena

			<ul style="list-style-type: none"> • Work ongoing to coordinate development of various walking and cycling trails and looped walks (involving variously Fáilte Ireland, the Irish Sports Council, Coillte, D/CEGA, Local Action Groups and, more recently, D/Transport) • In addition, a sub-group of the TRIG will meet with the D/CEGA and the ILDN in March 2011 to discuss areas of existing or potential cooperation
Survival Action 5	Support Sustainable Enterprises and Employment	<p><i>Keep enterprises in business</i></p> <p><i>by minimising costs – including wages, utility costs and local authority rates –</i></p> <p><i>and by ensuring access to working capital</i></p>	<ul style="list-style-type: none"> • Fáilte Ireland continuing to provide support for tourism enterprises on costs control, marketing, IT, etc. to enhance productivity/efficiency at enterprise level • In Budget 2010, the scheme of accelerated Capital Allowances for energy efficient equipment was enhanced to include catering and hospitality equipment. Budget 2011 extended this scheme for a further three years • The TRIG met with representatives from Local Authorities (County & City Managers' Association) on 13/12/10, highlighting the importance of minimising costs for businesses. Fourteen councils around the country had reduced their rates in 2010 and, on average, local authority charges represented 2% - 4% of overall business costs – a significantly lower proportion than wage costs • Ireland's water charges compare very favourably with those of our nearest neighbour, Northern Ireland, and are at the lower end of such charges across Europe. The four-year National Recovery Plan aims to introduce a charge for domestic water by 2014 • The Government has established an independent review of the framework of statutory wage setting mechanisms known as Employment Regulation Orders (ERO) and Registered Employment Agreements (REA). The Government has requested that the review be completed within a short timeframe - approximately six weeks from the closing date for submissions from interested parties (25 February 2011) • Tourism has also been included in cross-cutting measures to support enterprises and jobs, including in particular measures to assist costs and credit such as the Employment Subsidy

			<p>Scheme and the Credit Review System. The CRO recently released its 3rd report, in which it highlights the fact that any borrower has the right and potential to appeal their treatment and credit decision to the CRO, which in itself has a positive influence on the behaviours of the banks</p>
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Tourism Renewal Group Framework for Recovery and Growth: Building for the Future 2010-2013 – Update on Progress (March 2011)

	ACTION	MEASURES	PROGRESS
Recovery Action 1	Reaffirm the value and importance of tourism	<i>Government, industry and others should acknowledge and make the case for tourism and put tourism at the heart of decision-making</i> <i>Strengthen the innovative and knowledge content of tourism</i>	<ul style="list-style-type: none"> • Importance of tourism clearly reflected in Budget 2011 and in Government's broader strategies for economic renewal including Building Ireland's Smart Economy and Infrastructure Investment Priorities • Tourism is a major element in 'Trading and Investing in a Smart Economy: A Strategy and Action Plan for Irish Trade, Tourism and Investment to 2015', with targets of 8 million overseas visitors and 15,000 direct additional jobs by 2015. D/TCS and Tourism Ireland are represented on the Foreign Trade Council, which was set up under this strategy • The four-year National Recovery Plan, which was launched on 24 November 2010, serves as a blueprint for a return to sustainable growth in our economy. The National Recovery Plan contains a clear recognition of the tourism industry as a labour-intensive sector that will provide job opportunities and foreign revenue earnings as the economy recovers • D/TCS represented on Senior Officials Group on Economic Renewal and the National Competitiveness Council
Recovery Action 2	Sustain Investment in Tourism's Assets – the Brand	<i>Maintain the overall level and value of investment in International and Domestic tourism marketing in real terms, to ensure continued impact and sustained returns</i>	<ul style="list-style-type: none"> • Secured provision of €41.473 million for Tourism Marketing Fund in Budget 2011 • Level and value of investment in core overseas marketing of Ireland therefore being maintained in real terms in 2011 • Fáilte Ireland will continue its highly successful domestic marketing activities in 2011

	ACTION	MEASURES	PROGRESS
Recovery Action 3	Sustain Investment in Tourism's Assets – People	<p><i>Help tourism enterprises to retain staff</i></p> <p><i>Help workers to renew and strengthen their skills</i></p> <p><i>Use tourism's potential to keep people in the labour market</i></p> <p><i>Ensure diversity of skills and labour are available</i></p> <p><i>Make tourism more attractive as a career for life</i></p>	<ul style="list-style-type: none"> • Fáilte Ireland continuing to provide support for tourism enterprises on cost control, marketing etc • The Work Placement Scheme provides opportunities to achieve the objective of keeping people at work while enhancing their skills. Its potential has been promoted to the tourism trade representative bodies by D/TCS. The Minister for Education and Skills announced the extension of the Work Placement Programme in December 2010 as well as the introduction of a Skills Development and Internship Programme which are also open to the sector • During 2010 and into 2011, Fáilte Ireland has redesigned its Human Resources Development model placing the emphasis on sustaining enterprises and supporting existing employment targeting businesses and those already working in tourism - see Survival Action 3
Recovery Action 4	Sustain Investment in Tourism's Assets – Product	<p><i>Renew investment in priority projects, including funds for public attractions and infrastructure and incentives for refurbishment of accommodation</i></p> <p><i>Improve management of sites through staff training and Service Level Agreements</i></p> <p><i>Secure more World Heritage Site designations</i></p>	<ul style="list-style-type: none"> • The capital allocation for tourism product development has been increased to €25m for 2011. • Investment will focus on completing upgrades of some major tourism attractions, developing select number of new visitor attractions, improving infrastructure for recreational cycling, walking & water-based activities and heritage attractions • Since the beginning of 2010, Fáilte Ireland has approved funding of just over €35 million, including almost €9 million in respect of the Waterford Viking Triangle, €3m in respect of Tralee Lee Valley, €2m towards tourism works at Athlone Castle, €4.8m towards tourism works at King John's Castle, Limerick, and €1.9m towards tourism infrastructure at Slieve League in Co. Donegal • Fáilte Ireland, D/TCS and OPW in ongoing engagement to identify investment opportunities and complementary ways to enhance interpretation through technology • Ireland's new Tentative List of World Heritage Sites was submitted to UNESCO in April 2010 for consideration. For details of the process and the nominations on the list see: http://www.worldheritageireland.ie/tentative-list/

	ACTION	MEASURES	PROGRESS
Recovery Action 5	Make Ireland a world leader in tourism e-business	<p><i>Ensure Ireland's tourism agencies and tourism enterprises maximise their exploitation of new technologies – particularly the web – by</i></p> <ul style="list-style-type: none"> • <i>Enabling enterprises to have effective web presence by rolling out broadband nationwide & enhancing enterprise supports for eCapability</i> • <i>Ensuring that e-marketing of the island of Ireland is world-class by sustained investment, increased use of Customer Relations Management/ Engagement and facilitating booking/buying over the internet</i> • <i>Structuring our web presence around the customer experience</i> 	<ul style="list-style-type: none"> • The tourism agencies are continuously enhancing the discoverireland.com and .ie sites. Tourism Ireland launched its Arabic discoverireland.me site in Sept 2010. Fáilte Ireland launched new business tourism and golf websites during 2010. Fáilte Ireland is also on track to release a new Tourism Content System and new discoverireland.ie website early in 2011. The new site will ensure that the customer is given a choice of journeys, better searchability and information retrieval, therefore making it more user-friendly overall. The new site will also be set up in such a way as to exploit emerging trends and technologies • 650 businesses benefitted from Fáilte Ireland's e-business web support programme (Web-Start, Web-Check, Web-Check Plus) during 2010. The programme provides a range of services to enhance e-capability of individual tourism enterprises • Report carried out for ITIC (with Tourism Ireland assistance) published in September 2010, <i>Tourism & Travel Distribution in a Changed World</i>, makes key recommendations for enterprises/industry – including practical guidance, with complementary recommendations for agencies • Broadband investment is a central element in the Government's Infrastructure Investment Priorities with allocation of €320m for ICT capital envelope up to 2016

	ACTION	MEASURES	PROGRESS
Recovery Action 6	Prioritise Market Segments where Ireland can gain competitive advantage	<p><i>Select, Invest in, and Develop key market segments based on Ireland's strengths, e.g. by</i></p> <ul style="list-style-type: none"> • <i>Improved packaging and marketing of leisure segments where we have critical mass</i> • <i>Public/Private Cooperation to develop additional niches with potential</i> • <i>Maximising the opportunity to grow business tourism nationwide, arising from the opening of the Convention Centre Dublin, by targeted promotion and securing additional gala venues for functions</i> 	<ul style="list-style-type: none"> • Focus on business tourism to maximise impact of the Convention Centre Dublin. Business tourism is a major focus of the Tourism Ireland Business Plan 2011 • The TRIG met with the OPW on 27/10/10. There is an increasing requirement for more large gala venues (with capacity for 750+) suitable for hosting business tourists attending conferences and other corporate events, especially around Dublin, since the opening of the Convention Centre Dublin. Such venues are key to maintaining Ireland's competitiveness when trying to attract in new business. Fáilte Ireland is supporting the OPW in its development of Castletown House in Co. Meath as a venue for gala occasions • Tourism Ireland is continuing to work with the National Archives and D/TCS to maximise the potential tourism benefit of the Census 1901/1911 and Irishgenealogy.ie websites • Other priority areas include food tourism, cultural tourism, outdoor activities and events, as well as closer collaboration with other bodies on rural tourism. • EFL and other tourism aspects included in new International Education Strategy
Recovery Action 7	Make Access into Ireland easier	<p><i>Tourism agencies should identify and follow up opportunities to maximise the level of air and sea access as they arise, in cooperation with carriers or other State agencies where possible</i></p> <p><i>Make immigration procedures for tourists cheaper, easier and friendlier</i></p>	<ul style="list-style-type: none"> • Tourism agencies are working to support the maintenance of access levels through complementary and cooperative marketing with carriers and to encourage new routes by offering to work with carriers. This is a key priority in Tourism Ireland's Business Plan 2011 and Corporate Plan 2011-2013. From May 2011, US Airways will operate a new daily service on the route from Charlotte (North Carolina) to Dublin – citing the availability of full pre-clearance facilities at Terminal 2 as a major factor in its decision to open this route • A key aspect of the National Recovery Plan is the steps that will be taken to liberalise visa restrictions for visitors from long haul markets • D/TCS and Tourism Ireland are represented on the Foreign

			<p>Trade Council, which was set up under the Action plan on 'Trading and Investing in a Smart Economy: A Strategy and Action Plan for Irish Trade, Tourism and Investment to 2015'.</p> <ul style="list-style-type: none"> • Ongoing consultation with D/JLR at Ministerial, Departmental and agency level to improve immigration procedures for tourists. D/JLR is already working on potential administrative measures to facilitate tourism from the New and Developing Markets • The Irish Naturalisation and Immigration Service (INIS) engaged with key tourism groups through a seminar in February 2011
Recovery Action 8	Make Getting around Ireland easier	<p><i>Invest in key transport links and nodes</i></p> <p><i>Improve signposting and information</i></p> <p><i>Make public transport, cycling and walking more attractive</i></p> <p><i>Support tourism-specific transport services (e.g. coach tours and car hire)</i></p>	<ul style="list-style-type: none"> • Government policy framework for transport, "Smarter Travel", recognises need for greater accessibility and efficiency in transport and contains actions to support economic competitiveness • The four-year National Recovery Plan shows continued investment in line with the principles set out in the Government's Infrastructure Investment priorities report and will focus on key strategic transport infrastructure and funding to boost the tourism sector • The Tourism Renewal Group highlighted that transport infrastructure must be used as efficiently as possible. Ongoing regulatory reform in public transport will help deliver the levels of service and efficiencies • "Golden Trekker" rail travel scheme for senior citizens visiting Ireland from abroad, piloted in 2010, to boost overseas visitor numbers - provided for free mainline, commuter and DART rail tickets to all tourists to Ireland aged 66 and over, with no restriction on nationality or country of residence. It was extended to Northern Ireland for July-September 2010. Review of scheme currently underway to explore options for its continuation in 2011

	ACTION	MEASURES	PROGRESS
Recovery Action 9	Maintain Supports for Enterprises and Employment	<i>Keep costs as low as possible for tourism enterprises and ease the burden of regulation</i>	<ul style="list-style-type: none"> • Fáilte Ireland continuing to provide support for tourism enterprises on cost control, marketing, IT etc to enhance productivity/efficiency at enterprise level • For many enterprises in the tourism and hospitality area currently facing cost and pricing pressures, the proposed measures in the National Recovery Plan designed to increase labour flexibility, through modification of the National Minimum Wage and a speedy review of the Joint Labour Committee Framework, will be welcomed. • In Budget 2010, the scheme of accelerated Capital Allowances for energy efficient equipment was enhanced to include catering and hospitality equipment. Budget 2011 extended this scheme for a further three years • Tourism has also been included in cross-cutting measures to support enterprises and jobs, including in particular measures to assist costs and credit such as the Employment Subsidy Scheme and the Credit Review System- see Survival Action 5 • The Government has established an independent review of the framework of statutory wage setting mechanisms known as Employment Regulation Orders (ERO) and Registered Employment Agreements (REA) - see Survival Action 5 • The Tourism Renewal Implementation Group met with representatives from Local Authorities (County & City Managers' Association) on 13/12/10, highlighting the importance of minimising costs for businesses and, noting the impact of revaluations to date, urged progress on the rapid completion of the process • Ireland's water charges compare very favourably with those of our nearest neighbour, Northern Ireland, and are at the lower end of such charges across Europe. The four-year National Recovery Plan aims to introduce a charge for domestic water by 2014