

WESTERN DEVELOPMENT COMMISSION IRELAND (WDC) - ACTION PLAN

Part I – General information

Project: EXTRA-SMEs
 Partner organisation: WDC
 Other partner organisations involved (if relevant):
 Country: Ireland
 NUTS2 region: BMW
 Contact person: Ian Brannigan.
 Email address: ianbrannigan@wdc.ie
 Phone number: 00353(0)866048012

Part II – Policy context

The Action Plan aims to impact:

Investment for Growth and Jobs programme	
European Territorial Cooperation programme	
Other regional development policy instrument	X
Name of the policy instrument addressed:	
Regional Operational Programme (ROP) 2014-2020 https://www.nwra.ie/competitiveness/bmw-regional-operational-programme-2014-2020/	

Part III – Details of the actions envisaged.

how the lessons learnt from the cooperation within an Interreg Europe project will be implemented in order to improve the policy instrument addressed at territorial level.

Strategic development pathway (please describe the shortages of the policy instrument, the aims of the policy measures included, and the lessons learnt from the project that constitute their basis)

The Regional Operational Programme (OP) 2014 – 2020 aimed to support the aquaculture sector regionally through supporting; enhanced research and innovation, information, and communications technologies (ICT), SME competitiveness, and the shift to a low-carbon economy. Measures concerned by ExtraSme are encountered in Priority 3: “*Enhancing the competitiveness of SME Competitiveness*” and across the following investment priorities:
 3a- promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators.

3d - supporting the capacity of SMEs to grow in regional, national, and international markets and to engage in innovation processes.

Actions in this EXTRA-SMEs action plan is rooted on the outcomes of EXTRA-SMEs A1 and A3 deliverables, especially those pointing to specific recommendations related to the EXTRA-SMEs territories' needs and opportunities for development.

Comparative analysis of regulatory frameworks applicable to licensing and operations of EXTRA-SMEs economic operators (A1.1)

Deliverable A1.1 provides a comparative analysis of EXTRA-SMEs partners' regulatory and administrative frameworks, within which the aquaculture value chains in their regions operate. The research methodology was based on the main question: "Does the policy mix in my region enable SMEs involved in the aquaculture value chain to become part of international high-quality value chains?". Further to evaluating the current situation, the deliverable explores the potential for improvement and provided recommendations for policy advancements.

In particular, the data collected led to three major conclusions:

- a) Even though interested investors can find a secure investment environment in all regions, the information for setting up an aquaculture production or processing enterprise is not always easily accessible.
- b) All EXTRA-SMEs regions have introduced rules to curb short-sighted investment and to protect public interests, but the research was not conclusive on the implementation of these rules.
- c) All EXTRA-SMEs partners have policies that promote competitiveness, innovation and internationalisation of their aquaculture value chains, but deficiencies were observed in setting up long-term and comprehensive policies.

More specifically, when it comes to best practices (as assessed by EXTRA-SMEs partners), three key issues were highlighted:

1) Predictable and stable framework for investors in the EXTRA-SMEs regions

A complete, public, and easily accessible property register is essential to safeguard **property rights**; therefore, it is suggested that all partners follow the respective examples of ADR-BI, NRDA and WDC.

When it comes to **spatial planning**, partners are encouraged to follow the best practice of Ireland, as presented by WDC, where spatial planning points to coastal communities and other stakeholders a clear role in determining uses and treatment of marine territory; encourages investment by creating predictability, transparency and clearer rules; increases

cross-border cooperation between EU countries to develop energy grids, shipping lanes, pipelines, submarine cables and other activities and develops coherent networks of protected areas; supports sustainability through early identification of impact and opportunities for multiple uses of space.

Regarding **operation permissions** and renewals for production facilities, it is important that all EXTRA-SMEs partners develop guidance for the permission process to improve predictability and transparency for all interested investors. The guidance should include specific criteria and steps for granting and revising permits, as well as a list of the cases where no permit is required. Particularly, in the case of **permission renewals for aquaculture processing facilities**, a simple, transparent, and financially accessible procedure for granting processing units permissions is recommended as a tool for facilitating investments in aquaculture processing

As outlined in the Application Form, WDC expected that through the exchange of experiences between the partners from interregional cooperation, new projects would be launched which aim to boost extraversion and competitiveness in aquaculture-based regions, including the West of Ireland.

The “shortages” of the ROP would be characterised by the relatively small volume and value size of the regional sector, which thereby benefits greatly from the ExtraSme interregional exchanges (Sligo, Rovaniemi, Szczecin etc), of other regional sectors.

This way the included actions were designed to increase SME extraversion and competitiveness and inform both the current and emerging 2021-2027 ROP.

These interregional sessions also enabled the identification of several key messages for the European Commission. These included the following:

- **Continued investment in research, at all levels is important.** Research informs regulators on the risks and opportunities that are associated with aquaculture activity, how it interacts with other marine activities, and its economic implications. Because licensing of aquaculture is a national competency, research provides an opportunity for international perspectives to be considered at the national and regional level.
- **Data is key to good licensing decisions.** The workshop heard that licensing legislation is just one set of regulations a licensing authority must consider, there are many others such as environmental and economic. Data is critical for making informed decisions. Opportunities exist to make much better use of data in the regulation of aquaculture.
- **While licensing is a national competency, competition is not.** The differences between licensing approaches, timeframes and conformance to environmental regulations is increasingly having a distorting effect on the European aquaculture market.

ACTION 1: SIMPLIFIED ADMINISTRATION PROCEDURES- OPTIMISED LICENSING PROCESS

1. The background (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan)

This action is informed by the interregional exchange at the workshop (A3.1), “Adopting Simplified administrative Procedures” took place in Sligo, Ireland on the 20th and 21st of March 2019. The workshop saw participants discuss and share experiences of the implementation of EU, national and regional policies and regulations concerning aquaculture. This was reinforced from discussions at the inter-regional sessions in Rovaniemi (Finland), and Szczecin (Poland), and recent transnational info day session.

Participants at the Sligo session examined strategies for the development of less complex, faster, and more cost-effective licensing and reporting procedures within aquaculture licensing and regulatory systems.

The purpose of the workshop was to provide project partners with the opportunity to discuss and share experiences of the implementation of EU and national policies and regulations concerning aquaculture in their regions. This focus on the aquaculture licensing and regulatory systems was intended to stimulate debate on strategies that could be deployed in developing less complex, faster, and more cost-effective licensing and reporting procedures.

The key outcomes of the consultations were follows:

- **There are best practices available within the participating regions that can be shared more widely.** Examples from the Greek region of Peloponnese (simplification and consolidation of national legislation), the Finish region of Lapland (the introduction of electronic license application processes) and the Italian region of Liguria (accessible and easy to ready information booklets) all point to a wealth of positive practices that can be emulated throughout the European Union.
- **Differences in** approaches to regulation and licensing mentioned in by participants appear not to contribute to the development and maintenance of a level playing field regarding competition. Whilst aspects of “good practice” exist in some regions such as Lapland, Liguria and Peloponnese; others report significant delays, poor communications, and an excessive administrative burden, adding costs and inhibiting innovation.
- **Licensing is just one part of the administration of aquaculture.** Several regions were able to point to other public services that, while not strictly part of the licensing process ensured its effective operation. Examples included public servants or industry personnel who could

guide an applicant through the process, regional and state agencies that promoted the aquaculture product, and integrated regulatory environments (including ‘one stop shop’ approaches).

- **The role of on-line and web-based facilities**, whilst available in some regions, and notably in Lapland, remains largely underdeveloped, with little evidence presented that such systems would become widespread. Factors believed to be barriers to the use of information and communications technologies include the absorptive capacity of the largely micro-enterprise companies involved in aquaculture and a lack of competencies (including literacy) in using hardware and software.
- **The Interreg programmes provide a valuable means to disseminate the results of European Union funded research.** The TAPAS project, which was presented at the workshop, is an example of research with practical application for licensing authorities which has been funded under the Horizon 2020 Framework Programme for European Union Research.
- **Regional Identity and Strategy is important.** Different regions desire different outcomes for their region. While the overall goal for the European Union is an increase in aquaculture production capacity, different regions place emphasis on different priorities. For instance, in Ireland the focus is on a premium organic product that reflect the country’s peripheral location in the European Market and fit within its overall food strategy. Other regions place greater emphasis as aquaculture as a component of an overall Tourism strategy, where the availability of a high-quality food product forms part of a tourism product, as is the case of Liguira.
- **Enhanced** communications between regulators and producers are essential. A concern was expressed that at times, licencing systems were not as transparent as they should be. Levels of communications were also variable, with some firms in regions waiting for months or even years for news concerning the status of their licence application. Such tardy responses can render licensing systems as unable to support producers to cope with change resulting from environmental or commercial sources.
Opportunities exist for participants in the EXTRA–SMEs project to benefit from forming linkages to other EU supported aquaculture projects such as the TAPAS. Drawing from the results of the extensive stakeholder engagement process deployed by TAPAS could add considerable value to the EXTRA-SME project as it seeks to identify ways of improving and simplifying licensing systems. Elements of the TAPAS toolkit may be applicable in helping to simplify them.

2. Action (please list and describe the actions to be implemented)

1. **Regionally, Include the Extra SME identified transnational best practice recommendations in the Regional Policy instrument.** In Q4 2021, Meet with the *Regional Operating Plan (ROP)* lead organisation (NWRA) to disseminate and incorporate the findings of *the review of transnational best practice from the ExtraSme best practice report (2020)*, and thereby inform the emerging ROP and support the optimization of licensing in the region.
2. **Nationally, meet with the AQUACULTURE AND FORESHORE MANAGEMENT DIVISION (AFMD).** Meet in Q4 2021 to review the activity A3.1 Simplified Administration Procedures (SAP) Extra SME final report findings and incorporation into national policy or legislative instrument.

(The role of the AFMD Division is to ensure the efficient and effective management of Aquaculture licensing and Foreshore licensing in respect of Aquaculture and Sea Fishery related activities.

3. **Meet with regional SAP stakeholders (noted below in “players involved”), To maintain periodic review sessions** – Twice annually to convene with NWRA, and regional stakeholders to monitor status of A3.1 finding outcomes in policy instruments

3. Players involved (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

NWRA
Morefish organisation (NUIG)
Marine institute
BIM
Government Department
Municipalities involved in the aquaculture activities.
Aquaculture SMEs

4. Timeframe

Q4 2021 – May 2023

5. Costs (if relevant) - €2000 Travel etc

6. Funding sources (if relevant):

WDC EU Project funds

ACTION 2: ACCELERATION MODEL FOR EXTRAVERSION OF SMEs

1. The background (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan)

This action is derived from the outcomes of the Extra-SMEs A1 and A3 deliverables. Specifically – “How to improve extraversion and internationalisation through the identification of new products and processes.

Taking information from exchanges with international SME’s such as *Jurassic Salmon (Szczecin)* etc. the rate of extraversion in local Aquaculture SME’s will be further emphasised. Already we have the beginnings of an international extraversion exchange with the ExtraSme group. We would now seek to deepen this and embed it in the emerging ROP, to strengthen the SME competitiveness strand.

Mapping the barriers and bottlenecks to internationalisation for EXTRA-SMEs businesses (A1.4)

The purpose of EXTRA-SMEs activity A1.4 was the identification of the barriers and bottlenecks that businesses (in and around aquaculture) face in expanding their activities in new markets and internationalising their outlook. To that end, a questionnaire survey was used to provide the necessary insight for the development of policy recommendations. Throughout the survey, imports were considered as international activities while business externalisation was mostly understood as export related activities.

Data collection in partnership regions revealed a wealth of different value chain structures among participants in the survey. The companies that participated were of variable size, age, and production capacity, area of specialisation and status of international activity. Despite the diversity of business demographic attributes, participants provided data that reveal a certain degree of convergence regarding the kinds of barriers perceived as important. In this context, the major barrier perceived by aquaculture SMEs is the inability to offer products in satisfactory/antagonistic prices. Moreover, the most significant barriers, as perceived by the SMEs themselves concern home regulations and the lack of assistance – notably funding – including administrative, bureaucratic, and procedural barriers. Two categories of problems therefore seem to emerge from the analysis as most pertinent: product and price barriers to marketing and procedural barriers.

The prevailing trends among EXTRA-SMEs partners as identified by the survey led to four fundamental conclusions:

- A great deal of effort should be given to **product innovation and diversification**. It is likely more productive to consider allocating more resources for the production of goods that provide superior value to customers, for instance health products and various kinds of packaged/branded goods.
- **Company size does matter** in the formation of barriers' perceptions. Smaller companies tend to consider internal barriers as more important, while larger companies tend to consider external barriers as more important.
- **Export status** does not significantly alter the perception of barriers or the prevalence of either internal or external barriers.
- **Regional differences**, meaning differences in perceptions of the business external circumstances, notably, regulatory framework, government assistance play a **more significant role**.

At regional level, policy recommendations were provided by country:

Ireland (Border, Midland and Western)

The outstanding problems in the regions of Ireland are associated to regulations and lack of government assistance. Regional authorities should provide evidence-based advice to central government regarding the benefits and prospects of aquaculture obtaining an international outlook. These efforts should be accompanied with efforts to increase production and implement innovative production approaches and techniques.

2. Action (please list and describe the actions to be implemented)

1. **Product innovation and diversification. Support the Establishment and operation of a regional food innovation hub which has aquaculture product development capability (Bia Innovator) to enable aquaculture product development and innovation.** By Q2 2022 to have this established in Athenry Galway.
2. **Raising awareness on SMEs extraversion and internationalization:** Work with Morefish organisation to Assess viability of the development of a national aquaculture centre or hub in the west of Ireland via the support of national institutions such as BIM, Marine Institute, Ireland 2040, regional enterprise boards, WDC and DAFM. Such a centre would form a key aspect in the promotion and engagement with wider stakeholders and increase the social license to operate for aquaculture activities in the west of Ireland.
 - Such a centre would form a critical role in the infrastructure available for the training, engagement, public discourse, research, and development of aquaculture.
 - Possible sites for such a centre could be public (i.e., Pairc na Mara (Galway), MRI Carna (Galway)), existing commercial SME sites (i.e., Keywater Fisheries (Sligo), Derrylea holdings (Galway)) or non-operational sites (i.e., Cool Springs (Sligo)).

- This centre could be used as an interpretative site to assist in education of the public with up-to-date fact-based science and research, acting as a mirror of Teagasc sites such as Moorepark, Athenry etc., and be a centre of excellence for aquaculture research, communication, training, and dissemination.
- A centre such as this could play a key role in the identification, coordination and delivery of SME driven research and support activities. Such as forums, meetings, seminars etc.

3. Players involved (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

NWRA
Morefish organisation (NUIG)
Marine institute
BIM
Government Department
Municipalities involved in the aquaculture activities.
Aquaculture SMEs

4. Timeframe

1. Bia innovator (food innovation incl. aquaculture) – Ongoing to Q2 2022 for establishment
2. National Aquaculture centre – (internationalization and extraversion) – Q2 2022 to Q 42023

5. Costs (if relevant)

1. approx. €2.7 M
2. TBD

6. Funding sources (if relevant):

1. REDF (Regional enterprise development fund), EI
2. BIM /REDF or EU Interreg funding

Date: _____ 24/9/2021 _____

Signature: _____ *Jan Bannigan* _____

Stamp of the organisation (if available): _____ n/a _____

