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# FOUNDATION

## Interreg Europe



European Union  
European Regional  
Development Fund

## Resilience of the regional economy and adjusting the business support ecosystem

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**FOUNDATION Partner:** P1 Munster Technological University

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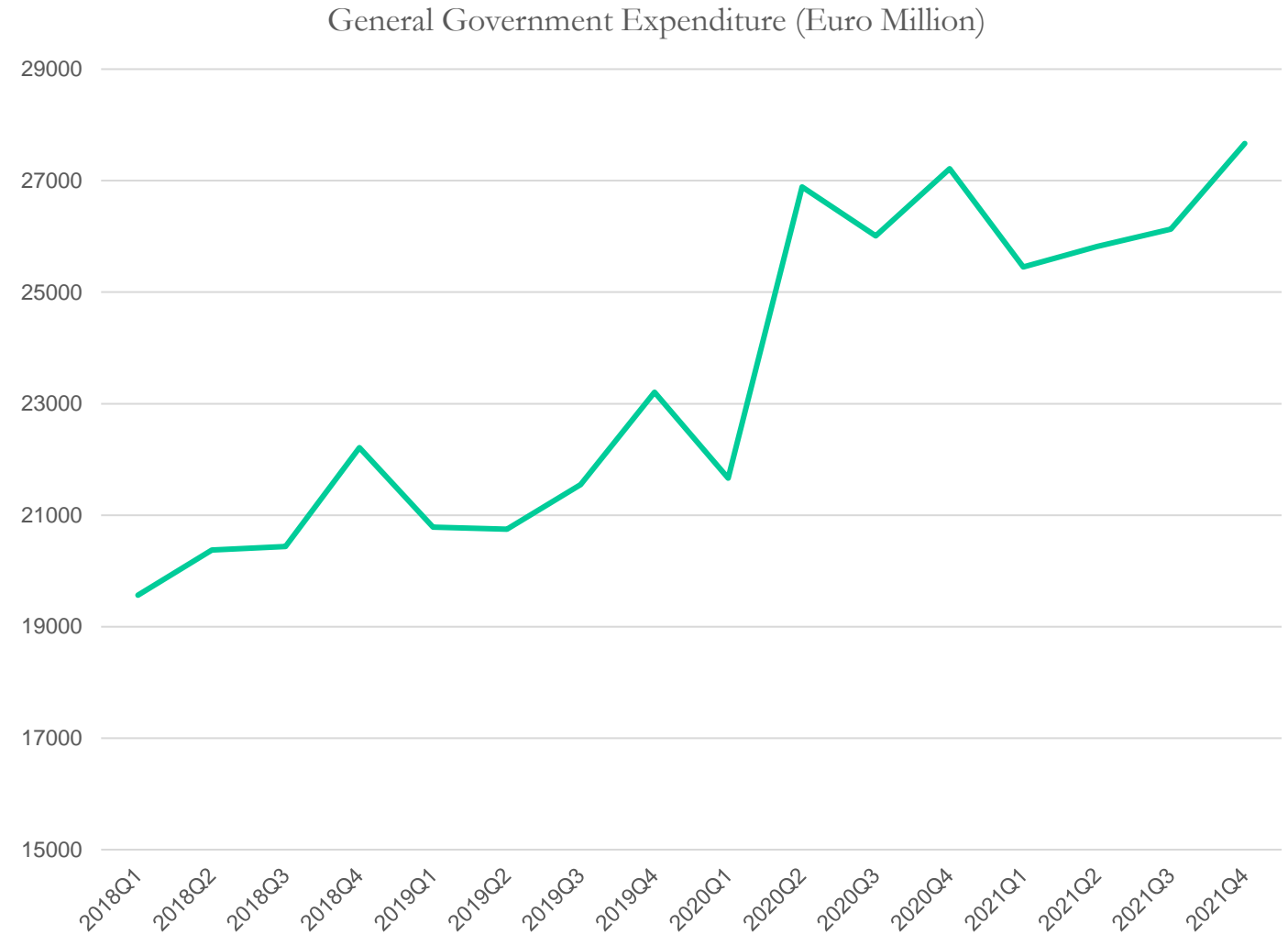
- Definitions of Resilience
- Business Supports
- Creative Destruction
- Regional Growth Paths Following a Shock
- National and Local Responses
- What next?

# Defining Regional Resilience

Field of Study	Definition	Equilibrium Points	School of Thought
Engineering	speed of return to equilibrium	Only one equilibrium point	Neoclassical
Ecological science	ability to absorb shocks before altering its structure	Several equilibrium points	Keynesian
Psychological sciences and organisational theory	ability to adapt in anticipation of, or response to, shocks	Equilibrium points change over time	Evolutionary Economics

# Business Supports following Covid19

- Employment Wage Subsidy Scheme
- Covid19 Credit Guarantee Scheme
- Covid19 Business Loans
- Trading Online Voucher Scheme
- Online Retail Scheme
- Digitalisation Voucher
- Enterprise Support Grant
- Future Growth Loan Scheme
- Covid19 Business Financial Planning Grant
- Waiving of Commercial rates
- Waiving of licence fees for street furniture
- Reduction of standard rate of VAT
- ‘Warehousing’ of tax liabilities



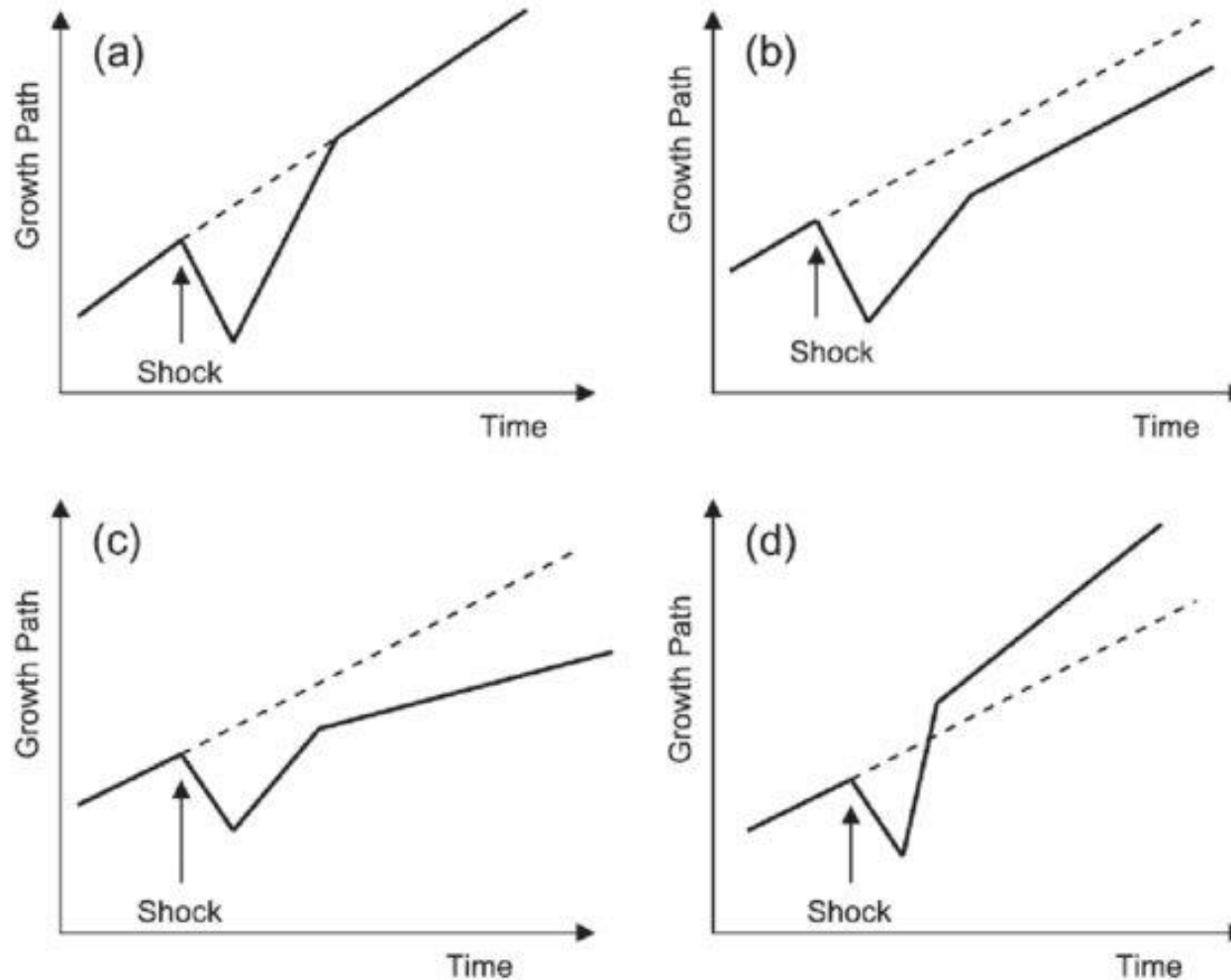
# Creative Destruction

“process of industrial mutation that continuously revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one”

- Joseph Schumpeter



# Regional Growth Paths Following a Shock



Hassink & Gong, 2019

# National Recovery and Resilience Plan

- Part of the European Union's NextGenerationEU
- Ireland is due to receive €915 million between 2021 and 2022



**Priority 1:** Advancing the Green Transition



**Priority 2:** Accelerating and Expanding Digital Reforms and Transformation



**Priority 3:** Social and Economic Recovery and Job Creation

# Project “ACT”

## Activating County Towns

- Cork County Council committed a fund worth €6 million to support community, festival, events and town enhancement works in 23 towns around County Cork.
- Some of the immediate actions being taken include;
  - I. A deep clean of the main retail and pedestrian areas
  - II. Decluttering and fixing street furniture
  - III. Replanting of trees and flowerbeds
  - IV. Additional road/pavement markings
  - V. Installation of 1,400 temporary bollards



# What Next?

- Many non-viable businesses were kept afloat by business supports
- The removal of which could threaten otherwise viable businesses
- How do we provide support for the transition away from covid19 supports without hurting businesses and promoting creative destruction in order to enter a higher growth path?

# Further Resources

- Foundation website - <https://projects2014-2020.interregeurope.eu/foundation/>
- ecoRIS3 – Covid19 regional impact reports - <https://projects2014-2020.interregeurope.eu/ecoris3/library/>

# Thank You

Any Questions/Comments/ Feedback?

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