

chapter 4



Development of the Rural Economy

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THE NATIONAL DEVELOPMENT PLAN AND RURAL COMMUNITIES

The National Development Plan will, within the framework of its national policies and programmes, assist the social and economic development of rural areas. Particular interventions to support rural areas include:

Broadband: The Communications and Broadband Programme of some €435 million will promote the rollout of broadband across the rural economy;

Non-national roads: Expenditure of some €4.3 billion on non-national roads, of which much will be spent in rural areas, which will be of critical importance in supporting the consolidation and diversification of the rural economy;

Rural Transport Initiative: Under the Rural Transport Initiative, some €90 million will be spent improving public transport services in rural areas;

Rural Water Services: Some €0.85 billion will be invested under the Water Services Programme to improve rural water services;

Leader/Rural Economy Sub-Programme: This Sub-Programme will invest €461 million in promoting the diversification of the rural economy with measures such as:

- Supporting the start-up of new rural micro-enterprises;
- Supporting the development of business drawing on indigenous rural resources;
- Promoting agri-tourism;
- Assisting the diversification by farm families into non-farming activities;
- Enhancing culture and leisure facilities for rural communities;
- Enhancing villages and small towns; and
- Conservation of areas of high natural and cultural value;

Agriculture and Food Programme: Some €8 billion will be spent under this Programme promoting the continuing modernisation and competitiveness of the farming sector and the food processing sector, as well as enhancing the quality of our rural environment. This Programme will include support for:

- Investment in food and forestry sectors;
- On Farm investment;
- Food Marketing;

Start up assistance for young farmers and early retirement for older farmers; and

Agricultural training with an emphasis on competitiveness, protection of the environment and food safety;

CLÁR: CLÁR will provide some €141 million for regeneration of rural areas suffering from population decline;

RAPID: RAPID will tackle social exclusion in twenty provincial towns;

Rural Social Scheme: The Rural Social Scheme will provide some €214 million for income support for low-income farmers and the enhancement of rural amenities and services;

Western Investment Fund: The Western Investment Fund will invest some €28 million through the Western Development Commission in western counties; and

Gaeltacht and Island Communities: The Gaeltacht and Islands Programme will invest some €457 million in infrastructure and enterprise development in the Gaeltacht and our island communities.

Apart from the above investment, rural areas will also benefit from mainstream investment in key areas such as Roads, Public Transport, Environmental Services, Energy and Education. In addition to what is set out below, more detail on Plan investment of special relevance to the rural economy is set out in the following Programmes under the Enterprise, Science and Innovation Priority:

- Agriculture and Food Development Programme;
- Rural Social and Economic Development Programme;
- Gaeltacht and Islands Development Programme; and
- Marine and Coastal Communities Programme.

Introduction

Chapter 3 sets out the framework for promotion of regional development under this Plan. This framework focuses to a significant extent on the development of the Gateways identified in the National Spatial Strategy (NSS). As the Chapter outlines, the development of the Gateways will also assist the development of regional hinterlands, including rural areas. This Chapter focuses on the specific challenges facing rural areas. It sets out the framework within which the rural economy will be promoted over the period of the Plan. It draws together the various investments and interventions that will be made over the lifetime of the Plan to promote the development of the rural economy and, thereby, promote the sustainable economic and social development of rural areas.

Strategic Context

While the rates of population growth over the past decade have been greater in urban than in rural areas, population growth in the rural regions has still been strong. Despite continuing urbanisation, Ireland is still a comparatively rural country. About 40% of the Irish population continue to live in rural areas. As such, the economic and social development of rural areas will be a valid and important focus for public investment under this Plan.

In recent years, the rural economy has been undergoing rapid change. Traditionally, agriculture, forestry and fishing sustained much of the rural economy. The vitality of small towns and villages and their commercial, service and manufacturing functions were dependent on the health of these primary sectors.

Today, with the re-structuring of agriculture, both the number of farms and agricultural employment are declining. The agricultural labour force has declined in absolute terms by about 14.5% between 2000 and 2005, an annual average decline of 2.4%. As a proportion of a significantly increased labour force in the country overall, the agriculture labour force has diminished considerably and this trend is likely to continue. The relative share of forestry and the marine sector in the overall economy and labour force has also declined over the last several years. Agriculture, forestry and the marine sector will nonetheless continue to play a major role in the economy and the social fabric of rural areas, both in terms of the significant numbers of people who will continue to earn their livelihood in these areas and in terms of their contribution to maintaining indigenously-based exports and economic activity. As such, these sectors will receive significant investment under the Plan to consolidate, enhance and modernise the strengths and value of these traditional components of the rural economy.

However, the ongoing changes in these sectors, require that attention and investment be focused on the challenges and opportunities that face rural communities. The rural economy will need to diversify and develop in coming years to take account of the ongoing demographic and economic changes that impinge directly on rural areas and rural communities.

Rural Ireland is not a single homogenous area with a single common shared experience. Depending on economic circumstances and geographic location, rural areas can face a diversity of contrasting challenges and experiences. At the same time as the pattern of economic activity in rural areas has been changing, rural areas close to large cities and regional towns are experiencing rapid population growth. Rural areas adjacent to urban centres experiencing rapid growth can themselves face much pressure for development. Some rural areas, which are more distant from large centres of population, are struggling to find new economic activities to replace those lost as a result of changes in the agriculture sector and other traditional rural-based sectors. Other rural areas, which are geographically remote but which enjoy a strong natural and cultural heritage, have experienced growth in tourism, inward-migration and the development of rurally-based micro-enterprises. The general expansion of the construction industry in recent years has also provided employment for people living in rural areas.

Rural areas are now often characterised as being the areas of residence for people who work in nearby cities and large towns. They may have employment that is both rurally-based (such as part-time farming) and urban-based (as is the case with many people employed in the construction sector). Many people who live in rural areas are not directly involved in farming or farm-related activities or other economic sectors which of their nature are situated in rural areas. This diversification in the income sources of people living in rural areas is very welcome. However, it points to the challenge of achieving an appropriate balance between supporting farming and other traditional rurally-based economic activity as a continuingly important source of income in such rural areas and simultaneously fostering sustainable economic diversification and development in rural areas. Accordingly, policy must address the ongoing changes in rural communities; support their sustainable economic development; and promote regional development.

The National Development Plan and Developing the Rural Economy

This Chapter deals with the changing nature of rural Ireland, the particular challenges facing rural communities and issues that are critical to the future development of the rural economy. It sets out the broad context for Government intervention to promote the sustainable economic development of rural areas. In doing this, a number of factors have been taken into account including:

- the White Paper on Rural Development, published in 1999, which sets out a vision and a framework for the development of rural communities;
- progress made under the National Development Plan 2000-2006;
- the National Spatial Strategy, in particular, the emphasis on the special and distinctive attributes of rural society and the need to ensure the vitality of rural areas; in this context Chapter 3 deals with the issue of regional development generally including the impact in rural areas;

- the National Rural Development Strategy which will provide for a substantial programme of investment in agriculture and wider rural development programmes in the period 2007-2013; and
- the need to secure complementarities across policies.

The Plan contains two Programmes, outlined in the Chapter on the Enterprise, Science and Innovation Priority, which are targeted directly at rural Ireland. These are the Rural Economic and Social Development Programme and the Gaeltacht and Islands Programme. These Programmes will encompass a range of investments in infrastructure, enterprise promotion and human capital that will support the economic development and diversification of rural areas.

The positive impact on rural areas of these two Programmes will be complemented by investment under the Agriculture and Food and Marine Development Programmes, and more generally, a wide range of investment related to rural areas under the five Investment Priorities of this Plan.

The National Spatial Strategy and Rural Areas

The NSS has established an integrated spatial policy framework embracing both urban and rural areas. The NSS envisages the Gateways acting as drivers to enhance the performance of their wider regional hinterlands, including rural areas. Strong Gateways are a pre-requisite for economically strong regions, including rural areas within those regions. The development of the Hubs and county towns will also be directly relevant to supporting the development and diversification of the rural economy. In turn, the development of the Gateways will be complemented by harnessing the development potential of their rural hinterlands and those activities where rural areas have comparative advantage.

Hubs and large towns provide important economic drivers such as locations for FDI projects and for an indigenous industrial and service base. Hubs and county towns also act as a key economic bridge between the Gateways and wider rural areas and, as such, are key to meeting the challenges of restructuring and diversification of the rural economy. Development of the Hubs and county towns will also proceed in a way that emphasises the importance of partnership between urban and rural areas.

Development of Infrastructure

The supply and quality of infrastructure plays a major role in economic development across the country. In order for rural areas to compete for inward investment and to compete internationally, they must have access to adequate transport, energy and telecommunications infrastructure. The main challenge in infrastructure and services provision will be to minimise rural-urban differences in the supply and quality of facilities. This will facilitate the extension of the benefits of national economic and social development across and within regions. Rural areas will, therefore, benefit from the very substantial levels of investment in infrastructure included in this Plan.

Broadband

Access to broadband infrastructure is a particular issue for the rural economy. Broadband can provide ready access to international markets for enterprise in remote locations. Extension and take up of broadband facilities in rural areas is, therefore, an important policy objective.

The Communications and Broadband Programme of the Economic Infrastructure Priority will seek to advance the rollout of broadband across the rural economy. In overall terms, this Programme will promote the rollout of broadband across the rural economy to ensure its availability across rural Ireland. Specifically, the continued rollout of Metropolitan Area Networks (MANs) in rural areas will provide local access communications infrastructure to encourage new operators to deliver competitive telecommunications services including broadband based on optic fibre and wireless technology. Additionally, a scheme to deliver broadband to areas of the country that would not be reached by the MANs programme is also being developed for implementation over the period of the Plan. The objective of the scheme will be to deliver a

broadband service to the limited number of areas where it is currently uneconomic for the private sector to do so.

Roads & Public Transport

It is vital for rural communities that weaknesses in transport infrastructure and services continue to be addressed in this NDP, building on the progress of NDP 2000-2006. There have been significant improvements in recent years. Nonetheless, many rural areas need further investment so as to maximise their growth potential. The implementation over the period 2006-2015 of the measures in *Transport 21*, which will be encompassed in this Plan, will contribute greatly to achieving this goal. These include:

- The upgrading of national primary and secondary routes with particular regard to enhancing connectivity for rural areas within the Gateway/Hub town catchments;
- The development of the Atlantic Road Corridor from Letterkenny through Sligo, Galway, Limerick, Cork and Waterford;
- The re-opening of the Western Rail Corridor from Ennis to Claremorris and the upgrading of the Galway to Athenry line for commuter services;
- The continuing renewal of other railway infrastructure;
- The expansion of railway rolling stock; and
- The expansion of the bus fleet.

Regional and local roads are also very important in this regard. They serve an important economic role in the Irish context and also have valuable social and community functions. The network of non-national roads provides mobility within and between local economies and are vital links to the strategic national road network, ports and airports which are our links with the wider International economy. Indeed, 94% of the country's roads are non-national, carrying around 60% of all road traffic. These roads are often the sole means of access for local economic activity.

A key objective for the Plan will be to provide a non-national road network which will support economic and social development at regional and local levels. This will be achieved, inter alia, through the acceleration of the Non-National Roads Restoration Improvement Programme and the continuation of the scheme to assist Local Authorities in progressing new major strategic non-national road projects.

In overall terms, there will be expenditure of some €4.3 billion on non-national roads, much of which will be spent in rural areas. This will be of critical importance in supporting the consolidation and diversification of the rural economy.

In addition, the Rural Transport Initiative (RTI), which will invest €90 million over the period of the Plan, was established as a pilot project under the previous NDP. It has now been put on a permanent footing following the end of the pilot period at the end of 2006. Funding for the RTI in 2007 will be double the 2005 level and in the roll-out of the RTI nationally, priority will be given to areas of the country which do not currently have access to public transport services.

Energy

Rural Ireland is particularly vulnerable to over-reliance on non-renewable energy sources because of the low density of the rural population and extended transport systems. The challenge, therefore, will be to increase natural resource usage for energy production. Renewable energy production can create economically and environmentally sustainable enterprises and play an important role in the provision of employment in the coming years.

In relation to security of electricity supply, network upgrading under the Energy Programme of the Economic Infrastructure Priority will improve the position for households and businesses in many areas of the country, including rural communities. Renewal of the low voltage networks commenced in 2006 and is due for completion by 2015. The projected Energy Network Investment Programme 2006-2010 includes:

- 350,000 new connections;
- 50 new transmission/HV stations;
- 1100MW connections for renewables; and
- 400km transmission lines.

Rural Water Services

Some €0.85 billion will be invested under the Water Services Programme to improve rural water services. Investment in rural water services will provide a well-planned and structured strategy for resolving drinking water quality deficiencies in rural areas. The main focus of the investment will be on providing water treatment and disinfection equipment for group water schemes with private sources, having these schemes taken over by local authorities if the groups so wish or giving the groups connections to public mains where water quality is of a high standard. The investment in rural water services will also continue to improve the standard of wastewater infrastructure in smaller towns and villages.

Promoting Enterprise & Employment

The development of diversified employment and enterprise opportunities will be vital to sustaining the rural economy and maximising its future economic potential. As outlined above, a notable feature of employment in rural areas in recent years has been the decline in the agricultural labour force. In the first quarter of 2000, there were an estimated 133,800 persons employed in agriculture, forestry and fishing, representing 8.1% of the total. By the first quarter of 2005 the respective numbers employed in the natural resources sector was 112,500 or 5.5% of the total.

Despite the decline in agriculture-based rural employment, there has been a significant and widespread increase in rural employment in recent years with the numbers obtaining work more than offsetting the labour declines in agriculture in the majority of rural areas. Overall, national employment growth has been driven by the strong performance of the services and advanced sectors and significant employment growth in the construction sector. Given that rural areas have a significantly higher dependence on the more vulnerable manufacturing, natural resources and construction sectors, the long-term sustainability of the present growth in employment in rural areas needs to be underpinned by job creation initiatives in a wider range of sectors.

Enterprise in rural areas tends to be characterised by small firms operating in more traditional sectors. Some 65% of enterprises in rural areas meet the definition of micro-enterprise, i.e. less than 10 employees. Not only do rural enterprises have to compete with the attractions of developing urban locations, an increasingly mobile workforce and a tight labour market, but they must also deal with issues such as transport costs, market access, peripherality, poor communications and physical infrastructure. Growth in the indigenous enterprises sector in rural areas has been encouraging in recent years; the objective will be to sustain and build on this by supporting on a commercial basis enterprise in rural areas and rural-based entrepreneurs.

The development of enterprise and employment opportunities will be vital to sustaining the rural economy. This will require sustained focused policy interventions at both national and local levels across a range of sectors. The supports to be provided under Plan 2007-2013 by Enterprise Ireland and IDA Ireland through the Indigenous Enterprise and the Foreign Direct Investment Sub-Programmes will be provided on a national basis but will continue to reflect a focus on balanced regional development and will include interventions to promote enterprise in rural areas.

Enterprise Ireland

Enterprise Ireland's new regional strategy runs from 2006 to 2013 and sets out how Enterprise Ireland will work with existing client companies in the regions to develop the necessary factors for future success.

Enterprise Ireland's vision is that "by 2013, Enterprise Ireland clients, from start-ups to established companies in all locations will be internationally focussed and innovation-led, located in or linked to environments of business excellence and complemented by a culture of entrepreneurship in local communities". Enterprise Ireland has set itself three broad objectives in this regard:

- (1) to drive the growth of innovation-based start-ups;
- (2) to develop existing client companies in all locations; and
- (3) to facilitate entrepreneurial development and the development of the enterprise environment in local and rural communities.

In this way there will be a continuing focus on enterprise in rural areas in addition to the benefits that will accrue to these areas from enterprise development in adjacent urban areas.

IDA Ireland

IDA Ireland's plans align its regional strategy with the structure of the National Spatial Strategy. This is designed to support national policy and a Gateway approach to regional development. In addition, the regional plans take account of the locational behaviour and requirements of the next generation of FDI projects, infrastructure capacities, the importance of building critical mass and leveraging the advantages of existing sectoral clusters. Accordingly, IDA Ireland's main focus in this context will be to attract projects which whilst located in the larger urban areas, will make a positive contribution to the maintenance and development of the surrounding rural communities.

Local enterprise strategy

The County and City Enterprise Boards (CEBs) play a central role in helping to generate a strong culture of entrepreneurship and in the promotion of micro-enterprise at the local level.

The CEBs will continue to promote entrepreneurship in each county and will support entrepreneurs establishing and expanding micro-enterprises through the provision of information, financial supports and programmes designed to enhance the management capability of owner/managers.

Complementary to this, LEADER Groups, through the new National Rural Development Programme 2007-2013 (see below for further details), will also be supporting a range of initiatives in this area, including:

- The creation of new rural micro-enterprises and the development of existing initiatives. Examples include the development of indigenous rural resources in artisan food, forestry, marine, rural/agri-tourism and community promoted enterprises;
- the development of recreational tourism including facilities for walking, cycling, angling, pony trekking, bird watching etc. and ancillary facilities such as car parking, and other services such as signage, village renewal etc.; and
- the complementary development of the broader rural tourism package such as upgraded accommodation, food tourism and other services.

An average of approximately €60 million per annum will be provided over the period of the Plan for investment in these initiatives through the LEADER Groups.

Agriculture and Food

Despite the decline in farm numbers and the trend towards part-time farming in recent years, the agri-food sector continues to make an important contribution, economically and socially, to rural areas. The proportion of part-time farmers has risen from 24% in the mid-1970s to 42% in 2002. On half of all farms, either the farmers and/or spouse have an occupation outside farming. While overall employment is declining in relative terms, the agri-food sector will continue to play a crucial role in the rural economy into the foreseeable future and in many areas, especially the more remote rural areas, it will continue to represent the main option for economic activity. The sector currently consists of 135,000 family farms and around 800 industrial units spread throughout the country. Agriculture and forestry account for around 72% of land use. In economic terms, the agri-food sector accounts for 9% of both GDP and total employment and a fifth of the net flow of foreign earnings associated with exports.

Continued support for a modern, competitive agri-food sector will, therefore, remain an essential component of a comprehensive response to the needs of the rural economy. Support measures will include:

- Support for on-farm capital investment and downstream investment in the food and forestry sectors. Its focus will be on competitiveness and market orientation and will be backed up by support for food marketing;
- Continuation of the successful Rural Environment Protection Scheme (REPS), payment of compensatory allowances to farmers in disadvantaged areas and support for afforestation. These initiatives recognise the public good aspect of agriculture and forestry and their contribution to improving the environment and the countryside;
- Start-up assistance for the setting up of young farmers and the early retirement of older farmers. This will facilitate structural improvement in the agricultural sector;
- Support for agricultural training. This will have a competitiveness emphasis while bearing in mind other considerations such as environment and food safety; and
- Investment in capital infrastructure, marketing and training, backed up by substantial investment in research and development in the food industry. The emphasis will be on facilitating the development of a world class, competitive consumer focused industry.

EU Rural Development Programme

The National Strategy for Rural Development 2007-2013, which will be agreed with and supported by the European Commission, will provide support under three broad rural objectives:

- To improve the competitiveness of the agriculture and forestry sectors;
- To improve and protect the environment and the countryside; and
- To enhance the quality of life in rural areas and diversify the rural economy.

Measures under the third objective are directed towards improving the economic and social well-being of rural communities and will focus on actions such as:

- Promoting economic activity locally, including, for example, the development of indigenous rural resources in artisan food, forestry, marine, rural/agri-tourism and cultural heritage;
- Developing local initiatives essential to community well-being, with particular focus on the availability of local culture and leisure activities;
- Village and countryside enhancement; and
- Environmentally friendly initiatives and conservation of areas of high natural and cultural value.

The allocation of funding under the Programme to individual measures will reflect the need to underpin the competitiveness and sustainability of the agriculture and forestry sectors while, at the same time, acknowledging and supporting the key contribution being made to rural areas by the wider rural economy.

Tourism, Culture & Sport

Tourism is a major instrument of regional — and rural — development. The tourism industry contributes to the vitality and sustainability of a wide variety of local enterprises, particularly in rural areas, and tourism promotes an enhanced awareness of and positive appreciation of local traditions and ways of life.

Ireland continues to experience increasingly diverse spatial concentrations of tourist numbers. Apart from Dublin and certain other urban centres, all regions have experienced a decline in overseas tourist numbers since 2000. Given the changing market trends and conditions for tourism and the competition from urban destinations, tourism growth in rural areas will depend to an increasing extent on the quality of the tourism product on offer in the future. Support for developing rural tourism will be maintained and developed (details of which are set out in the Chapter on the Enterprise, Science and Innovation Priority). Support will be provided towards the marketing of niche special interest products (e.g. walking, cycling, golf, equestrian, angling) — particularly those that have a strong regional and rural impact.

In addition to continuing with the existing structured, educational and training programmes, a range of initiatives will be rolled out under the Tourism Development Programme, in collaboration with organisations recognised as experts in the personnel, marketing and financial management areas, aimed at improving management capability and networking in the estimated 16,000 tourism enterprises around the country, many in rural areas. Among the initiatives that will support rural tourism enterprises are the small accommodation/B&B programme, locally-based county learning networks, Local Festivals and Cultural Events initiatives and support for the activities of the Regional Tourism Development Boards.

Schemes established under NDP 2000-2006 and which impact on the rural economy will continue, including the expansion of regional and niche product marketing. These will be complemented by the establishment of a fund for tourism infrastructure (covering such areas as access, signposting, water-based facilities and marinas and walking and cycling leisure route development), a fund to support major new festivals and cultural events, a fund to support investment in “soft adventure” products (water sports and outdoor activity centres), and initiatives in the communications and enterprise capability areas.

Recognising the potential which can be delivered by sport, the National Development Plan will develop a range of sporting facilities at local and rural level. This investment, together with initiatives in the arts and culture areas, will generate a positive impact by building stronger communities.

The Marine Sector

The fishing industry and associated seafood production is highly significant to the economic development of coastal and certain rural regions. Almost 60% of the employment and value added created in the marine sector is located outside the most developed regions of the country. Although the fishing restrictions imposed under the reform of the Common Fisheries Policy will pose a challenge to the fishing industry, they will also help to ensure the survival of the fish stock and of the fishing industry in the future. The key challenge for the fishing sub-sector will be to manage the transformation required in the fishing fleet to achieve a desirable balance between fleet capacity and the maintenance of economically and environmentally sustainable levels of sea-fishing. The key to the success of the industry as a whole will be the differentiation of Irish seafood products from the international competition in an increasingly discerning market place, both at home and abroad.

The seafood processing sector is also entering a period of restructuring and rationalisation with opportunities arising for acquisitions and joint ventures within the food sector. For the sector to serve as a key point of added value for the industry as a whole, investment will be made under the Plan in research,

new technologies and new product development. With regard to seafood, there will be support under the Plan for the provision of advisory assistance to companies engaged in restructuring, to ensure the sector can be competitive in an increasingly globalised sector.

It will also be necessary to diversify into other marine-based activities such as aquaculture, tourism and the leisure industry to provide other employment for those communities dependent on fishing. The development of port infrastructure and port services facilities will accommodate these industries. Improved harbours and landing facilities will also be funded to assist the sustainability of rural communities. Further details in relation to these investments are set out in Marine and Coastal Communities Programme in Chapter 8.

Social Inclusion

Social exclusion in rural areas is frequently the result of multiple disadvantage. Often, it manifests itself in terms of characteristics which reflect the distinctive features of rural life, particularly in more remote areas.

A number of programmes under the Rural Social and Economic Development Programme (as outlined in Chapter 8) and the Local and Community Development Programme (as outlined in Chapter 11) are particularly relevant in relation to combating social exclusion in a rural context.

Through the CLÁR Sub-Programme, issues of depopulation as well as the decline and lack of services in rural areas continue to be addressed. The Programme funds or co-funds, together with other Departments, State Agencies and Local Authorities, investment in selected priority developments. These investments support physical, economic and social infrastructure across a wide range of measures and reflect the priorities identified by the communities. €141 million will be provided for investment under the Sub-Programme over the period of the Plan.

The Rural Social Scheme (RSS) aims to provide (i) income support for low-income farmers and fishermen and (ii) certain services of benefit to rural communities. The Scheme allows low-income farmers and fishermen to earn a supplementary income while, at the same time, rural communities benefit from their skills and talents in maintaining and improving local amenities and facilities. Over the course of the Plan, €214 million will be provided for the RSS.

As well as tackling poverty and social exclusion within the most disadvantaged urban areas, the RAPID Sub-Programme will address the problems of social exclusion in twenty provincial towns.

Some €417 million will be provided over the period of the Plan under the Local Development Social Inclusion Sub-Programme, to support locally-based social inclusion measures. The Sub-Programme will have a particular focus on supporting people and communities suffering disadvantage and exclusion through a wide spectrum of locally promoted actions. The alignment of local, community and rural development organisations leading to unified overarching county structures with full county/city coverage will enable the provision of the services to all persons, irrespective of their place of residence, with equal access to the services available including employment, education, and training opportunities.

Nearly €861 million will also be provided under the Community Development Sub-Programme to support communities in ways that involve local people improving their own communities, including in rural areas. Projects funded will support a wide range of self-help activities designed to improve quality of life for individuals and groups in disadvantaged communities.

Knowledge infrastructure/research

There is a lack of a dedicated research programme which studies the dynamics of the rural economy and the particular challenges that it faces. Given the changes that have been taking place in rural Ireland over

the past decade and the even more radical changes that are likely to occur in the coming years, an on-going policy orientated research programme is essential to the formulation of effective rural development policies and the pursuit of good practice in their implementation.

A policy oriented research programme will be developed by the Department of Community, Rural and Gaeltacht Affairs as part of the Plan. Such a programme will help to:

- Develop a better understanding of the nature of the rural economy and the processes that are driving the changes that are occurring;
- Explore how these changes differ from the urban experience and monitor the interdependencies between urban and rural areas;
- Lead to a better understanding of how sectoral policies and programmes impact on rural areas; and
- Enable Departments to adjust and adapt programmes and policies for rural areas in a more timely manner.

Conclusion

Despite rapid urbanisation and major economic growth, Ireland remains a comparatively rural country. This confers particular advantages in terms of quality of life, heritage, tourism and differentiated economic activities. However, the challenges faced by rural areas are substantial, ranging from infrastructure and employment to distinctive needs of local enterprises.

Recognising this, the measures outlined in this Chapter and provided for in the various Programmes of this Plan will sustain and strengthen the population, income and well-being of the rural communities.

