

**SUBMISSION FROM THE BORDER, MIDLAND &
WESTERN REGIONAL ASSEMBLY TO
THE TOURISM POLICY REVIEW GROUP**

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Introduction

The Border, Midland and Western Regional Assembly welcomes this opportunity to have an input into the review of the Irish tourism industry. We believe that the review is timely, as there are many new challenges facing the industry including, but not exclusively:

1. Declining competitiveness and perceived decline in value for money
2. Loss of many 'traditional' visitors e.g. anglers
3. Changes in visitor profiles, lengths of stay, holiday expectations
4. Decline in market share of some regions, while Dublin's share grows
5. Responding to the demand for authentic visitor experiences
6. The need to 'embed' new organisational structures and refocus the activities of existing structures

The context behind and the reasoning for the BMW Regional Assembly making this submission stems from the following:

1. The Assembly's role as Managing Authority for the Regional Operational Programme, with overall responsibility for the effectiveness of the implementation of the co-funded measures, including the tourism measures
2. The importance of tourism to the economy of the BMW Region
3. The implementation of the overall strategic framework of the National Spatial Strategy in order to bring about a more balanced spatial spread of economic development in Ireland.

This submission to the review outlines the role of the Regional Assembly, and the contribution of tourism to the economy of the BMW Region. It then reviews the implementation of the tourism measures in the Regional Operational Programme, suggestions the evolving context of the National Spatial Strategy and the importance of rural tourism. Finally, some key recommendations are presented arising from the earlier sections.

1. Role and functions of the BMW Regional Assembly

The Border, Midland and Western Regional Assembly was established in 1999 arising from the decision to divide Ireland into two regions for structural funds purposes. The Assembly is comprised of 29 elected representatives from throughout the thirteen county region. The Regional Assembly has been designated as the Managing Authority for the Border, Midland and Western Regional Operational Programme in the objective one region. The Assembly has three broad roles:

- 1) To fulfil the Managing Authority functions for the Regional O.P., as set out in the EU structural fund regulations

- 2) To monitor the impact of all NDP/CSF Programmes on the BMW Region in order to ensure balanced regional development
- 3) To co-ordinate the delivery of public services in the region, highlight issues of regional concern and ensure that national policies take the regional dimension into account

The Managers of the three Regional Tourism Authorities in the BMW Region are represented on the Operational Committee of the BMW Regional Assembly. The BMW Regional Assembly is represented by its Director, Mr. Gerry Finn on the Tourism Product Development Board

2. Regional Contribution of Tourism

Tourism plays an important role in the BMW regional economy and it has the potential to play a far greater role. The spatial spread of tourism in the country is not even and the tourism revenues in the Southern and Eastern (S&E) Region by far exceed those of the BMW Region. The following table outlines the regional spread of tourism revenue:

Table 2.0 Regional Distribution of Tourism Revenue

	BMW	S&E	State
Population (2002) 000s	1038.0	2879.3	3917.3
Out of State Tourism Revenue (2001) €m	764.8	2368.5	3133.3
Revenue per capita €	736.8	822.5	799.86

Source: NDP/CSF Evaluation Unit 2002, Regional Indicators

3. Review of Tourism Measures in the Regional Operational Programmes

The tourism measures in the BMW Operational Programme and their allocations of funding from 2000-2006 are outlined in the following table.

Table 3.0 Allocation of Expenditure for Tourism Measure of BMW O.P.

€m

Measure	Total NDP Allocation	EU Contribution	Public Expenditure	Private Expenditure
Development of major Attractions (ERDF)	60.98	16.26	14.9	29.38
Special interests pursuits (ERDF)	35.58	9.49	8.69	17.4
Tourism Environmental Management (ERDF)	5.09	1.36	1.25	2.49
Tourism & Recreational Angling	27.00	0.00	25.32	1.67
Marine Tourism	26.5	0.00	21.29	5.21
TOTAL	155.15	27.11	71.45	56.15

Source: BMW Operational Programme 2000-2006, Programme Complement

The Implementing Body for the co-funded measures is Bord Fáilte, while the Implementing body for the latter two measures is the Department of Communications, Marine and Natural Resources. Tourism and related measures were previously co-funded by the EU under the Operational Programme for Tourism, for which the Department of Tourism acted as the lead Department.

In addition to the above, there are several measures that have an indirect impact on tourism e.g., Regional Sports Centres, National Parks, Urban and Village Renewal, Arts and Culture Facilities Programme, Area-based Rural Development Initiative.

Expenditure to date under the tourism measures has been very low, with no allocations having yet been made under the co-funded measures and the exchequer commitments to Tourism and Recreational Angling and to the Marine Tourism measure in the NDP have been largely unfulfilled. Out of €27m allocated to Tourism and Recreational Angling in the BMW Region over the seven years of the NDP, only €1.25m has been provided in the first four years, at a time when Ireland is losing out to our competitors. The BMW Regional Assembly is also concerned about the low level of expenditure under the Regional Sports Centres and the Urban and Village Renewal measures. In addition, the role of the Regional Tourism Authorities in the facilitation and appraisal of proposals needs to be clarified.

The Mid-Term Evaluations of the Regional Operational Programmes and of the overall NDP/CSF take place over the coming months. To date, the tourism measures have not delivered any outcomes or results. Under EU Structural funds regulations, the Regional Assembly as Managing Authority for the Regional Operational Programme may have to consider the transfer of structural funds out of the measures to avoid loss of these funds to the Irish exchequer. The potential loss of structural funds (as the only source of secured investment capital) could be very damaging to the industry.

Much of the financial support for the development of the tourism sector in the current NDP is to come from the exchequer (non EU co-financed). This, in common with all areas of public expenditure, is subject to prevailing economic conditions and budgetary constraints. The expectations of a significant contribution from the private sector (requiring lower public aid rates), in the current climate, are now unrealistic.

4. Tourism Strategies

The Bord Fáilte Tourism Strategy aimed to address the issue of the need for investment in non-traditional tourism regions. Four years after the strategy was adopted, and following a major change in the environment, very limited resources have been spent in delivering the strategy, which is in major need of review. One year after proposals were invited by Bord Fáilte, no grant offers have been made. It is unrealistic to expect any expenditure to take place until 2004, the fifth year of the NDP. In effect, there will be no public investment in tourism product development, as set out in the Bord Fáilte Strategy, for four years.

The State Aids approval received from the EU (DG Competition) delayed the launch of the measures and severely restricted the scope of the measures.

The supports envisaged for special interest pursuits are very important for the BMW Region, which has many advantages as an activity holiday destination. However, the delays in gaining EU approval for the measure, followed by the delays in carrying out preliminary appraisals of proposals submitted is very discouraging for potential promoters.

The targets set for the Major Attractors measure (including a strand for supporting clusters) have been considered for some time to be too high by regional interests. After many years of public investment, there are only a small number of large attractors in the region. While the clustering of attractors is a good strategic objective, the cluster strand sets very ambitious targets for visitor numbers for participating attractions. In the current climate more realistic targets are needed. It is likely instead that the tourism product on offer from this region will in the future consist of a small number of major attractors, and a large number of medium and small attractions and activity products, along with ancillary services and amenities.

The BMW Regional Assembly suggests that new approaches and strategies need to be implemented, which would develop medium and small activity products in an integrated and co-ordinated fashion. The Western Development Tourism Programme provides a model for a holistic, collaborative, strategic approach to the development of niche tourism in underdeveloped areas. This programme derives from the Blueprint on Tourism, which was published by the Western Development Commission in 2000.

The BMW Regional Assembly recommends that that a new tourism strategy be developed, which would incorporate the following elements:

- A greater **co-ordination of regional tourism** attractions and activities
- Development of **regional niche tourism** products, particularly in weaker tourism areas and a renewed emphasis on capacity building in recognition of the fact that niche tourism requires capacity building, training and mentoring supports.
- A greater emphasis on the **developmental role** of tourism agencies (such as Regional Tourism Authorities), with dedicated tourism development officers, working on the ground with local projects to co-ordinate tourism activities and link them into the local development structure
- More emphasis on **local and regional clustering** of small and medium tourism products
- **Improved regional access** through the development of regional airports
- Incorporation of the objectives of the **National Spatial Strategy** with an emphasis on more balanced regional development

5. Marketing

The National Development Plan makes provision for tourism marketing under the Productive Sector Operational Programme. This is implemented through Tourism Ireland, one of the cross-border bodies established under the Good Friday Agreement.

There is a perception that in order to create a brand identity for all of Ireland (32 Counties) there has been a lessening of the focus on regional marketing. More support should be given to regional marketing and branding initiatives, with more emphasis on the development of niche tourism. Marketing should not rely solely on the promotion of the natural environment, but should also seek to sell well developed integrated regional tourism products, with a variety of general and niche tourism products.

6. Public Awareness-Raising

Several studies have pointed out recently that many tourists to Ireland are unhappy with their stay. Various reasons are given, including rising costs, the lack of “fáilte”, poor food and inadequate information. Whilst some of these factors are beyond the scope of any tourism review, the BMW Regional Assembly suggests that more emphasis should be put on public-awareness campaigns on the role of tourism in Ireland. Public-awareness campaigns could be organised at a number of levels, which would target both the general public (e.g. through billboard campaigns) and those involved in the tourism industry. More emphasis should be put on the need to “welcome” tourists and to make their stay more enjoyable. Support should also be given to training people working in the tourism industry on areas such as customer care.

7. National Spatial Strategy

The National Spatial Strategy sets out a broad strategic framework for the future spatial distribution of development in Ireland. The Border, Midlands Western Regional Assembly broadly welcomes the National Spatial Strategy (NSS) and recognises it as a unique opportunity to plan for balanced regional and spatial development of the country over the next 20 years. The NSS identifies tourism as an important economic sector, which contributed almost €3.9 billion to the economy in 2001. It distinguishes between three types of tourism areas, namely established tourism areas, developing tourism areas and undeveloped tourism areas. According to the NSS, the established tourism areas are all located in the S&E Region, with the exception of Galway. Many areas in the West coast belong to the category of developing tourism areas and many of the border and midland counties are in the undeveloped category. The NSS suggests that different policy responses are required for each type of area, such as addressing infrastructural bottlenecks in some regions and building the tourism capacity of other areas.

The emphasis in the NSS on transport and the development of cultural and social amenities are of critical importance for the growth of tourism, particularly in less developed areas. The NSS makes a commitment to bringing about more balanced regional development in Ireland and tourism is a sector, which should be more evenly promoted throughout the country, particularly in the BMW Region. The Taoiseach makes the observation in the forward to the NSS, that “in order to achieve more balanced regional development, a greater share of economic activity must take place outside the Greater Dublin Area.” If the NSS is to have any meaningful effect, it should be fully implemented and integrated into all relevant government planning. Similarly any future tourism strategies should incorporate the objectives in the NSS, which would help to bring about a more even spread of tourism and develop access points outside the Greater Dublin Area (through the development of regional airports and high quality transport networks linking the various gateways and hubs). There is an opportunity for strategic linkages between areas in the BMW Region and Northern Ireland in order to create the critical mass needed to rebalance the development of tourism on the island.

8. Rural Tourism

The Border, Midland and Western region is predominantly rural, and while recognizing the significance of Galway city and environs, Connemara, Westport, Clonmacnoise, and to a lesser extent County Donegal, as developing tourist areas, visitor attractions in the region are generally rural-based and small in scale. Strategies for the development of tourism in the region need to take account of the potential contribution of rural tourism and related sectors of the overall industry. There is a perception that the interests of a small number of strong tourism areas nationally, set the agenda for the entire industry, with little attention being paid to the needs of other areas of the sector.

Issues such as the quality of the environment and landscapes, maintaining culturally distinct areas, sustaining natural and man-made heritage sites are of particular relevance to rural tourism and can be at variance with the concept of mass tourism.

The launch of the Rural Tourism Forum by the Minister for Community, Rural and Gaeltacht Affairs is to be welcomed. The rural tourism strand of the Area Based Rural Development Initiative (LEADER) places strong emphasis on product development in keeping with local assets, co-operation, co-ordination, and integrated rural tourism planning. In addition, there is an emphasis on pre-development support in product development and on capacity building. Similar approaches should be applied to development of the industry nationally.

9. Recommendations

The BMW Regional Assembly, having set out some of its key issues of concern, would like to put forward the following recommendations:

- The **development and co-ordination remit of the Regional Tourism Authorities** should be re-enforced at local and regional levels. Specific resources should be committed to strategic planning, and the provision of product development supports.
- Bord Fáilte as the Implementing Body for the co-funded Tourism Measures should immediately provide adequate staff resources **to expedite the processing and approval of existing grant applications**. The ‘turnaround’ time for applications should be no more than 3-4 months, rather than the 12 months at present.
- The rationale and continued relevance of the **Bord Fáilte Strategy is now in doubt and should be reviewed as a matter of urgency**. The operational guidelines and criteria for the tourism measures in the Regional O.P., which stemmed from the Bord Fáilte Strategy should also be reviewed, subject to EU state aids limitations. The specific characteristics of the BMW region should be taken into account in any new strategies.
- The **scope of the tourism measure under the BMW Operational Programme should be broadened** to include a greater emphasis on integrated tourism initiatives and ‘green’ tourism.
- The **decisions taken in the preparation of the 2003 estimates**, not to support the Tourism and Recreational Angling and Marine Tourism measures should be reconsidered.
- Any **research on the impact of tourism should be disaggregated on a regional basis** and should feed into regional tourism strategies
- **The regional spread of tourism development needs to be addressed**. The continuing growth in Dublin’s share of investment, visitor numbers and revenue is inconsistent with the objectives of the National Spatial Strategy and any new strategy should make a firm commitment to more balanced regional development.
- **More emphasis should be placed on public-awareness raising**, to bring the “fáilte” back to Ireland and raise consciousness of the value of tourism to the Irish economy and Irish life
- There should be a **renewed emphasis on integrated rural tourism initiatives and niche product development** that is more in keeping with the development potential of the BMW Region.