
Consultation on Statement of Strategy 2023 - 2025

Response from the American Chamber of Commerce Ireland (AmCham) to the Department of Housing, Local Government and Heritage Consultation on the Statement of Strategy 2023 – 2025.

April 2023

The American Chamber of Commerce Ireland The Voice of US-Ireland Business

The American Chamber of Commerce Ireland (AmCham) is the collective voice of US companies in Ireland and the leading international business organisation supporting the Transatlantic business relationship. Our members are the Irish operations of all the major US companies in every sector present here, Irish companies with operations in the United States and organisations with close linkages to US-Ireland trade and investment.

AmCham welcomes the opportunity to make a submission to the consultation on the Department of Housing, Local Government and Heritage’s Statement of Strategy 2023-2025. AmCham members consistently identify housing as the number one challenge for Ireland to overcome for the continued expansion of US companies in Ireland. It is essential that there is varied availability of housing to ensure that Ireland remains an attractive location for inward investment. In a recent survey of AmCham members, housing was identified as the most important challenge to overcome for their company to expand in Ireland. Further, 100 percent of AmCham members said the availability of residential accommodation for staff is challenging for their business operations in Ireland.

Accommodation is an important economic enabler, and while Ireland is not unique in facing a housing crisis, the availability of accommodation is linked to Ireland’s overall attractiveness as a location for talent and business. US multinational companies are currently expanding in Ireland, and they rely on attracting talent from abroad to bridge the skills gap that exists across industry in Ireland today. Companies are struggling to hire and retain talent when there is an insufficient housing supply. The delivery of housing commitments, and the continued prioritisation of planning and capital investment in accommodation provision is required. The Department’s Statement of Strategy is therefore of primary importance to AmCham members.

Strategic Goal A

Housing Delivery

Strategic Goal A in the Department’s Statement of Strategy aims:

“To provide a framework that ensures a sustainable housing system in Ireland with a supply of good quality housing to match needs”.

As outlined, housing has been identified by AmCham members as the number one challenge for Ireland to overcome to support future investment and growth by business. In supporting the aims and objectives of the Department’s Statement of Strategy, the development of a high-level taskforce to examine actions taken in international markets to address the housing crisis and support housing development would be beneficial in identifying best practices, which could be utilised to support the delivery of housing in the Irish market.

A continued focus on enabling the delivery of the commitments under the ‘Housing for All’ plan is essential in a Statement of Strategy for 2023-2025. Enabling the

delivery of housing in both our cities and our regions must be a core priority for Government, alongside removing any impediments to delivery.

Planning

Reform of the planning process to provide certainty of timeframe and process, not certainty of outcome, is of the utmost importance in supporting the delivery of housing commitments and the growth and development of business in Ireland. 96 percent of AmCham members surveyed indicated that reform of the planning system, to provide certainty of timeframe and process, is important to maintaining FDI employment in Ireland.

In supporting investment and growth in Ireland into the future, it is essential that Ireland has a planning system fit for the 21st century. Delays and backlogs in the planning process can prove to be an impediment to the delivery of vital infrastructure projects, and this may act as a competitive disadvantage for Ireland in comparison with competitor jurisdictions. As such, while the outcome of the planning process cannot, and should not, be predetermined, ensuring certainty of process and timeframe would support the development of essential infrastructure and ensure Ireland remains an attractive destination for inward investment. A process which provides stability in terms of the timeframe for a final decision to be reached will support the growth of business in the years ahead and strengthen Ireland's enterprise ecosystem.

This scale of confidence and investment of MNCs in Ireland is represented by the fact that 1 out of every 3 US multinationals in Ireland have been here for more than 20 years. This is further evident through the investment by MNCs in Ireland in some of the world's most advanced manufacturing facilities, through the contribution to the Exchequer by US MNCs, and through the 376,000 jobs directly and indirectly related to US investment in Ireland.

Strategic Goal D

Balanced Regional Development

Supporting Ireland's regions and ensuring balanced regional development is essential, and the Statement of Strategy for 2023-2025 should continue to reflect the importance of balanced regional development. Strategic Goal D outlines the aim:

"To ensure that planning and building in our regions, communities and maritime area contributes to deliver sustainable and balanced development".

Ireland's regions can act as a viable counterweight to the pull of Dublin, supporting talent and business in availing of the opportunities our regions have to offer. Supporting balanced regional development is key to ensuring Ireland's regional strengths are to the forefront of attracting future FDI. As such, a continued focus on bringing vacant properties back to life, as part of measures to address the housing crisis, and to reinvigorate urban centres and towns is required. Building on measures, such as the Croí Cónaithe (Towns) Fund, and further schemes, are important in supporting our regions. In 2021, 53% of all new foreign direct investments into Ireland went to locations outside of Dublin. The opportunity exists to further strengthen the attractiveness of Ireland's regions as destinations of choice for inward investment by continuing to focus on balanced regional development.

Resourcing

Objective 3 under Strategic Goal D in the current Statement of Strategy is focused on enabling:

“the Land Development Agency (LDA), An Bord Pleanála (ABP) and the Office of the Planning Regulator (OPR) to deliver on their mandates”

AmCham is of the view that it is essential that all relevant agencies have the necessary capacity and funding in place. In particular, the resourcing for the Land Development Agency and the Office of Public Procurement should be prioritised to support the delivery of housing commitments.

The Future of FDI

The future of inward investment will be as much about where people want to live, as it will be about where businesses wish to locate. The provision of quality housing, and providing certainty in relation to planning timeframe and process should be key elements of the Department's Statement of Strategy for 2023-2025 to ensure Ireland is best placed to remain an attractive location for inward investment into the future.