



**Speech by Minister Martin Cullen TD
at the launch of
CRIPREDE* (Creating a Research, Technology Development (RTD)
Investment Policy for Regions in Emerging and Developed Economies**

**the EU funded project under Regions of Knowledge 2 within the DG Research Sixth Framework Programme.*

**at a Conference entitled:
Developing Knowledge-Based Regional Economies,
hosted by Waterford Institute of Technology
1pm at the Ormonde Hotel, Kilkenny, 12 October 2007**

Professor Kieran Byrne, Director, Waterford Institute of Technology; Bill O Gorman, CRIPREDE Project Leader; Minister of State, John McGuinness TD; members of international and regional local authorities; policy makers; practitioners; entrepreneurs and academics from around the EU and all members of the CRIPREDE consortium who have gathered in Kilkenny today:

I am delighted to be here with you this lunchtime on the second day of your conference organised by the Centre for Entrepreneurship, School of Business at the Waterford Institute of Technology.

It is a big day for the Institute and indeed all the international partners involved in the CRIPREDE project - an EU funded project - from the UK, the Netherlands, Germany, Slovenia and Latvia. You are all extremely welcome to the South East and to our medieval city of Kilkenny. I hope you find us hospitable and welcoming and of course your conference, which commenced yesterday, to be fruitful and productive.

I do not plan to detain you too long as I am addressing you during your lunchtime but I know that regional development issues are utmost in your minds. Common issues among all of you gathered here are how for the betterment of your own individual



Department of Social and Family Affairs

regions, do we create a more collaborative environment between all our regional stakeholders and what projects can stakeholders work on together for the betterment of each region.

Today I have the great pleasure of launching your Adaptive Model, your project's chosen model, which will enable regions create that collaborative vision and set of objectives, taking all your own regional nuances into consideration. This Model will ultimately increase your region's levels of research and technology development, investment, output and wealth creation.

I am extremely interested in your approach, being a Waterford man and of course a regional Minister at the Cabinet table. One of the major outcomes for the CRIPREDE project has been here, in the South East, with the development of the Spirit of Enterprise Forum. This specific Forum meets a number of times each year to debate, plan and implement the South East's own research and technology development strategy. I know the Forum has had an important role to play in developing the region's entrepreneurial activity and I applaud your forward-looking approach which will no doubt achieve very real strategic change and greatly benefit the South East in to the future.

Waterford is known as a 'gateway city' here in this country and in fact under our *National Development Plan 2007 to 2013* this Government has nine such gateways. Waterford, as the principal city of the South East is designated as one of those centres. Each gateway or region as I am sure you will appreciate faces specific development challenges and opportunities of its own.

In relation to opportunity, last year, total employment across the country rose above the 2 million mark for the first time in the history of the State. This is a phenomenal achievement for a country with a long history of unemployment and emigration. Unemployment has fallen from over 10 per cent in 1997 to 4½ per cent today, amongst the lowest in the EU. Long-term unemployment (i.e. those unemployed for one year or longer) has declined from 5½ per cent to just 1¼ per cent over the same period. The dynamism of the labour market has allowed us to absorb substantial numbers of immigrants, many of whom possess high levels of skills.



Department of Social and Family Affairs

Competitiveness is a key challenge for us across all our regions and gateways, and the Government is committed to tackling this as a priority.

- We are investing significantly in education and R&D to enable Ireland to compete in an increasingly competitive, globalised economy.**

- We are working with the social partners to help position the labour market for a sustainable future.**

- We are, for example, investing an average of 5 per cent of GNP per annum in infrastructure over the period to 2013 in order to eliminate regional bottlenecks, reduce congestion and improve living standards.**

- We have given, and will continue to give, priority to further developing appropriate environmental and energy policies.**

It is now almost exactly a year since the Government's *Strategy for Science Technology and Innovation* was published, a Strategy that has been justly very well received. This Strategy has provided us with a distinct opportunity to achieve coherence in our national innovation system and to ensure maximum economic and social benefits are derived from the Government's commitment of €8.2 billion to this area under the *National Development Plan*.

The Strategy gives breadth and depth to a vision for a knowledge economy and society in Ireland backed by real investments by departments and agencies, with clear targets and clear outcomes to be achieved.

As the challenge of cost competitiveness must be met by higher value added output across the economy, we continue to invest in Ireland's science base as one important cornerstone underpinning our future place in the world. A strong science base matched by a paradigm shift in the capacity of our enterprise sector to create knowledge, to innovate, and to exploit new knowledge across global markets marks out Ireland's



future strategic direction.

There are a number of strands to the Government's strategy to significantly increase the level of innovation within business - from increasing the capability of our third level institutes - such as Waterford Institute of Technology - to deliver world class research, to stimulating industry to capitalise on this enhanced research capability and to innovate products and services for enhanced competitiveness.

Under the current NDP, we are priming the system with very significant levels of funding and success in these areas is essential if the economy and wider society are to experience the impacts of a knowledge-driven economy which demands and supplies high-skilled labour.

A number of programmes, particularly those administered by Science Foundation Ireland, have been successfully focusing on building the research capabilities of our higher education institutions. With an allocation of €1.4 billion over the period of the Strategy for Science, Science Foundation Ireland will continue its efforts to build world-class research teams; increase the number of high quality researchers; and, therefore, contribute to increasing the output of PhDs, which is a key objective of the Strategy. In addition to funded research, individual Science Foundation Ireland researchers are collaborating with companies such as Wyeth, Siemens, Sigmond and Alimentary Health. By bringing together researchers from Irish third level institutions, with their counterparts in indigenous and multi-national companies, those centres create a force for knowledge and innovation that is greater than the sum of its parts.

It is very timely, given this greatly increased third level capability that Ireland's attention under our Science Strategy is now turning particularly to commercialising the outputs of our growing research base. This must take the form of transferring knowledge through the movement of people and ideas into the enterprise sector, through start-ups, transfer and/or licensing of technology as efficiently as possible.

Earlier this year, my colleague Minister Micheál Martin launched both the Innovation Vouchers and Competence Centre programmes. Already, the pilot phase of the Innovation Voucher initiative is showing positive results and at the beginning of



Department of Social and Family Affairs

October, the third tranche of the programme was launched which offers €5,000-value vouchers to enable industry engage with research facilities to address identified R&D needs and encourage the acquisition of innovation capabilities within their businesses.

Finally, I want to stress that our strength and competitiveness will come from taking a coordinated approach within our national innovation system. Ireland has a unique opportunity to ensure real coordination and coherence in its efforts to build a knowledge-based society.

So ladies and gentlemen back to the task at hand, the opportunity I have been given today to launch your Adaptive Model. This has been a task of considerable effort on all of your parts. As all regions are different, it stands to reason that a model to develop regions has to be adaptive by nature if regions are to be effective in creating an RTD policy and investment strategy that meets their specific need. I am happy therefore to launch your chosen Model here in Kilkenny and I would like to thank Professor Kieran Byrne and all members of the CRIPREDE consortium for your steadfast dedication and commitment to testing and developing this Model. May your vision be fulfilled and I hope your Model brings successful outcomes for all of your respective regions.

Thank you all very much indeed.

ENDS