

## **Tánaiste launches new initiative to enhance economic development in Donegal**

**Donegal, Ireland, 2<sup>nd</sup> July 2010** ---- Tánaiste and Minister for Education and Skills, Mary Coughlan T.D. today announced that Donegal County Council and IDA Ireland are partnering on a new initiative to enhance economic development in County Donegal. The agreement allows Donegal local authorities to develop commercial lands and buildings to benefit local enterprise and community projects within the county and enables IDA Ireland to actively continue promoting Donegal through its strategic business park in Letterkenny.

The business environment today is more challenging and competitive than ever before and requires locations to respond to the changing need of investors. Recognising this, the Tánaiste earlier this year launched IDA's strategy *Horizon 2020*, which provides an undertaking to enhance regional economic development by making smart use of IDA'S property portfolio in regions. IDA is working in partnership with local authorities to make potential sites as attractive as possible for a broad range of investors. *Horizon 2020* also has a strong focus on winning Foreign Direct Investment (FDI) in the regions with an ambitious target to secure 50% of projects outside Dublin and Cork, aligned with the Government's National Spatial Strategy (NSS).

Launching this initiative Tánaiste and Minister for Education and Skills said: "Today's announcement is a positive development for Donegal County. Given the diverse nature of our economy, it is important that multinationals and SME's, both indigenous and foreign, are supported to enable enhanced regional economic development. This agreement will create scope for balanced economic development in Donegal by allowing properties less suitable for FDI to be made available to local and community enterprise. It demonstrates the Government's commitment to work with public bodies, IDA, Enterprise Ireland and local authorities to deliver economic development across the region through joined-up thinking".

The Tanaiste added "This agreement allows IDA to focus its property offering by attracting foreign direct investment to its strategic park in Letterkenny, and is in keeping with

regional planning guidelines and the National Spatial Strategy (NSS). The North West region provides a talented and skilled labour pool with the support infrastructure necessary for world-class business and quality of life and I am confident that this initiative will drive robust economic development throughout the county in the future”.

Under the agreement IDA is making its property portfolio available for wider commercial use, by transferring ownership of its properties at Carndonagh, Milford, Donegal Town (Lurganboy), Ballyshannon and Buncrana to Donegal County Council. This will facilitate entrepreneurship, local and community enterprise within the county. Similar programmes have been progressed with other local authorities throughout the country.

Speaking at the announcement, Mr. Michael McLoone, County Manager, Donegal County Council said: “This programme was driven by a united vision to work together to promote strong regional economic development in the county. Donegal County Council will work vigorously to promote this property portfolio to local enterprise and community initiatives throughout Donegal. Today’s initiative offers excellent opportunities to a wide range of local and community businesses, driving indigenous industry in the county, whilst ensuring that Donegal continues to be a highly attractive location for Foreign Direct Investment through its strategic business park in Letterkenny”.

Welcoming the announcement, Conor Fahy, Enterprise Ireland Border Region Director said: ‘This is a welcome and important development for the industrial infrastructure base in Donegal and fits very well with Enterprise Ireland’s strategy for promoting balanced regional development and entrepreneurship. Having a ready base of suitable properties is critically important and can be instrumental in allowing new enterprises get into business rapidly and existing SMEs stay local and expand. We have a very strong SME sector in Donegal, including companies like E&I Engineering, EK Marine and McKinneys. This development today improves the facilities for companies across the sectors to successfully grow their business and supports the development of a thriving entrepreneurial, community and SME enterprise base across the county.’

As the designated Gateway in the North West, Letterkenny has attracted investment from a number of leading international companies. Today 1,200 people are employed in Letterkenny in companies such as Pramerica, United Health, Zeus and SITA Inc., all increasing headcount in the recent past. In addition, IDA has invested in an Advance Office Building (1,748m<sup>2</sup>), an Advanced Technology Building (2,448m<sup>2</sup>) and Advance

Technology Unit (889 m<sup>2</sup>), all of which are being actively marketed to potential clients.

Commenting on this initiative, Joe McHugh, Regional Manager, North West, IDA Ireland said: 'IDA's strategy, *Horizon 2020* recognises the need for transformation to ensure Ireland remains attractive and is best positioned to win future global investment. Today's business challenges create opportunities for locations best able to continuously adapt and renew themselves. In order to achieve this, a greater level of collaboration from all stakeholders in the Irish system is required. This Team Ireland approach involves closer and sustained cooperation between government national and local, enterprise agencies, third level institutes and the business community to continuously adapt.'

'Today's announcement will facilitate more balanced regional economic development. By making smart use of our property portfolio IDA is enabling Team Ireland to support a wider range of businesses, SME and multinational, both indigenous and foreign. Letterkenny has been successful in winning investments from companies such as Pramerica Systems Ireland, United Health, SITA and Zeus by being able to provide a world class business infrastructure with a high quality of life. IDA is strengthening its commitment to Donegal through further investment in its Letterkenny business parks and will continue to proactively market the attractiveness of the region to foreign investors' he added.

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### **Notes to Editor**

#### **About IDA Property Portfolio/Donegal**

The Donegal property being transferred is circa 10 hectares. In Co Donegal IDA is investing in its business park in Letterkenny and in conjunction with the private sector has recently developed an Advance Office Building (1,748m<sup>2</sup>), an Advanced Technology Building (2,448m<sup>2</sup>) and an Advance Technology Unit (889 m<sup>2</sup>), all of which are being actively marketed to potential clients. IDA also will retain a property in Donegal Town and has committed to develop an office building at that site.

(Existing Tenants retained under 999 year lease)

The transfer of properties in County Donegal is part of IDA's ongoing process to renew its property portfolio. This has been done in Donegal in line with previous transfers to other local authorities and ongoing transfers into the future.

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