



JUST TRANSITION PROGRESS REPORT

April 2020

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Just Transition Commissioner

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Foreword

This Progress Report is being made in the shadow of the COVID-19 crisis. It is the first progress report on Just Transition in the Midlands.

Despite this unprecedented health pandemic in modern times and the necessary emergency measures being enacted, it is important that we continue, where possible, the designated activities which have to be addressed when we have overcome these current events.

Just Transition can be defined as a vision which sets out a series of economic and social interventions needed to secure and shift economic and social activity in an area dependent on an extractive economy to jobs and activities relating to a regenerative economy. The Just Transition for the Midlands continues to have an important and central relevance to all stakeholders across the counties affected.

Since my appointment by the Government as the first Just Transition Commissioner for the Midlands I have been on a sharp learning curve regarding the effects upon the Region of the termination of the continued utilisation of peat for energy generation. The widespread and ongoing effect of this decision will have both an immediate and potential future impact upon employment, local authority services and the community.

Just Transition is about mitigating these impacts, with employees and the community at its centre, and by creating new opportunities for the development of the Region through a combination of all the assets of the Midlands, together with national and European Union supports.

Both Bord Na Móna and the ESB are synonymous with the Midlands. They have a positive track record of over 70 years of creating successful and innovative commercial State Enterprise activities. Bord Na Móna transformed the economic landscape of the region, with the Midlands experiencing in-migration, new settlement and community formation in predominantly rural areas, in close proximity to the bogs and the power stations that emerged. Together, they have sustained communities with large levels of employment, and good incomes and terms of engagement for their staff. Employees have a long history and tradition of continuous employment with both State Enterprises. In a large number of cases this has spanned generations. Moreover, both Bord Na Móna and the ESB have sustained many indirect jobs in the region both in the retail and services sector.

The direct impact of the Decision of An Bord Pleanála (July 2019/ABP-303108-18) to refuse the application of the ESB for the continuation of the Shannonbridge (West Offaly Power) plant and the ash disposal site at Derrylahan, Co. Offaly has led to serious “knock on” effects upon Bord Na Móna

and ESB, their employees, contractors and suppliers. This was compounded by the effects of the decision by ESB not to pursue its planning application to Longford Co. Council for the Lanesborough (Lough Ree Power) plant in light of the reasons set out by An Bord Pleanála in its Decision on Shannonbridge. This doubled the impact on the Midlands region.

The decision of the ESB (November 2019) not to appeal the determination, and not to pursue the Lanesborough application, for understandable reasons, will have an impact on a significant number of jobs. The extended indirect effect on employment and businesses are still unquantified but is likely to be considerable. These closures will create budgetary deficits and in resultant discretionary service provision in certain Local Authorities due to the loss of significant rates income from the major commercial entities involved.

In addition, a serious issue is still extant in relation to peat harvesting for horticultural and other purposes both by Bord na Móna and the enterprises represented by Growing Media Ireland. The issue concerns both EU and national environmental and habitats protection regulations, and the decision by the High Court in September 2019 to set aside new national Regulations signed by the relevant Ministers in January 2019 governing the extraction of peat. These Regulations related to the exemption of large-scale peat extraction from planning permission, and providing for the Environmental Protection Agency to be the sole competent authority for large scale peat extraction. Following the setting aside of the Regulations, the requirement to obtain 'substitute consent' from An Bord Pleanála, for harvesting carried out to date, applies once again. A decision by An Bord Pleanála is awaited in relation to an application by Bord na Móna for leave to seek substitute consent. Peat harvesting by Bord na Mona may be allowed to continue while this application for substitute consent is proceeding. The decision was expected in March but has now been put back until May. While there is also an issue around the position of private enterprise harvesters/ producers in relation to obtaining substitute consent and Environmental Protection Agency licences for Integrated Pollution Control, a significant number of jobs, both full and part-time, in the horticulture, briquette, mushroom, poultry and tillage sectors are at risk pending the outcome of this planning/substitute consent issue.

In my engagement with workers in both the Bord Na Móna sites and the ESB plants the abiding impression is of a combined workforce, though well aware of the environmental and climate-related need to bring to an end the use of fossil fuels and peat for energy purposes, in shock from the immediacy of the closure decision (Dec 2019) and the real and current impact upon their livelihoods.

This is compounded by a perception that no account was taken of the long-term impact on the workers, their families and their communities and the reasonable and legitimate expectation they

had that the use of peat as a fuel in these plants would be phased out by 2030. What was expected to be a ten-year transition period is now reduced to twelve months, and possibly shorter.

Management and unions primarily in Bord Na Móna have now less than twelve months to adjust rapidly to this new economic and social reality and to scale, map and insofar as possible present a clear pathway for continued employment, re-skilling, redeployment, retirement and/or voluntary redundancy. These are formidable challenges for management and unions given the short period involved and the limited potential for alternative locally based enterprises based on the peatlands or in the region.

A significant number of seasonal workers are employed by Bord na Móna. Many of these are part-time farmers who rely on Bord Na Móna operations for income support either through direct labour or sub-contract machinery hire work. The seasonal nature of the work fits well with some farm operations. This section of workers is recognised as requiring support in a just transition.

During the last number of months I have had the opportunity to engage with a considerable number of stakeholders from the Oireachtas Climate Committee, the Midlands Regional Transition Team (MRTT), Local Authorities and their respective services, the Office of the Regional Enterprise Plan, Regional Skills Forum, Education and Training Boards, Central Government Departments, Bord Na Móna and ESB management and employees, their Unions/ICTU, NESC, IDA, Enterprise Ireland, Local Enterprise Offices (LEOs), Local Development Companies, relevant State Agencies, the EU (START Programme), and private enterprises. Their collective response has been very encouraging and their frank expressions of their opinions and proposals for the current process have been extremely helpful.

I hope these will be adequately addressed in the Recommendations in this Progress Report.

It had been planned to have a large level of Community workshop engagement through the EU START Programme this April/May. These arrangements will now have to be adjusted because of the COVID-19 pandemic but alternative technology potentials are being explored through an online consultation process to fulfil this essential and vital aspect of the Just Transition engagement. These arrangements will be finalised shortly and communicated to the local communities.

There are a multiplicity of programmes and schemes which are undertaken by Local Authorities, Central Government and State Agencies, elements of which apply specifically to projects in the Midlands as part of Project Ireland 2040 funding.

These cover a considerable level of employment creation activity, including infrastructural developments, business/innovation hubs, eco innovation and significant investment in tourism,

greenways and heritage related centres. The basis exists, therefore, for building on the strengths of the Region in green enterprises and services and developing a co-ordinated and integrated way to create a “whole of Midlands approach” to maximise future “Just Transition” initiatives for the Region. These can be funded from current and future carbon tax funding and the sources of funding from the European Union under its Smarter Europe/A Greener Low Carbon Europe objectives.

I am also convinced through my stakeholder engagement that all concerned and engaged organisations, institutions and agencies are committed to working together to achieve and develop the necessary measures to make this Just Transition succeed over both the immediate and medium-term period. There is a real sense of Local Authorities and other agencies willing to work together on cross county initiatives and programmes/schemes. These human and capital resources are central to the Just Transition agenda and its delivery. The Region is well served by excellent leadership and personnel who are in key positions to drive and deliver whatever objectives and actions are agreed upon, and with the deep commitment required to bring them to fruition.

I hope the Recommendations in this Progress Report are a formative initial step in this plan and create the template for developing a greater roll out of a Just Transition strategy in Ireland with specific reference to the current funding mechanisms and potential future use of carbon tax resources.

Further engagement post this Progress Report will be required to drive forward the recommendations made. This can be achieved through the continued cooperation of the MRTT, DCCA, The Just Transition Team and key stakeholders in the region.

Finally, this Report could not have been progressed without the constant and expert assistance from the Just Transition Team - Michael Goodwin, Sarah Morgan, Gerry Finn - and the support of Brian Carroll and Frank Maughan of the Department of Communications, Climate Action and Environment, and of course the support and insights of Minister Richard Bruton.

My thanks also to the Inter Departmental Working Group under the aegis of the Department of An Taoiseach for their valuable insights and contributions.

I also wish to convey my gratitude to Ms Anna Marie Delaney, Chief Executive, Offaly County Council, for her advice and for her generosity in providing office and meeting venues, and to the Chief Executives of the Midland Local Authorities for the engagement of staff towards progressing this project.

Kieran Mulvey

Just Transition Commissioner

April 2020

1. Background

1.1. Appointment of Just Transition Commissioner and Terms of Reference

As part of the announcements made in Budget 2020, the Minister for Communications, Climate Action and Environment announced his intention to appoint a Commissioner to help ensure a co-ordinated and effective approach to Just Transition for communities and workers affected by the imminent ending of peat harvesting for power generation in the Midlands region.

The Just Transition Commissioner was appointed by the Minister in November 2019 with a mandate to engage with relevant stakeholders in the Midlands region and to recommend the essential elements of a just transition for workers and communities in the Midlands, including through:

- Delivery of the just transition measures provided for in Budget 2020, in particular an operating model for the new Just Transition Fund (further details below);
- Implementation of other actions underway, or planned, by Government Departments, agencies, and companies, including the four competitive funds under Project Ireland 2040;
- Any additional actions/measures deemed appropriate; and
- Optimal structures or processes to support co-ordinated and effective delivery of a Just Transition in the Midlands, including developing liaison channels between institutions in the region and central government.

In undertaking this work, the Commissioner was requested to take account of relevant existing plans and programmes by the State (e.g. Bord na Móna's "Brown to Green" Strategy, the Regional Enterprise Development Fund), as well as provisions made in Budget 2020 to support a Just Transition in the region.

The full Terms of Reference for the Just Transition Commissioner are reproduced at Appendix One.

1.2. National climate policy context

The Government's Climate Action Plan, published in June 2019, identifies the need to plan appropriately to ensure that those most affected by our transition to a low-carbon, climate resilient society are supported and equipped to contribute to this transition.

The Climate Action Plan recognises that the level of change required to decarbonise Ireland's economy cannot be avoided and nor can the taxpayer compensate for all the many actions which will have to be taken.

However, it is essential that the burdens borne are seen to be fair and that every group is seen to be making an appropriate and fair level of effort. This will be essential to maintaining the high level of political and civic consensus which has been built through the work of the Citizens' Assembly and in the Oireachtas Committee on Climate Action.

A whole-of-Government approach to addressing the challenges presented by early phase-out of peat for electricity generation in the Midlands due to the closure of the ESB power plants is being implemented in cooperation with local stakeholders to ensure that people impacted can be best supported.

An interdepartmental group led by the Department of An Taoiseach has been established to coordinate the work of Government which cuts across a number of Government Departments, including Communications, Climate Action, and Environment; Public Expenditure and Reform; Housing, Planning, and Local Government; Business, Enterprise, and Innovation; Culture, Heritage, and the Gaeltacht; Education and Skills; Employment Affairs and Social Protection; Transport, Tourism, and Sport; Agriculture, Food, and the Marine; and Rural and Community Development.

The Climate Action Plan also tasked the National Economic and Social Council (NESC) with identifying steps that could be taken to address the vulnerability arising for workers, firms, and sectors in relation to the transitions to low carbon and more digital and automated future. In response to this request, NESC has recently published its report, *Addressing Employment Vulnerability as Part of a Just Transition in Ireland*.

NESC has also been tasked by the Government with establishing a Just Transition Review Group as part of NESC working group structures. It is intended that the Just Transition Review Group will be established for an initial period of 12 months and will provide strategic advice on the key elements of a just transition, drawing on national and international expertise. The advice will also consider the governance and deliberative structures and mechanisms needed to progress and review a just transition on an ongoing basis. The work will involve dialogue and a participative process to review Ireland's progress to date and to identify specific needs and challenges for citizens, communities, enterprises and sectors. It will identify and make recommendations on the policy measures, institutional mechanisms and governance necessary for an effective just transition approach; and identify existing data and indicators to inform the Review Group.

1.3. EU climate policy context including Green Deal

On 11 December 2019 the European Commission published a Communication on a new European Green Deal, the centre-piece of the new Commission's increased ambition on climate action.

Underpinned by the objective of the EU becoming the world's first climate neutral continent by 2050, the European Green Deal Communication sets out the policy and legislative agenda for climate and environment in the new Commission's term and is framed as a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050, and where economic growth is decoupled from resource use.

The Communication presents a roadmap and overall policy agenda, setting out a schedule for delivery of key commitments over the course of 2020-2021. Recognising the cross-cutting nature of the climate change challenge, the Communication emphasises that the delivery of the Green Deal requires the EU to rethink policies for clean energy supply across the economy, industry, production and consumption, large-scale infrastructure, transport, food and agriculture, construction, taxation and social benefits.

As well as setting out policy and legislative programmes for all key economic sectors in order to deliver on the EU's climate ambition, including energy, transport, agriculture, industry, buildings, and finance, the communication also addresses the EU's overall ambition on climate targets, including increasing the EU's emissions reduction targets for 2030 to at least 50% and towards 55% compared with 1990 levels.

The agreement subsequently reached at the December 2019 European Council, to adopt an objective of making the EU climate neutral by 2050, will allow the EU to adopt and submit an ambitious long-term strategy in 2020 as requested of Paris Agreement Parties.

The Communication also addresses environmental challenges beyond climate, including in relation to protection of biodiversity, strategy on chemicals and policies addressing pollution to air, water and soils.

The mainstreaming of sustainability will be pursued through measures to support just transition, action on sustainable finance, strengthening non-financial reporting for companies, integration of the Sustainable Development Goals into the European Semester process, and review of relevant state aid guidelines.

1.4. EU Platform for Coal and Other Carbon Intensive Regions in Transition

In July 2019, the European Commission confirmed its agreement to the inclusion of the Midlands region in the Platform for Coal and Other Carbon Intensive Regions in Transition. Membership of the Platform enables the Midlands region to avail of assistance with the development of strategies and

projects for the region, focusing in particular on the employment challenges faced by workers affected by decarbonisation.

The Midlands Regional Transition Team submitted an application to the Secretariat Technical Assistance for Regions in Transition (START) on September 20th 2019 requesting technical assistance to develop a *Holistic Plan for Just Transition in the Midland Region*.

The START team undertook a fact finding mission to the Midland Region in December 2019, and acquired an understanding of local and regional conditions.¹ The Midlands Regional Transition Team (MRTT), through Offaly Co. Council, has agreed a programme of technical assistance support through the START facility to develop a longer-term plan for the region during the course of 2020/21. The aim of this plan is to promote a positive transition process in the area. The plan being developed by MRTT with the support of START will include a socio-economic profile of the region, a Future Employment & Skills paper, and an inventory of project proposals to support just transition in the Midlands, i.e. projects to create opportunities and reduce the negative consequences on communities and individuals most affected by the move to a low-carbon society. This, in turn, is expected to assist the region in identifying potential investment needs for inclusion in a programme of support under the new EU Just Transition Fund. This technical assistance programme is expected to prioritise work on the following activities between April and October 2020:

- Project identification and assessment: START will assist MRTT in the development of a prioritised project inventory, focusing on identifying key, credible, considered projects to facilitate change. This will, in turn, help to sign-post potential future funding requirements.
- Community resilience and gain: START will provide support to MRTT for community capacity building, including through co-hosting community workshops, and preparation of guidance and support materials as tools for communities to develop their own development strategies or plans. A virtual community engagement process with those areas most affected will commence shortly taking account of the current restrictions on travel and communal meetings.
- Transition Plan formulation: START will work with the MRTT to identify actions and projects in the short, medium and longer term to facilitate transition. It will also seek to identify related roles and responsibilities of respective sub-national and national actors and potential funding sources, taking account of existing and planned activities and capacities at the sub-national and national levels.

¹ See Appendix Two, START Itinerary for December site visit

It is envisaged that the work to take place on the START programme will help to inform Government Decisions on the future allocation of funding under the EU Just Transition Fund.

1.5. EU Just Transition Mechanism / Fund

In line with the objective of achieving EU climate neutrality by 2050 in an effective and fair manner, the European Green Deal proposed a Just Transition Mechanism, including a Just Transition Fund, to ensure no one is left behind in the transition. The Just Transition Mechanism will focus on those regions and sectors that are most affected by the transition given their dependence on fossil fuels, including coal, peat and oil shale, or greenhouse gas-intensive industrial processes. Some sectors will be declining, with an irreversible decline in economic output and employment levels for economic activities with high greenhouse gas emission intensity levels, or based on the production and use of fossil fuels, in particular coal, lignite, peat and oil shale. Other sectors with high greenhouse gas emission intensity levels, for which technological alternatives to carbon-intensive processes can be found in order to maintain economic output and enhance employment, will instead need to transform.

The Mechanism will consist of three pillars: (1) a Just Transition Fund implemented under shared management, (2) a dedicated scheme under InvestEU, and (3) a public sector loan facility with the EIB Group to mobilise additional investments to regions concerned. The Just Transition Fund will be used primarily to provide grants; the dedicated transition scheme under InvestEU will “crowd in” private investments, and the partnership with the EIB will leverage public financing.

The focus of the Just Transition Fund will be on the economic diversification of the territories most affected by the climate transition and the reskilling and active inclusion of their workers and jobseekers. It will be a key tool to support the territories most affected by the transition towards climate neutrality and avoid regional disparities growing. While it will provide support to all Member States, the distribution of resources under the Just Transition Fund is intended to reflect the capacity of Member States to finance the necessary investments to cope with the transition towards climate neutrality. In this context, it is proposed that Ireland will be allocated €29.9 million from the Fund over the seven-year period 2021-2027, which would need to be matched by a share of Ireland’s structural funds resources as well as national Government expenditure.

Under the proposals as published, Ireland will be required to develop a Territorial Just Transition Plan, for approval by the European Commission, which will provide the overall strategic framework for investments of the funding received.

EU negotiations on this proposal are at an early stage and are expected to take a number of months to conclude. The overall financial resources that will ultimately be made available will also be subject to the outcome of separate negotiations on the EU Multiannual Financial Framework for 2021-2027.

1.6. Characterisation of challenges facing Midlands and related areas

Peat extraction is highly concentrated in the Midlands region, with some works located in the Mid-East Region, in Kildare and the West region, Roscommon and East Galway. The Midlands is a largely rural community where agriculture, peat and the energy industry have an important position in the local economy. Milling peat has a long history in Ireland, and is deeply engrained in generations of families that made their living alongside the peat industry. Bord na Móna and the ESB have provided significant levels of employment in the region for over 70 years, and indeed many of the rural communities and villages emerged in close proximity to their sites.

The Midlands region traditionally has one of the higher unemployment rates in Ireland. The closures of the power plants could potentially lead to pockets of much higher unemployment rates in the affected bog communities, as there are currently few alternative local employment opportunities for the Bord na Móna workforce. The restructuring of ESB and Bord na Móna activities have further implications for indirect and induced employment in the region and also wider socio-economic impacts, such as on loss of purchasing power of the rural communities or reduced local authority rates with consequences on the provision of local services.

The Midlands Region, together with the neighbouring counties of Kildare, Roscommon and East Galway, are predominantly affected by the closure of 21 peat harvesting bogs. It is likely that the accelerated closure of peat-burning power plants may give rise to a further increase in the number of affected bogs.

The accelerated phasing out of peat necessitates accelerated strategies to identify and implement alternative employment opportunities and programmes to re- and up-skill the affected workforce, with the aim of retaining and creating employment opportunities within the Midlands region and avoiding relocation or an increase in commuting to the greater Dublin area. The accelerated transition process also has implications for the workforce, as many have not had the time to plan and prepare for alternative employment and acquire new skill sets.

The affected communities must be assisted in terms of pathways to new careers, training requirements and guidance in terms of new business start-ups. The work of the technical assistance team of the START programme, will inform the requirements of these needed supports.

The Midlands must seek to position itself as a second site location for coastal city-based businesses, and so must promote itself as a central, well-connected region with relatively lower operating costs than coastal cities. Second site facilities must be developed throughout the region. This matter is addressed later in the recommendations section (Section 5).

I understand that the region also experiences approximately 24,000 people leaving on a daily basis for work or college. The Midlands must deliver on Enterprise Ireland’s “Empowering the Regions” Report to have 600 work stations in remote working hubs and innovation centres, adding to the membership of the Midlands Network for Co-working Facilities. This will require funding for capital works, and human resources supports for business development managers for these facilities for 5-year periods to ensure sustainability. The development of such facilities will be of benefit to the local communities.

1.7. Local Government response and structures

In October 2018, Bord na Móna announced plans to accelerate its “Brown to Green” Strategy, and to progress with plans to “Consolidate and Simplify” traditional peat harvesting operations.

In response to the announcement, a Transition Team was established by Offaly Co. Council to address the challenges and opportunities presented by the acceleration of Bord na Móna’s “Brown to Green” decarbonisation strategy. The Team was expanded to incorporate other impacted Local Authority areas to become the Midlands Regional Transition Team², with representation from Laois, Longford, Offaly, Westmeath, Roscommon and Kildare LAs along with other regional stakeholders

1.7.1. Role of Midlands Regional Transition Team

The aims of the Midlands Regional Transition Team are:

- To pursue funding opportunities and actions to mitigate the impact of the Bord na Móna job losses on the individuals concerned, and the impact on the Local and Regional Economy.
- To position the Region to develop alternative forms of employment, attract investment and maximise existing employment opportunities and resources.

At the inaugural meeting of the Midlands Regional Transition Team, the objectives were agreed and a number of working group areas identified to achieve the MRTT objectives.

The working groups (WGs) are summarised as follows:

² Appendix Three, Membership of Midlands Regional Transition Team

- WG1: Securing special status/designation for the Midland Region and Funding Opportunities;
- WG2: Addressing the needs of those offered redundancy and Emerging Employment Opportunities;
- WG3: Emerging Property/Land Opportunities; and
- WG4: Marketing the Region.

Key milestones to date include:

- Acceptance of the Midlands into the EU Platform for Coal and Other Carbon Intensive Regions in Transition. Securing Technical Assistance for Regions in Transition (START) to develop a Holistic Plan for Just Transition for the Midland Region.³
- Budgetary announcement of Midlands Just Transition Fund and Midlands Deep Retrofit Programme.
- Engagement with NESC on the development for *A Framework for Action for Transition to a Low Carbon, Digital Future*.
- Numerous outreach initiatives held in bog communities to assist impacted employees, including clinics, group and individual information sessions and jobs fairs run in conjunction with the Department of Employment Affairs and Social Protection, State agencies, Local Enterprise Offices and Education and Training Boards.
- Development and roll-out of a range of .bespoke and sectoral targeted courses from both Athlone Institute of Technology & Regional Skills Forum and the ETBs for those accepting voluntary redundancy.
- ETBs with support from the Department of Employment Affairs and Social Protection undertook on-site skills audits in Blackwater and Mount Dillon bogs, which will inform the development of bespoke training courses for destination employment sectors.
- A National Conference, “Creating Business Opportunities from Climate Change”, on October 9th, examined international trends, and demonstrated how responses to climate change, by both business and business within communities, can effectively drive innovation, adoption of disruptive technologies, and embrace more flexible work practices.
- The Midlands has established a Midlands Network of Co-working Facilities comprising of over 20 facilities, which can provide flexible working solutions, and is exploring opportunities

³ A fact-finding mission by the Secretariat of the Platform for Coal and Other Carbon Intensive Regions in Transition was undertaken to the Midlands in December 2019.

to provide additional enterprise space in impacted bog communities as facilities become vacant.

- Development of value proposition profiles for the principal towns of Portlaoise, Athlone, Longford, Tullamore and Mullingar.

2. Activities of the Just Transition Commissioner since Appointment

The primary concern since my appointment in November 2019 was to familiarise myself with the key parties/agencies involved as per the Stakeholder Groups identified in the Terms of Reference.

2.1. Stakeholder Engagement

This has involved detailed discussions and meetings with the following:

- The Minister and his Senior Departmental Officials
- The Department of An Taoiseach
- The Interdepartmental Group on Climate Change
- Joint Oireachtas Committee on Climate Change
- Attendance at and addressing the MRTT Tullamore
- Meetings with the CEO's/Management Teams of Bord na Móna and the ESB in both Dublin and the Midlands
- Meetings with the Office of the Midlands Regional Enterprise Plan
- Engagement with the ICTU/Group of Unions in the sector
- Meeting with the National Economic and Social Council
- Site visits to the Bord na Móna Plants/Bogs in Lough Boora, Blackwater and Mount Dillon, and engagement with employees and management on these sites
- Site visit to the ESB plants in Shannonbridge (West Offaly Power) and Lanesborough (Lough Ree Power) and engagement with staff and management in the plants
- Meeting with LEOs, IDA and Enterprise Ireland representatives in the region (Tullamore)
- Address to the Association of Irish Local Government Councillors Conference (Longford)
- Briefing the Minister on progress and issues arising
- Meeting with Robert Pollock, Director of the EU START Project on Just Transition (Dublin/Tullamore)
- Meeting with Representatives of the Irish Horticultural Industry (Growing Media Ireland)
- Teleconference with CEO of EirGrid

In addition, members of the Just Transition Team undertook a series of actions designed to support and expedite the Just Transition process in the Midlands:

- Work with Local Authorities and State Agencies to identify projects in the pipeline which could contribute to the just transition;

- Facilitate the START process of community consultation by developing a robust and transparent method of community engagement;
- Liaise with the Local Development Companies to identify synergies between their engagement with effected communities and the work of the Just Transition Team especially in the area of community led projects;
- Work with State Agencies (Enterprise Ireland, IDA, LEOs, Educational Institutions, Regional Skills Forum, ETB's) to explore local and regional initiatives in enterprise, job creation and training; and
- Support, advise and assist the Midlands Regional Transition Team (MRTT) and the Commissioner in the exercise of their responsibilities.

In this context the following organisations were consulted:

- Local Authorities
- Local Enterprise Offices
- The ETB Sector across the Midland counties
- Local Development Companies
- START Programme Officials
- The Local Authority Public Participation Network
- Enterprise Ireland/IDA Regional Managers
- Regional Skills Forum
- Eastern and Midland Regional Assembly Officials
- The SILT Project (Professor Rhodes) of TCD

2.2. EU Engagement

Michael Goodwin of the Just Transition Team visited Brussels in January 2020 and had meetings with the Technical Assistance Team of the Coal Platform Secretariat. Working closely with the MRTT, this Team will be the core provider of the START Programme with which stakeholders and communities will be familiar. The Programme will collate, assess and group project proposals and identify support requirements (for both community-led and public sector/third sector-led projects) which will be related to the end of peat harvesting in the Region. Community engagement on the development of the Programme through community workshops was scheduled for April 2020 but will be delayed because of the national and international restrictions due to COVID-19. Nonetheless options are being explored between the MRTT, the Just Transition Team and START officials in Brussels, including the possible technology solutions, to ensure the development of this programme continues and to achieve the intent and purpose of this vital area of community involvement.

Michael also met with a senior member of the Cabinet of Vice President Timmermans, who is EU Commissioner for the European Green Deal. Peat will be specifically included in the Green Deal and the Midlands is the designated regional area for this new envelope of funding.

Gerry Finn and Sarah Morgan had a further engagement with DG REGIO and DG EMPL officials (the EU Managing Authorities responsible for the management of EU funds) in Dublin in March 2020. Details of the draft Regulation of the European Just Transition Fund were outlined. The Just Transition Team outlined the challenges in the Midlands region and activities that have been undertaken to date by the MRTT. Informal discussions took place on the potential for accessing EU funds under the European Green Deal and the EU Just Transition Fund, and the potential for blending these funds with existing EU structural funds.

The Just Transition Team has lent its support to the submission made under the Eden Ireland LIFE Integrated Project. This is a significant project and if its application to the EU is successful, the project will undertake a significant strategic evaluation and utilisation of the Climate Action Plan and support the Just Transition to a low carbon economy in the Midlands region. The consortium involves NUI Galway, the EPA, Bord Na Móna, Intrigo Ireland, the National Parks and Wildlife Service of the Department of Culture, Heritage and the Gaeltacht, Department of Agriculture, Food and the Marine, Coillte, and Coolplanet.

2.3. Latest Engagement with Key Stakeholders

On behalf of the Just Transition Commissioner, the Department of Communications, Climate Action and Environment requested the key stakeholders to submit a short two-page focused presentation on what they considered to be the key issues and potential solutions around matters of the Just Transition in the Midlands. All stakeholders responded positively to this request.

On March 23rd 2020 a series of videoconference engagements took place in three distinct groups with key participants from the key stakeholders involved. This allowed for a lively interchange of views and opinions on what areas and issues this Just Transition Progress Report should address. The views expressed have helped considerably in shaping the recommendations of this Report.

I wish to convey my appreciation of the work and time the stakeholders put into this engagement, for their submissions, and for making themselves available on the day. The Just Transition Team and the Department are grateful for the frankness of the views expressed and they reflect a clear and unambiguous commitment towards making this project work for all concerned.

My special thanks to Frank Maughan, Bróna Ní Chobhthaigh and Niamh Hamill for organising and participating in this engagement.

3. Overview of Relevant Schemes and Initiatives

As part of my Terms of Reference I was asked to take account of relevant plans and programmes by the State as well as provisions made in Budget 2020 for Just Transition in the region.

Funding under the Just Transition Fund will seek to support the transition to a low carbon economy and to support individuals, businesses or the local community both directly and indirectly affected by the Bord na Móna plant closures. To ensure that the Just Transition Fund provides support for these new and evolved local needs, the context of current funding schemes and their application in the Midlands should be considered.

3.1. Government/National schemes in place

A range of funding schemes are in place across Ireland, which support local business and communities including the agricultural sector, local economies, education and training and local community development and have particular relevance for the Midlands.

3.1.1. Schemes supporting Local Business and Enterprise Development

The Regional Enterprise Development Fund, administered by Enterprise Ireland is a national fund focused on supporting regional initiatives for sectoral growth and to leverage enterprise capabilities. The Fund was originally applied through two calls, with funding of €60 million over 2017, 2018 and was then extended to a third call of €45 million in 2019.

The IDA Ireland Regional Property Programme provides direct investment in building to ensure property solutions are available and in-place for overseas investment or expansion in Ireland. The Exchequer capital allocation for 2020 is €42 million.

The Disruptive Technologies Fund (under Project Ireland 2040) is a commitment of €500 million for allocation from 2018-2027 to fund the development and deployment of disruptive innovative technologies on a commercial basis.

The Regional Technology Clustering Fund is a national fund with an ambition to build sectoral clusters of small and medium enterprises (SMEs) at regional level. This ambition will be delivered through initiatives supporting the development of business-led clustering of competitive advantage. This competitive fund is open to the Institutes of Technology and Technological Universities.

The Local Enterprise Office Competitive Fund is a national fund open to groups of Local Enterprise Offices who come together to bid for funding for projects to support job-creation initiatives in their areas.

There are two schemes of income supports available to jobseekers to pursue options and access possible financial supports to help with business start-up.

- Back to Work Enterprise Allowance: Jobseekers in receipt of certain long-term payments from the Department of Employment Affairs and Social Protection can retain income support for up to 24 months under this scheme.
- Short-term Enterprise Allowance: People who are getting Jobseekers Benefit and want to start their own business can avail of the Short-Term Enterprise allowance instead, for the duration of their entitlement to Jobseekers Benefit.

Non-financial supports can be provided to new enterprises to support start-ups. In the main, these are provided through Local Enterprise Offices (operated under the aegis of County and City Councils), and by Local Development Companies, some of which have dedicated enterprise support staff.

Individual items may also be grant supported under the Employment Support Grant. In general, these cost items relate to start-up expenses, but can be accessed over the duration of the two income support schemes. Further information on schemes supporting jobseekers is outlined in Appendix Four.

3.1.2. Schemes supporting Community Structural Development and Connectivity

The Rural Regeneration and Development Fund (under Project Ireland 2040) is a commitment of €1 billion to be invested in rural Ireland over the 2019-2027 period. The purpose of the fund is to support job creation in rural areas, address de-population of rural communities and support improvements in towns and villages with a population of less than 10,000.

Local Link aims to provide a quality nationwide community based public transport system in rural Ireland. Funding to the National Transport Authority for Local Link was over €21 million in 2019 and €23 million has been allocated for 2020. Increased funding in recent years has enabled the expansion of services including new regular commuter services, improvements to Demand Responsive Transport services and new evening / night-time services. Key features of these new services include greater integration with existing public transport services and better linkage of services between, and within, towns and villages.

3.1.3. Schemes supporting Local Community Development

The Rural Development Investment Programme covers a range of schemes supporting local community development.

- The LEADER scheme is focused on supporting community-led local development, and from 2014-2020 has a budget of €250 million in grant aid to support rural communities and local businesses through three funding themes:
 1. Rural tourism, enterprise development, rural towns, broadband,
 2. Basic services targeted at hard to reach communities, rural youth,
 3. Protection and sustainable use of water resources, local biodiversity, renewable energy).
- The Town and Village Renewal Scheme supports the revitalisation of towns and villages improving the living and working environments of communities, increasing the potential support local economic activity and enhancing the attractiveness of a town or village as a commercial and social centre.
- The Outdoor Recreation Infrastructure Scheme provides funding for the development of new outdoor recreational infrastructure, including maintenance, enhancement or promotion of existing infrastructures in rural areas. A total of €36 million has been allocated to this Scheme since 2017, with a further €8.4 million allocated in February 2020.
- Local Improvement Scheme is available for investment in non-public roads that provide access to homes and farms in rural Ireland and has a total allocation under Budget 2020 of €10 million.
- The CLÁR scheme is focused on investment in small-scale infrastructure for designated rural areas suffering from population decline and has a total allocation under Budget 2020 of €5 million.

The Community Funding Programmes are focused on direct supports and services for people in local communities.

- Social Inclusion and Community Activation Programme provides funding to Local Development Companies to allow them to carry out work on a one-to-one basis with disadvantaged individuals. The funding also allows the Local Development Companies to complete initiatives that tackle poverty and social exclusion through local engagement and partnerships between disadvantaged individuals, community organisations and public sector agencies. Total allocation of €39 million under Budget 2020.
- Community Services Programme is targeted at providing direct employment for people who are far from the labour market, and has a total allocation under Budget 2020 of €46.89 million
- Community Enhancement Programme has budget of €4.5 million under Budget 2020. It provides small capital grants to community groups to allow them to enhance facilities in their area.

- Library Development funding has a budget of €8.2 million for Budget 2020.
- Funds allocated from Dormant Accounts total €12.5 million in Budget 2020.

Other schemes supporting local communities are:

- Funding for Tidy Towns groups;
- Senior Alerts with a national allocation of €5.3 million under Budget 2020;
- The Peatlands Community Engagement scheme established by the Department of Culture, Heritage and the Gaeltacht, seeks to encourage local peatland communities, local groups, local schools and individuals to engage with the Department in relation to the conservation and revitalisation of raised bog Special Areas of Conservation, Natural Heritage Areas and other raised bog areas, and to promote public engagement with, and awareness of, our natural heritage. The Scheme also supports a diverse range of initiatives and events, including education programmes, conservation management plans, public amenity and recreational measures, and waste management measures near/within raised bogs areas. The Scheme operated in 2018 and 2019, and is intended to operate again in 2020/2021.
- The Cessation of Turf Cutting Compensation Scheme was established to compensate land owners and turbarry right holders affected by the cessation of turf cutting on 53 raised bog Special Areas of Conservation and 36 Natural Heritage Areas. The scheme is comprised of an index-linked annual payment for 15 years, or relocation to a non-designated bog where feasible and a once-off payment. A total of just under €36 million has been spent nationally on the Scheme to date.

3.1.4. Schemes supporting Infrastructure and Capital Development

The Urban Regeneration and Development Fund (under Project Ireland 2040) is a commitment of €2 billion investment to stimulate new residential and commercial development within the existing footprints of larger towns and cities.

The Climate Action Fund (under Project Ireland 2040) is a commitment of €500 million for allocation from 2019-2027, to support initiatives that contribute to a low carbon climate resilient future and achieve Ireland's climate and energy targets in a cost-effective manner. The first call allocated funding of up to €77 million across seven projects, and is expected to leverage some €300 million in total investments. For the second stage of the fund a call for Expressions of Interest was launched earlier this year with 190 expressions received by the Department of Communications Climate Action and Environment when the call for applications closed in March 2020.

3.1.5. Education and Training supports and investment

The Back to Education Allowance is available to people who are unemployed, parenting alone or have a disability, are getting certain payments from the Department of Employment Affairs and Social Protection and take part in second-or third-level education. Training Support Grants are available to fund quick access to short-term training or related interventions, to obtain or renew certification and permits for individual jobseekers that have identified work opportunities, or where Departmental Case Officers identified an immediate skills gap that represents an obstacle to taking up a job offer.

3.1.6. Agricultural Investments

There are a number of agricultural schemes in operation which have an environmental benefit: Forestry schemes, Agri-Environment Schemes, Capital Investment schemes, Organic Farming schemes, the Green Low-Carbon Ag-Envir Scheme (GLAS), the Beef Data Genomics Programme (BDGP) and the Beef Environmental Efficiency Pilot 2019 (BEEP).

3.1.7. Tourism and Heritage

There are a range of funds targeted at tourism and heritage in the region including supporting greenways development as well as Fáilte Ireland development of regional specific identities.

3.2. Application of national schemes in the Midlands

3.2.1. Schemes supporting Local Business and Enterprise Development

Under the third call announcements for the Regional Enterprise Development Fund made in January 2020, grant assistance of €3.4 million has been allocated to Laois and Longford. It is understood that no allocations were made to the Midlands under the IDA Regional Property Programme or the Disruptive Technologies Fund.

Under the Regional Technology Clustering Fund, Athlone IT was awarded just under €400,000 to develop a cluster over a three-year period from 2019-2022.

Through the LEO Competitive Fund, the Midlands LEOs received funding of €250,000 for the Engenuity Engineering Midlands project; €150,000 for the First Time Exporters project; the Midlands Artisan Food & Drinks Producers received €143,000, and the Going Green Project €222,000.

80 people initially sought information/guidance from the Department of Employment Affairs and Social Protection on starting their own businesses but there are no current Back to Work Enterprise Allowance/ Short Term Enterprise Allowance claims from former Bord na Móna employees in the

Midlands as of May 2020. There are 208 former Bord na Móna employees currently receiving Job seekers payments from DEASP

3.2.2. Community Structural Development and Connectivity

Under the Rural Regeneration Development Fund, strategic projects to receive funding in the wider Midlands region in 2019 include the Slieve Bloom Mountain Bike Trail, Edenderry Regeneration Project, and The Yard Abbeyshrule. Kildare and Laois LAs received support for the Barrow Blueway and for Naas Library. Some of these projects have been developed in partnership by Local Authorities with other agencies such as Fáilte Ireland, Waterways Ireland and Coillte. Under the Rural Regeneration and Development Fund, the Midlands received funding in 2019 of €24.9 million, and in 2018 of €1.2 million.

Funding for Local Link Services in the eight counties amounted to €5.2 million in 2019, which included €410,000 for the Free Travel Scheme. Project funding on Local Link services in the region in 2020 is €5.5 million, including €450,000 for the Free Travel Scheme.

3.2.3. Local Community Development

- The Local Authorities of the Midland Region including the LAs of Kildare and Roscommon, have applied for and have been awarded grant assistance from many of the schemes which support Local Community Development, including the Town and Village Renewal and the Outdoor Recreation Infrastructure Scheme which have resulted in significant investments in the wider Midland Region as a whole.⁴ It must be noted that many of these funds have a matching fund requirement in the region of 20-25%, which in many cases has been borne by the local authorities. Under the Rural Regeneration Fund the Midlands has received funding in 2019 of €24.9 million and in 2018 of €1.2 million. Under the LEADER scheme, the Midlands has received funding from 2017 to 2019 of €18 million (€10 million in 2019, €6.4 million in 2018 and €1.6 million in 2017). Under the Town and Village Renewal Scheme the Midlands has received €11.4 million in funding from 2017 to 2019 of (€3.5million in 2019, €4.6million in 2018, €3.3m in 2017).
- Under the Outdoor Recreation Infrastructure Scheme the Midlands has received €5.3 million funding from 2017 to 2019 (€359,000 in 2019, €2.4 million in 2018, and €2.6 million in 2017). A further €2.8 million funding for projects was announced for the region under the 2019 round.

⁴ Funds available under the Rural Development Investment Programme Scheme are at the national basis and a breakdown is not available for the Midlands.

- Under the Local Improvement Scheme the Midlands has received €7.7 million funding from 2017 to 2019 (€1.6 million in 2019, €3.4 million in 2018 and €2.7 million in 2017).
- Under the CLÁR Programme the Midlands has received €3.2 million funding from 2017 to 2019 of (€1.09 million in 2019, €2 million in 2018 and €90,000 in 2017).

Through the Community Funding Schemes:

- Under the Social Inclusion and Community Activation Programme the Midlands received €13.9 million funding from 2017 to 2019 (€4.3 million in 2019, €5.4 million in 2018 and €4.2 million in 2017).
- Under the Community Services Programme the Midlands received €16.2 million funding from 2017 to 2019 (€5.6 million in 2019, €5.2 million in 2018 and €5.4 million in 2017).
- Under the Community Enhancement Programme, the Midlands received €3.3 million funding from 2017 to 2018 (€825,000 in 2019, €1.8 million in 2018 and €774,000 in 2017).
- Under Library Development funding, the Midlands received €5.4 million from 2017 to 2019 (€459,000 in 2019, €3.4 million in 2018 and €1.6 million in 2017).
- Funding for Men’s and Women’s Sheds of €81,000 and libraries of €147,000 in the Midlands were provided through the Dormant Accounts fund.⁵

And through other locally relevant schemes:

- In 2019, under the Peatlands Community Engagement Scheme, funding was awarded to the Midlands region; €21,186 to two projects in Kildare, €38,952 to three projects in Roscommon, €10,139 to one project in Laois, €52,500 to three projects in Galway, €1,000 to one project in Meath and €1,500 to Westmeath.

3.2.4. Infrastructure and Capital Development

Under the Urban Regeneration Development Fund the region benefited to the value of €7.34 million in 2018. The second call is currently open with a closing date in May 2020.

The first call under the Climate Action Fund has yet to be completed. While analysis of the Expressions of Interest is on-going it would appear that some submissions are referencing projects which have relevance to peatlands, bogs and the Just Transition. While no decisions have yet been made on the scope and scale of future calls under the CAF it is likely that such projects could be eligible for funding, if successful in competing with other relevant projects under the various calls to

⁵ Given the diversity of projects and scope of provision, this figure is likely to be the lower bound on funding under the Dormant Accounts Funds in the Midlands.

issue later in 2020. Within this context the focus of the Climate Action Fund will remain on supporting projects that contribute to a low carbon climate resilient economy by 2050 and which would not go ahead without the specific support of this fund.

3.2.5. Education and Training supports and investment

County-level data on recipients and take-up of the education and training supports, provided by the Department of Employment Affairs and Social Protection, were not available.

3.2.6. Agricultural Investments

Under the Forestry Schemes, the Midlands received €25.2 million in 2019: Galway €4.9 million; Tipperary €6 million; Kildare €1.6 million; Roscommon €3.6 million; Offaly €2.2 million; Laois €1.75 million; Westmeath €3 million; Longford €2 million.

Under the Agri-Environment Schemes, the Midlands received €360,000 in 2019: Galway €249,000; Tipperary €11,000; Kildare €10,000; Roscommon €34,000; Offaly €18,000; Laois €18,000; Westmeath €11,000; Longford €9,000.

Under the Capital Investment Schemes, the Midlands received €21 million in 2019: Galway €4.1 million; Tipperary €6.1 million; Kildare €1.8 million; Roscommon €1.6 million; Offaly €2.2 million; Laois €2.6 million; Westmeath €1.4 million; Longford €933,000.

Under the Organic Farming Schemes, the Midlands received €4 million in 2019: Galway €605,000; Tipperary €790,000; Kildare €199,000; Roscommon €1 million; Offaly €368,000; Laois €369,000; Westmeath €629,000; Longford €150,000.

Under the Green Low-Carbon Ag-Environment Scheme, the Midlands received €79 million in 2019: Galway €25 million; Tipperary €22 million; Kildare €2 million; Roscommon €11.3 million; Offaly €4million; Laois €3 million; Westmeath €5.5 million; Longford €5.1 million.

Under the Beef Data Genomics Programme, the Midlands received €12.5 million in 2019: Galway €3.6 million; Tipperary €2 million; Kildare €666,000; Roscommon €1.7 million; Offaly €1 million; Laois €1 million; Westmeath €1.4 million; Longford €956,000.

Under the Beef Environmental Efficiency Pilot, the Midlands received €5.5 million in 2019: Galway €1.5 million; Tipperary €938,000; Kildare €249,000; Roscommon €760,000; Offaly €450,000; Laois €509,000; Westmeath €655,000; Longford €443,000.

3.2.7. Tourism and Heritage

- In 2019 Funding under the Strategy for the Future Development of National and Regional Greenways was awarded to two projects in the Midlands. Over €4 million was allocated to Offaly and Kildare to progress sections of the Grand Canal Greenway. This funding was at 60% of the total cost with the local authorities contributing 40% so the total value of the investment will be in the order of €6.75 million.
- Funding is also in place for the Galway to Dublin Greenway (that has been constructed from Maynooth to Athlone) with an expenditure of €5.75 million in 2019 in Westmeath and a further €2 million in 2020. Funding of €814,000 for the Royal Canal has been allocated to counties Longford, Westmeath and Kildare in 2019.
- Funding of €4.5 million under the Carbon Tax Fund is shortly to be allocated to support the planning and design of a number of Greenway projects, applications were received from a number of Midlands counties and it is expected that some of these will be successful. Importantly it should be noted that many of these applications were for extensions or links to existing Greenways that will assist in creating a network of Greenways in the Midlands, focussed on the Shannon and the Royal and Grand Canals.
- The Midlands benefits from Fáilte Ireland’s supports for the “Ireland’s Hidden Heartlands” brand. A key focus of Fáilte Ireland’s regional brand development work is on delivering Tourism Master Plans for the River Shannon.

3.2.8. Other schemes supporting the Midlands

Just over €34 million has been spent in the Midlands under the Cessation of Turf Cutting Compensation Scheme to date, with amounts traversing county lines in line with the raised bog locations.⁶

3.3. Budget 2020 initiatives introduced to specifically address Just Transition

A total of €31 million was allocated in Budget 2020 following the announcement of the pending closure of the two peat plants and, therefore, the cessation of peat harvesting for these plants. €6 million was provided for a Just Transition Fund, €20 million for deep retrofitting of social housing in the Midlands, and €5 million for accelerated rehabilitation of NPWS peatlands.

⁶ Galway €8,041,210; Galway/ Roscommon €1,398,048; Galway/Mayo €1,835,554; Kildare €2,355,434; Laois €1,033,035; Leitrim/Longford €31,976; Longford €634,693; Longford/Roscommon €23,197; Mayo/Roscommon/Sligo €321,085; Meath/ Westmeath €1,598,114; Offaly €1,372,890; Offaly/Westmeath €179,167; Roscommon €6,718,832; Roscommon/ Longford/ Westmeath €4,361,786; Tipperary €1,646,789; Westmeath €2,495,221

3.3.1. Just Transition Fund

The Just Transition Fund, on which this report seeks to make recommendations relating to design and deployment, was given an initial allocation of €6 million. On the announcement to close its two power plants at Lanesborough and Shannonbridge, ESB committed to a contribution of €5 million to this Fund, so it now stands at €11 million. These funds will be used to stimulate and finance potential projects that have employment potential and that contribute to the sustainability of the region, economically, socially and environmentally.

The next key action in order to begin the utilisation and processing of these funds for maximum employment creation impact is to have the funds in place for the procurement, evaluation and approval of the projects that will emerge from a public advertisement expected in May 2020. Expenditure on these projects should commence as early as possible in order to give a clear manifestation of demonstrable activity under the Just Transition process.

3.3.2. Midlands Retrofitting Programme

€20 million has been allocated to the Department of Housing, Planning and Local Government to support a new energy efficiency scheme as committed to in the Climate Action Plan. The scheme will upgrade the energy efficiency of the social housing stock in the Midlands but will do so in a different way than has been done before. It will focus on upgrading larger batches of homes in distinct, compact geographical areas. Private homeowners will be encouraged to participate through the availability of SEAI grants. Other key priorities for the Scheme are: full spend of allocation in 2020; and retrofitting to B2/cost optimal level with heat pumps where appropriate.

While it is noted that the final counties selected for retrofit will be subject to Government Approval, a Working Group has been established with representatives from the Retrofit Taskforce (Department of Housing Planning and Local Government and Department of Communications, Climate Action and Environment); five of the Midlands counties (Offaly, Longford, Westmeath, Laois and Kildare); and SEAI.

Key areas of progress to date include:

- Having undertaken remote assessment using BER data and mapping tools, the five Local Authorities have identified approximately 150 properties each which are suitable for deep retrofit, have finalised their approach for surveying homes and are now contracting for works;
- Informal discussions are also taking place to include other local authorities in the Midlands retrofitting programme;

- NUIG has agreed to become involved in a study of indoor air quality in a number of the retrofitted houses to determine pre and post works situation.

The next steps involve:

- DHPLG to prepare a Memorandum for Government and finalise a Circular on the pilot programme to participating Local Authorities and budget allocation – this was to be done by end-March.
- First retrofit works contracts on Local Authority dwellings are expected to be awarded in June. Contract awards will continue across the participating counties over the summer and autumn with a view to having all works completed by end of year.

I understand the Circular from the Department of Housing, Planning and Local Government on scheme and fund allocation details has not yet issued to the Local Authorities, but will be issued once the new Government has been formed. There is concern in the Local Authorities that they will not be able to spend funds in 2020. To ensure these funds are not lost due to delays in carrying out the physical retrofitting caused by the current emergency, the Department may need to examine how these funds can be allocated to Local Authorities.

3.3.3. Peatlands Rehabilitation

The National Parks and Wildlife Service (NPWS) of the Department of Culture, Heritage and the Gaeltacht (DCHG) is responsible for the management of 55 current and proposed Special Areas of Conservation (SACs) and 61 current and proposed Natural Heritage Areas (NHAs). They contain a total of 26,032 hectares divided into 17,359 hectares of high bog and 8,673 hectares of cutover land. The majority of raised bogs are within the midlands and western region.

The National Raised Bog Special Areas of Conservation Management Plan 2017-2022, approved by the Government and published by DCHG in December 2017, sets out how the raised bog SACs and NHAs are to be managed, conserved and restored. It was intended to restore all designated raised bogs within 3 cycles, with the first cycle operating for the duration of the Management Plan. Restoring and rehabilitating the entire area of designated raised bogs is estimated to require €47 million.

The restoration programme is now being accelerated due to the announcement in Budget 2020 of €5 million for peatlands restoration as part of the Just Transition measures. This funding will allow for restoration measures to be undertaken on approximately 1,800 hectares in 2020, on up to nine raised bog designated sites across seven counties. It will also allow for the installation of an Eddy

Covariance Flux tower on a representative bog to directly observe the exchanges of gas, energy, and momentum between the ecosystem and the atmosphere.

The €5 million funding will also provide for the completion of restoration plans for the NHAs and drainage management plans for the SACs, a compensation scheme for those impacted by the restoration works, the purchase of lands and the operation of a smaller scale restoration programme of lands in State ownership. A feasibility study of amenity development within the nine sites to be restored in 2020 will also be undertaken.

Restoration works in the raised bog SAC/NHA network potentially could provide for up to 70 jobs in the Midlands region across a range of professions including machine operators, engineers, hydrologists, ecologists, site supervisors, dam installers and community liaison personnel. With greater investment after 2020, this level of employment will increase as will the potential for amenity development as further sites are restored which will provide ancillary employment such as in eco-tourism. A similar level of annual funding would provide for the restoration of an additional 23 raised bog designated sites over the next number of years.

Requests for Tenders for the implementation of the Protected Raised Bog Restoration Programme 2020 – (i) Project Management and other professional services and (ii) Raised Bog Restoration and Maintenance Works (dam installation and cell bunding, etc.) - were published by DCHG in December 2020. Bord na Móna have now been appointed, following the public procurement process, to project manage the implementation of the 2020 restoration programme, to provide other necessary professional services and to undertake the restoration measures.

As referred to earlier, the Eden Ireland LIFE Integrated Project will contribute to the Just Transition to a low carbon economy in the Midlands region. Significant financial contributions are being made by the partners to the project – NUI Galway, the EPA, Bord Na Móna, Intrigo Ireland, the National Parks and Wildlife Service of the Department of Culture, Heritage and the Gaeltacht, the Department of Agriculture, Food and the Marine, Coillte, and Coolplanet.

The Department of Culture, Heritage and the Gaeltacht intends to contribute €2.6 million with a further €18.5 million on complimentary actions to the project if successful for EU funding. The project also proposes the development of a People's Discovery Attraction in the Midlands Region and a Just Transition Accelerator model.

The Department of Culture, Heritage and the Gaeltacht is also undertaking a €5.4 million EU co-funded project – Irish LIFE Raised Bog Project 2016-2020 – to restore twelve raised bog special areas of conservation in the Border, Midlands West region. This project, with its headquarters in

Mullingar, Co. Westmeath, has supported employment in the Midlands region through various contracts for works and services.

4. Observations and Outcomes

4.1. Overview

There is a dynamic voice emerging in the Midlands that they want this Just Transition project to succeed. They do not want false promises or false dawns. They want a message of positivity and not one of negativity. All of the local interests I met wanted a Midlands where they, their families and their offspring wanted and would want to work and live, in so far as reasonably possible.

I am conscious that the recent General Election did not allow for an engagement with national political representatives and subsequent events have removed any opportunity for such an important interaction. I did have the opportunity to address and answer questions at the Joint Oireachtas Committee on Climate Change before the Christmas recess and to engage with local political representatives at the MRTT meetings and during my attendance and address to the Annual Conference of the Association of Irish Local Government in March in Longford. This is a vital area of engagement in the next period of my work and after the formation of a new Government.

Significant planning and activity have gone into Regional Enterprise Planning objectives and targets. The Region has talented people at all levels who can give leadership and are equipped to deliver on any challenge presented. They need the focused resources from the immediate Just Transition Fund to kickstart either new enterprises or worthwhile and essential projects that have stalled because of a lack of funding. They will need reassurance also around future funding arrangements in 2021-2025 and their funding sources.

Any Just Transition Plan has to be complementary to existing programmes. This means that certain additional priorities may now emerge arising from the accelerated transition to a low carbon economy in the Midlands.

While it was not possible in the time available to engage with every organisation, I believe the Team and I were able to visit and meet the key stakeholders in the Midlands, Dublin and Brussels.

The scope and potential of the Just Transition programme is larger than I originally envisaged. It will overlap with many of the national and regional plans and programmes underway already.

In some cases, it seems that counties are in competition for similar schemes from Government Departments and/or for available funded programmes of different EU Directorates. I understand the processes are specifically designed to operate as competitive funds so that the limited funds available are allocated to the best projects received under a competitive process. These are challenges which can be explored as the Just Transition process develops and the opportunities for

more structural policies are contemplated to embed the specific transition concepts and procedures in the medium to long term plans for the Region.

In the short term, the funds provided for in Budget 2020 in October, and by the ESB when closure of their plants was announced, must be made available to the Region as quickly as possible. The existing processes used by the County Councils for assessing projects and supporting them financially to ensure job creation should be robust enough and transparent enough to ensure the funds are used in the best way possible, but also quickly to save jobs.

This will be the case as more EU funding will be directed to the Region arising from the EU Just Transition programmes in the coming years.

I ask the question as to whether the Local Authorities/State Agencies can manage or improve upon their existing positive relationships for a larger level of co-operation to achieve common objectives on inter-county infrastructure, enterprise support, tourism and existing and new “eco-greenway” projects? They have already taken the view that Athlone is a key town as a Regional Growth Centre for the Midlands (Regional Spatial & Economic Strategy – 2019 to 2031). This will include a nexus of the key towns of Longford, Portlaoise, Mullingar and Tullamore.

I am of the view that whatever Recommendations are made in this Report they cannot succeed unless they have Government support and the “buy-in” from Central Government Departments, Local Government and the key personnel among the stakeholders. I hope they receive that support.

4.2. Bord na Móna and the ESB

Both companies are successful State Enterprises and have been at the centre of decades of employment in the Region. Their employees and families have for several decades been embedded in the Midlands. They have a significant history of value to the communities, villages and towns across the centre of Ireland incorporating the counties of Kildare, Offaly, Laois, Longford, Westmeath, Roscommon, Galway and Tipperary. Both Enterprises have provided invaluable support to the Region. Bord na Móna was one of the first Irish companies to create and build their own housing stock for their employees.

The decision of An Bord Pleanála in July 2019 was received with shock in the Midlands. In effect the decision terminated the usage of peat for the generation of electricity and had the domino effect of effectively closing down the harvesting of bogs over a wide area of several Midlands counties, including parts of Roscommon and East Galway. At every site I visited the suddenness and the immediate impact of this decision was a specific point made to me by employees and their representatives. It is a view shared universally by the communities affected. It has been raised

trenchantly by the ICTU/Unions, who have articulated to me that any Just Transition process/programme must have the interest of workers and their families at its core.

The ESB's decision not to appeal the ruling of An Bord Pleanála, and, therefore, ending the operation of the plants in December 2020 when existing planning expires, was a further blow to the community. The nature, scope and the comprehensive nature of the ruling led to this inevitability.

The short duration for the implementation of this decision to December 2020 brings an almost impossible deadline to find alternative employment for those employees affected. It is a more significant task for Bord na Móna and I have requested them to outline a critical pathway that would scope out these employment potentials and a timeline around their achievement.

The future funding of the rates deficit arising from the closure of both the ESB and Bord na Móna operations will have a severe effect upon certain Councils' budgetary revenue (Offaly/Longford) and which they cannot sustain in the immediate short term. In 2019, Lanesborough accounted for some 15% of Longford Co. Council rates income, and Shannonbridge and Edenderry accounted for 20-25% of Offaly Co. Council's rates income. Certain relief measures will have to be put in place to address the significant fall in commercial rates income for these specific Councils, and which will impact on service provision.

Though, regretfully, I did not have time to meet the representatives of the substantial pensioner group (it was being arranged before the COVID-19 lockdown) they have expressed their concerns to me, including any potential threat to their income from an influx of an unanticipated new pensioner cohort.

I have conveyed these views to Bord na Móna management and the Department.

There is also a downstream effect upon employment in the suppliers and contractors, dependent on the Bord na Móna and the ESB. To date it has been difficult to quantify the potential loss of business and employment involved. There is also the wider impact on business in the community generally where the spend generated by Bord Na Móna and the ESB is significant.

4.3. The Midlands Regional Transition Team (MRTT)

The Region is effectively serviced by the Local Authorities concerned and the sub structures of those Authorities. I will return to the need for greater synergy around these local authority services in my Recommendations in Section 5.

Of particular and essential value is the role of the MRTT in the Region. As referred to in Section 1.7, the MRTT was established by Offaly Co. Council in July 2018.

I have been impressed with the work and expertise of the MRTT and the officials who have spearheaded its activities, and who have provided human and logistical support. It constitutes the important factor of local political and local authority representation, allied with representation from the social partners and key regional stakeholders (ICTU/IDA/Enterprise Ireland/ETBs/Regional Skills Forum/AIT).

In the light of the new disposition around both Irish and European funding, I believe the structure of the MRTT and its representative nature should be changed and I make some Recommendations on this in my Progress Report.

4.4. Regional Enterprise Plan/Regional Spatial Strategy

I am conscious of the central focus of the Midlands Regional Enterprise Plan and the Regional Spatial & Economic Strategy and I will refer to these again in my Recommendations. I would hope any recommendations I would make would be complementary to their targeted objectives, and operating on the maxim “do no damage”.

If the Just Transition funds/projects for the region are to be used to their maximum value and to achieve the best medium- and long-term effects then a “Whole Of Region” approach will be necessary between the Local Authorities, Government Departments and State Agencies. A greater degree of planning, coordination and cooperation is necessary. This will involve key Tourism, Infrastructure, Transport, remote working hubs, Business and Innovation Centres, and cross county planning. My engagement with all of the parties suggests that there is a strong measure of support for any initiatives which might emerge to progress projects within the ambit of current and future funding schemes.

4.5. Focused Employment Creation

The Region must play and plan to its strengths. The Region has significant Life Science, Advanced Manufacturing, Light Engineering, Big Data, Food, Bio Diversity, Renewable Energy, Horticulture and Tourism expertise and enterprise assets.

In relation to businesses with over 50 employees, the IDA in the four Midlands counties have identified these to be in Medical Technologies, Engineering and Clean Technology, Content, Consumer and Business Services, ICT, Biopharma Services and Food.

Both the IDA and Enterprise Ireland have been pro-active in the Region and have attracted new international enterprises and supported the expansion of Irish companies. The IDA is supporting over 6,000 jobs in 43 companies within the four counties of Longford, Westmeath, Offaly and Laois.

These new IDA supported investments include "new name" enterprises in Athlone, Longford and Portlaoise. Enterprise Ireland invested almost €16 million in the Region in 2018.⁷

The IDA is involved also in the provision of property solutions for FDI in Athlone, Portlaoise, Tullamore, and Mullingar.

Enterprise Ireland has forwarded to the Just Transition Team outline projects they are developing alongside other partners on two strategic regional potentials – a Green Eco-Sustainability Hub and a Horticulture Campus. These projects will be considered in more detail once the formal call for project funding submissions is circulated in April/May.

To build on these strengths may require Central Government considering and supporting new regional enterprise incentives for the counties involved, such support having at its core the criteria of the Green Enterprise Agenda and enterprise development. The Office of the Regional Enterprise Plan, the IDA, Enterprise Ireland and the LEOs will be key in delivering this objective. They already have a close working network and this may need to be strengthened by policy and financial supports.

The Region needs to be marketed better around its particular strengths and this will require separate budgetary input across the region. We do not want the “Hidden Heartlands” to be hidden for investment purposes.

I intend to address some possible measures on this aspect of employment creation in my Recommendations.

4.6. Planning/Regulation

I have also become aware, although not specific to the Midlands, of the plethora of regulatory requirements and obligations, including the various statutory planning and licensing bodies, that need to be complied with. While these are all understandable and necessary, nevertheless they can be complicated and difficult. The process is not helped by the time factors and, in some cases, delays in obtaining decisions. This whole area needs to be examined to see if greater cohesion and coordination could be developed to create a more fast-track ‘one-stop-shop’ framework for planning and licensing. This would likely involve legislative change but it could act as an enabler to enterprise investment with potential positive employment creation outcomes.

⁷ I could not confirm details of the spend/investment for 2019

I am not advocating that we depart from legitimate processes concerning appropriate planning, environmental or climate laws and policies, but instead for consideration of a more streamlined approach between Statutory Bodies.

Another planning issue relating to peat harvesting – the issue of substitute consent referred to earlier – has the potential to have a further impact on the Midlands. Peat harvesting for horticulture, growing media and other purposes is a significant contributor to employment, particularly seasonal employment, and the Midlands economy generally, including in Bord na Móna’s horticulture and fuels businesses, and in the growing media and horticulture industries. As mentioned, a decision by An Bord Pleanála is awaited in relation to an application by Bord na Móna for leave to seek substitute consent.

I am conscious that there are many moving parts to this necessary planning requirement, including licences relating to environmental and habitats protection under both national and EU Environmental Protection regulations. Nevertheless, while necessary, they could potentially represent immediate and significant challenges for employment.

4.7. Infrastructure

The desire for building better infrastructure in the Region has been raised by various parties.

The Midlands is traversed by four of our national Motorways (M4/M6/M7/M8) and is serviced by other primary routes. Interconnectivity between the major towns appears to be reasonable. Concerns were expressed, however, about local transport links between towns and villages in the region. The provision of additional Bus Éireann or Local Link services to transport potential employees to new second sites, business and innovation hubs, remote working facilities, or training and third level facilities should be considered. I was taken aback when informed that, according to the CSO Census 2016, over 24,000 commuters leave the region each day for work and education purposes, mostly to Dublin. How do we provide incentives for this cohort of employees and future groups remain in new and sustainable employment in the major towns in the region?

My understanding is that the major towns in the Region have good broadband infrastructure and reasonable commute times to locations within the Region. It has a good network of business hubs, innovation potential and enterprise parks. I have received a number of project suggestions around these and which I will address in my Recommendations.

Decisions on these projects will become part of the procurement, evaluation and approval process.

4.8. Tourism/Heritage/Leisure Activities

The Tourism/Heritage/Lifestyle/"Stay-cation"/Outdoor activities in the Region are almost endless. The arrival and location of Center Parcs, the rich historical heritage of the Midlands, and now a new re-opening of the bogs, present endless tourism opportunities. Allied to these are the Royal and Grand canals and the River Shannon and its lakes.

A number of Local Authorities, Fáilte Ireland, Waterways Ireland, the National Parks and Wildlife Service and Coillte with funding from Central Government and the EU have created some extraordinary tourism and outdoor activity facilities. These traverse various counties. Fáilte Ireland has developed a series of strategic partnerships with Coillte, NPWS, Waterways Ireland and others that own and manage attractions and sites considered to be of vital importance to tourism.

Bord Na Móna have been particularly innovative around the bogs they have already rehabilitated and converting certain peatlands into visitor, greenway, trails and cycle tracks.

Some key projects across the Region need additional funding to bring them to completion and the Just Transition Fund should be used as a vehicle to assist in achieving their completion. They will, and must have both an initial and ongoing employment target.

Central Government and EU scheme funding is a feature of many of the tourism/heritage projects with many local authorities competing for limited funding. In furtherance of the proposition I have alluded to earlier of a more co-ordinated approach, the idea of project consortia should be explored.

4.9. Education/Employment/Back to Work Supports

The Role of the Department of Employment Affairs and Social Protection, the Regional Skills Forum and the ETBs in reacting to the skills assessment /identification, personal options and other course provision for Bord na Móna and ESB workers in the immediate aftermath of the decision to close the plants has been superb. I have been very impressed by the cross-county work of the ETBs, their "on the ground" practical approach to problem solving and their co-operation and interchange with employers and third level institutions. There are also two high level training facilities – the ESB's National Training Centre in Portlaoise, Co. Laois and the National Construction Training Centre at Mount Lucas, Co. Offaly, under the management of the Laois-Offaly ETB.

There is a real potential for an educational nexus in the region, built around these organisations and institutions, and which combined could make an energetic and innovative contribution to the attraction of enterprises to the midland counties, assist local employers and provide a resource centre for value assessment of early stage projects. The Regional Skills Forum will be pivotal in delivering this potential for the region.

There are significant educational assets in the Midlands. Athlone Institute of Technology with its IDA funded/sponsored Innovation Hub and Maynooth University are and will be central to the innovative entrepreneurial capacity of the region. AIT is already assisting considerably in designing and researching the re-skilling needs of Bord na Móna employees. Future research on potential enterprise initiatives related to the bio-diversity, food and organics, renewable energy, now being considered in the region will be a valuable contribution to economic planning.

4.10. Retrofitting

I have been briefed by the Department of Housing, Planning and Local Government on its development plans for the Midlands and the timelines around this new initiative. Details of this initiative are set out in para.3.3.1 above. However, the timelines set out may be delayed somewhat by the current restrictions imposed by the COVID-19 pandemic.

It is vitally important that an essential element of all future retrofitting programmes includes an employment commitment to those employees of both Bord na Móna and ESB who are undertaking the courses currently underway to upskill in this sector of employment.

The Laois Offaly ETB is actively involved in providing training designed specifically towards retrofit skills requirements. These include Thermal Insulation Installation/Ventilation and Air Tightness with a view towards developing models that would lead both to QQI Level qualifications and which would lead to a series of modules to be offered as a Midlands Retrofit Traineeship. Already 64 Bord na Móna employees have registered for this course. These courses supplement the courses available in Enniscorthy and which are subsidised by Bord na Móna. 28 people have commenced training in Mount Lucas in this regard.

Longford Westmeath ETB, in addition to their other skills audit/assessment endeavours on behalf of Bord na Móna and their employees, are providing an innovative programme for heavy goods vehicle certification (HGV). Currently there are over 60 Bord na Móna employees seeking to complete the training and gain a HGV licence.

Employees of both Enterprises have years of skills in welding, fabrication, light engineering, technical work, machinery adaptation and overhaul and which would be a considerable asset to both local authorities and private contractors.

A proposal for the retrofitting of some of the existing Bord na Móna housing estates as a pilot was submitted to me by a Worker Director of Bord na Móna and I have forwarded to the Department of Housing, Planning and Local Government. This point was also put to me by some workers in Bord na

Móna, who felt that some consideration should be given to their retrofitting requirements as a workforce as part of the community aspect of Just Transition.

While I understand that this retrofitting scheme is focused on social housing, I believe that this suggestion by Bord na Móna workers has merit from both an employee/community dividend and the historical perspective.

4.11. Bord Na Móna Bog/Peatlands Rehabilitation Scheme

Following the Decision by An Bord Pleanála in July 2019 to refuse planning permission to ESB to transition its West Offaly Power plant from peat to biomass by 2027, and the subsequent decision by ESB to withdraw its application to Longford Co. Council for similar planning permission for its Lough Ree Power plant, on the basis that the decision of the Planning Authorities for this plant would ultimately be the same, it was clear that no further harvesting of peat for electricity generation would take place. This was a major blow to Bord Na Móna, who had already set out plans for the cessation of peat harvesting for electricity generation by 2028 at the latest.

Bord Na Móna had intended to reduce the number of people employed in its Peat Business from about 800 in 2020 to 250 in 2029, on a phased basis, as the use of peat in the power plants reduced. Because of the An Bord Pleanála decision, over 400 jobs in peat harvesting have ended. Bord Na Móna has actively pursued solutions for its employees, either through voluntary redundancy or redeployment in other businesses. These businesses include renewable energy projects, resource recovery, horticulture, new business development (aquaculture, herbs, birch water), and rehabilitation on raised bog Special Areas of Conservation and Natural Heritage Areas.⁸ In addition, Bord Na Móna proposed an enhanced and accelerated rehabilitation programme of its own bogs. These bogs would have fallen due for decommissioning over the next ten years. Because of the An Bord Pleanála Decision, these bogs need to be decommissioned and rehabilitated sooner than planned. The Bord Na Móna plan is to go beyond what it is legally obliged to do under its planning permission and Environmental Protection Agency (EPA) licences and carry out an enhanced rehabilitation of the bogs. This would provide jobs for up to 307 employees over a three or four-year period. It would also provide experience for further rehabilitation of other bogs where peat harvesting has taken place.

⁸ The National Parks and Wildlife Service, as part of the Department of Culture, Heritage and the Gaeltacht, with responsibility for the conservation of protected peatlands under national and European legislation, will oversee the restoration of these bogs. Work on this programme has already begun through the LIFE programme (EU funding), and with the restoration of land within protected bogs in State ownership. Restoration works have been undertaken by local contractors on four raised bog protected sites in the Midlands region since 2018.

Enhanced and accelerated rehabilitation of the bogs will help return the bogs on a trajectory towards becoming peat-forming ecosystems. They will also return to becoming the most efficient carbon stores, and provide other ecosystem services including water purification and biodiversity. Instead of being a cost to society, rewetting of drained peatlands can lead to functional peatland such as the return of typical plant and animal species, and the return of the carbon-sink function. Care must be taken to ensure that this is done in the most environmentally sensitive fashion taking account of the most up to date environmental and scientific knowledge and with due consideration to future use as wildlife/amenity areas. This requires that it be done in a coordinated and systematic way.

The rehabilitation scheme will require financial support to rehabilitate the area of Bord na Móna peatland. The Department of Communications, Climate Action and Environment has engaged with the EU Commission in relation to providing this support through a Public Service Obligation on electricity consumers. The existing Electricity Regulation Act 1999 is also being examined to see if any amendments are needed to provide for this scheme.

This project is crucial to the Just Transition process. It will provide a pathway for some employees, who have worked in Bord Na Móna all their lives, to pension age and retirement, similar to that planned under the Bord Na Móna proposal to cease peat harvesting by 2028. It will also provide critical training to younger employees who may choose to remain in Bord Na Móna and become part of the peatlands services team, which provides similar services in the open market. A considerable amount of Irish peatlands will require rehabilitation by the NPWS over the coming years. LOETB has developed a programme in Bog Rehabilitation for Bord na Móna workers to ensure they have the necessary skill base.

4.12. ESB Power Stations

On the visit of the Just Transition team to both Shannonbridge (West Offaly Power) and Lanesborough (Lough Ree Power) we were impressed by the pristine state of the power stations.

Under the ESB's planning permission obligations the Shannonbridge and Lanesborough plants must be demolished and the sites remediated to EPA specifications. Both of these plants are of recent construction (2004/2005). ESB is currently assessing any potential site usage for energy-based projects.

There are 80 employees affected and the ESB is offering a mixed employee package between redeployment and voluntary severance. Some employees have expressed the concern to me that given their family/location circumstances that a redeployment option may not be suitable. I have

conveyed this view to local management and they have indicated that they will endeavour to ensure within their own IR structures and employee engagement that everything possible will be done to retain their experienced, loyal and highly qualified staff.

The two plants are iconic buildings on the eastern banks of the River Shannon. It is a tribute to both companies and their staff that both stations and the ancillary facilities of Bord na Móna and the rail connectivity have been maintained so well. In addition, south of Lanesborough, Bord na Móna have a light rail bridge that traverses the Shannon. This connection, with suitable upgrading, has tremendous potential as a Greenway project connecting Leinster with Connacht and vice-versa.

Both communities in the area have expressed the opinion that some usage of the facilities in both locations would be of benefit for community use. My initial view is that the power stations and the office facilities are so fully integrated around the turbines that they stand as a whole together and could not be detached for office or community use. However, the effects of the dismantling and demolition of these two recently constructed energy plants on the local communities should be the subject of the future engagement between the two local authorities concerned and the ESB/Bord na Móna. There are other views on the potential use of the physical facilities and all options are worthy of exploration. For example, there is a view that the plants or part of the equipment could play a role in supporting emerging technologies such as storage. I will refer to this in my Recommendations.

I outline below the observations of the ESB on its continuing commitment to the Midlands and on the future use of the power plants:

- ESB Networks retains depots in Athlone, Ballinasloe, Longford, Mullingar, Portlaoise, Roscommon, and Tullamore employing more than 400 employees.
- The ESB National Training Centre in Portlaoise has 43 staff and 280 apprentices from all over Ireland and is used also to meet and service the technical and development needs of the ESB.

The ESB has invested €175 million in operating and extending the electricity network in the Midlands, including the timely connection of Center Parcs in Longford to allow the completion of that project. Other examples of the physical presence of ESB in the Midlands are:

- The ESB national payroll hub is based in Tullamore.
- ESB Fisheries based in Belmont and Lanesborough supports leisure and tourism facilities on the River Shannon.
- The ESB owns and operates several renewable energy windfarms across the Midlands and are actively engaged in exploring options in investing in renewable energies in the Region.

ESB makes the observation that these enterprises contribute to both local authority revenues and provides community gains.

- ESB also has a joint venture with Vodafone (SIRO) which has provided fibre broadband to 50,000 homes and businesses in the Midlands.

4.13. Bord na Móna's Edenderry Power Plant

The Edenderry Power Station (EPL), owned and operated by Bord na Móna, started co-firing with biomass in 2008. The plant has planning permission to co-fire with biomass for up to 30% of its installed capacity. However, based on the plant's running profile, it is currently achieving a co-firing rate of about 42% biomass. Bord na Móna would like to transition this plant to 100% biomass by 2024, and believes it has access to sustainable biomass supply chains, which would not negatively impact on the supply of biomass for renewable heating. The argument is that the plant's versatility allows it to use the brash and thinnings from the forestry sector, and other biomass not suitable for the renewable heating industry. More importantly, it could stimulate the biomass production chain by providing an immediate market for producers, and incentivising indigenous production for the renewable heat industry. This could incentivise farmers and landowners to move to tree growing as a crop, thus potentially saving jobs in the agriculture sector, possibly supporting those farmers who are currently employed by Bord na Móna as seasonal employees, and could support a number of jobs in the heat sector.

In addition, the Bord na Móna employees currently engaged in delivery of peat to the power station would transition to delivering biomass, and it could establish the Midlands as a national hub for indigenous biomass. Bord na Móna advises that this could secure over 100 direct jobs. However, additional support would be needed to cover the higher costs associated with sustainable biomass. Edenderry at present receives support under the REFIT3 support scheme for the biomass currently allowed under its planning permission. The REFIT3 scheme runs to 2030. Bord na Móna will also need planning permission to move to 100% biomass as the current planning permission expires in 2023.

However, the view that energy crops only become financially viable with high yields and high energy prices, and growth in the sector is heavily dependent on Government support, is noted.

The recommendation by the Joint Committee on Climate Action in relation to a land review before alternative land use decisions are taken is also noted. The Committee noted that a national review of land use would be extremely useful in furthering understanding of how to optimise planning. A

review would provide the knowledge for landowners to make informed choices on how best to use the land while benefiting from supports and incentives.

4.14. Bord Na Móna “Brown to Green” Strategy

The current and future strategy of the company is based upon its “Brown to Green Strategy”.

Bord Na Móna is now implementing a €1.6 billion investment and development programme with a particular emphasis on green projects and the maximum utilisation of its considerable landbank.

The company’s priorities are developing its renewable energies, resource recovery, and recycling businesses. Bord Na Móna is also developing new embryonic business initiatives based upon the natural resources available to them on existing facilities and peatlands – Aquaculture, Herbs & Birch water ventures.

I believe with further research other prospective enterprises will emerge and we should be turning to our third level institutions to explore options for peatland usage and which fit into our climate change/green enterprise national objectives.

This has begun already with the Green Eco-Sustainability Hub. This is a highly innovative collaboration between Athlone Institute of Technology, Bord Na Móna and Enterprise Ireland Midlands, and titled “Empower”.

In addition, Bord na Móna leads a multi-party consortium of State Agencies, Government Departments and a University in a funding proposal to the EU for an enhanced peatlands restoration (Integrated LIFE Project).

Naturally the Peatland Rehabilitation will be at the centre of any change to Bord na Móna operations and the new landscape which will emerge post the harvesting of peat for energy generation. This operation over the next number of years will be a central physical feature of Just Transition in the Midlands.

Bord Na Móna have a successful recent history of adapting unused peatlands or bog harvesting termination for recreational and heritage and community activity. I had the opportunity with the Just Transition Team to view and walk in the Lough Boora Discovery Park. It is an extraordinary national asset and hidden gem. It showcases what can be achieved with co-operative planning between State services.

Strategic partnerships between Bord na Móna, ESB, the Department of Culture, Heritage and the Gaeltacht, Coillte, Local Authorities and Waterways Ireland present an unrivalled opportunity to

further expand our family active and tourist potential across the entire Midland Region, through the Shannon Wilderness Park and the Midlands Cycling Destination.

From my visits to all of the sites I was impressed by the heartfelt love and pride of place expressed by management and employees in their workplaces, workshops, generation plants, and the bogs themselves. That collective passion should be harnessed and recorded for current and future generations. It is an important part of our tradition and rural history and our progress as a nation over the last seventy years.

I believe, therefore, that a “Centre for Climate Change” should be established in the Midlands. The purpose of such a centre would be to create an informative visitor centre for the documentation of the Midlands transformative process to a low carbon economy and the eco-sustainability of Ireland’s climate change policies and programmes. The history and memory of Bord na Móna and the ESB activity over the last seven decades should be incorporated in one central photographic /oral history archive. The centre could also be used to facilitate primary and secondary school visits, in particular transition year student visits, to support climate, environmental and other natural sciences education.

4.15. EirGrid and Grid Transformation

With the support of Government, which is putting the policy and enabling legislation in place, EirGrid is transforming the power system in Ireland over the next decade to provide for the implementation of a key goal the Climate Action Plan - the decarbonisation of the electricity system. This will require the development of up to 10 GW of renewable electricity – including on-shore wind, off-shore wind and solar technologies - and development of system services to manage a high level of intermittent sources. This will mean that the transport (e.g. electric vehicles) and heating (e.g. heat pumps) sectors can also be significantly decarbonised.

In this transformation, the “Just Transition” is not just about those employees and communities who are already directly impacted by the pressures of climate change, such as in the Midlands, but also the communities, land owners and others across the whole country who are being and will be asked to allow infrastructure, including wind turbines, solar panels, transmission lines, energy parks, substations and underground cables, on their land or in view of their houses. Community engagement is vital, showing that concerns of communities and individuals are heard and understood, and that there is an honest and honourable commitment to appropriately recognise the role these communities and people, particularly the farming sector, are being asked to play and the sacrifices they are being asked to make for the greater good. This spirit of community and fighting

together for the greater good has been shown at its best in the current emergency. But the rewards must be shared equally with a clear perception of fairness.

The Midlands can be early movers in this grid transformation process. As referred to already, the Midlands has a long history of association with the energy sector, and can direct its expertise at the development of new technologies such as battery storage, power to gas, biofuels, wind, solar, etc. While there are issues in the Greater Dublin Area due to high demand, there are no such issues in the Midlands. Data Centres, for example, could be accommodated in the Midlands, and there are a number of energy parks looking to develop new technologies and expand.

4.16. Governance and Financial Oversight

Discussions are continuing between the Just Transition Team, and the Department of Communications, Climate Action and Environment and the Department of Public Expenditure and Reform, in relation to the appropriate process and procedures for the expenditure of the current provision of Just Transition Funds and the oversight arrangements which apply. The total to date is €11 million (€6 million from the Exchequer and €5 million from the ESB). Both Departments have committed to being as flexible as possible in order to enable progress to be made as early as possible.

These considerations are in the context also of the Carbon Tax Fund in the 2020 Budget and the future application of European Just Transition financial measures.

It is important that the Just Transition Team can seek, evaluate and approve projects as soon as possible in order to create credibility and momentum for Just Transition. Already, at the request of the Team, “shovel ready projects” have been submitted across the Midlands. The optics of early wins should not be underestimated in contributing towards building community and enterprise/employee confidence in the Just Transition concept and its delivery.

I expect the appropriate governance and financial oversight arrangements to be agreed as soon as possible.

5. Interim Recommendations for Future Action

5.1. Introduction

The Terms of Reference for the Just Transition Commissioner are quite broad and while, initially are focused upon the effects in the Midlands, they do point towards developing a framework for future potential policy decisions and where there may be effects upon industries, employees and communities arising from any measures leading to the diminishing use of solid fuels, oil and gas.

The Terms of Reference refer also to experience and good practice in other projects/areas domestically and internationally on the essential elements of a Just Transition for workers and communities affected. However, there is really not any specific experiences in Ireland that would give the same scale and breadth of the decisions that have been made regarding the non-use of peat for electricity generation and the widespread subsequent effects upon the communities, businesses, and employees, direct and indirect, in several Midland towns and villages. The nearest equivalence but lack the same scale of direct and concentrated ongoing effect of the closures where those in locations involving for example Ferenka, Dell, Digital, Irish Steel.

The closure of the then Irish Sugar plants in 2005/2006 (Tuam, Mallow, Thurles, Carlow) is possibly the only comparative example in modern times. However, the compensation package of €145 million agreed with the EU was to support the end of comparatively less efficient production of sugar in Ireland – an industry which had been subject to quotas under the Common Agricultural Policy.

The time available and the new COVID-19 travel restrictions did not allow for the Just Transition Team to access or visit similar type Just Transition programmes and regions in Europe. This will be part of the engagement under future Just Transition activities.

I anticipate that the NESC, Department of Communications, Climate Action and Environment, the Nevin Research Institute/European Trade Union Confederation and the European Commission will have considerable knowledge of how Just Transition policies have been scoped and implemented in the coal and steel communities in the member states. Furthermore, the EU Platform for Coal and Other Carbon Intensive Regions in Transition, of which the Midlands is a member, is an active source of information and best practice sharing with other EU regions facing similar transitions. These experiences can be evaluated in the next phase of the project and in the roll out of the EU START project.

In approaching the aspects of the Terms of Reference that refer to taking cognisance of existing programme funding from Central Government, the relevant funding under Project Ireland 2040, Budget 2020, the Regional Enterprise Plan, the Regional Spatial and Economic Strategy, and Bord na Móna's "Brown to Green" Strategy, I have positioned my Recommendations to align with the central thrust of these plans and programmes.

I have been guided by the Regional Spatial and Economic Strategy (RSES) 2019-2031 developed to support Project Ireland 2040 and which provides a long-term strategic planning and economic framework for the region.

The key enablers of growth are referred to in the Foreword to this report.

Of particular relevance in formulating the Just Transition Recommendations I have noted the following considerations:

- Target significant growth in the Regional Growth Centres – Athlone in the case of the Midlands.
- Embed a network of principal and key settlement towns which have the capacity to deliver sustainable growth and employment for their catchment areas in tandem with public transport, infrastructures and associated services.
- Promote balanced growth in a limited number of economically active areas which have the capacity and potential for self-sustaining growth.

Promote targeted "catch up" investment to support local enterprises, and importantly,

- Support rural areas by harnessing natural resources to develop renewables, recreation and tourism opportunities including green infrastructure planning and the development of an integrated network of greenways, blueways and peatways through the development of strategic partnerships.

I am guided also by the recent announcement (January 2020) by Minister Humphreys of a "stimulus" package for the border region to offset the potential impact of Brexit. This package (€28 million) includes €3 million for six Local Enterprise Offices, three Advanced Technology Buildings as part of the IDA Regional Property Programme, and a €15 million competitive Border Enterprise Development Fund. A similar stimulus package is necessary for the Midlands as part of future Just Transition Fund provisions.

I am making Recommendations also to align with my Terms of Reference on the “additional actions/measures deemed appropriate and the optimal structures or processes to support co-ordinated and effective delivery of a Just Transition in the Midlands, including liaison channels between institutions in the region and central Government”.

The primary objective over the next number of months is towards ensuring the Bord na Móna and ESB workforces and their respective communities are “cushioned” against the fallout of the decisions highlighted earlier by An Bord Pleanála and ESB in what still is an uncertain future and which is now compounded further by national and international events arising from COVID-19.

The haemorrhage of both skilled and talented individuals (I understand 24,000) making the daily commute to jobs and places of learning in Dublin and Galway and points in between is ongoing. A new generation will be lost to the region if we cannot stop this increasing, and in time reverse the trend. It is an imperative that the resources and structures of institutions, both private and public, and local and central Government are marshalled in a comprehensive way to work toward this ambition.

This means attracting new enterprises to the region, building on existing enterprises, taking risks in seed funding potential community projects and private entrepreneurs. It is of specific interest and to be commended that a number of thriving local enterprises in the region were established by ex Bord na Móna employees. The talent and entrepreneurial skills and capacity exist in the region. What is needed is providing the finances, facilities, and services to maximise these talents and the ideas which are emerging for entrepreneurial activity.

It means also considering new ways of incentivising both enterprises to come to the Region and potential employees to stay in the Midlands. This is one of the means by which there can be a carbon and community dividend.

5.2. Going Forward

The current Just Transition process and the contents of this Progress Report represents, as the Government announcement stated, a response which structures a new way of planning and delivering in a concentrated and targeted fashion and that such “model represents a new departure in terms of managing the impact of climate change and will be reviewed after two years to see if it fulfils the aim of ensuring a Just Transition for the Midlands”.

5.3. The Midlands Regional Transition Team

The Midland Regional Transition Team has already established a reputation for effective action. It has a highly professional secretariat from the office of the Regional Enterprise Plan to deliver its policies and responses. I have been impressed with the office's attention to detail and its capacity to engage with all constituencies (political representatives/agencies/local authority/social partners) and interests in the region.

It is appropriate given the expansion in funding with the establishment of the Just Transition Fund, and then the EU Commission proposal for similar funding under Just Transition, and its regional scope, to reorganise the MRTT. I propose that the MRTT be reconstituted along the following lines:

- Members:
 - Chairpersons of the following Local Authorities:
 - Laois, Offaly, Longford, Westmeath, Kildare, Roscommon.
 - Chief Executives of the above Authorities.
 - (Both Tipperary and Galway have overlapping interests due to Bord na Móna enterprises in their counties and should have right of attendance at meetings).
 - Office of the Just Transition Commissioner
 - Bord na Móna, ESB, and the ICTU representatives.
 - Midlands Regional Enterprise Plan Representatives
 - DCCAE Nominee
- Meetings to be chaired by rotation of the Chairpersons of the Local Authorities,
- Members of the Oireachtas have the right of attendance and contribute at the meetings,
- The various organisations and state agencies/central Government services operating in the Region should for the purpose of accessing Just Transition funding/schemes and programmes constitute themselves as ad-hoc subcommittees of the MRTT:
 - **Education/Training/Research.**
 - Regional Skills Forum/ ETBs/AIT/Carlow IT/Maynooth University/ETB's/ESB Apprenticeship/National Construction Training Centre /Skillnets /CIF
 - **Employment Generation Committee:**
 - IDA/Enterprise Ireland/IBEC/MREP/LEOs/Bord na Móna/ESB/Regional Skills Forum/Chambers of Commerce
 - **Employment Continuity Pathways. (Non I.R issues.)**
 - Bord na Móna/ESB/ICTU/DEASP/Regional Skills Forum/ ETBS

I wish to place specific emphasis on this Committee and its functions. I envisage that this Committee will have a vital role in providing a direct voice for union representatives in communicating their members expectations, ambitions and potential employment placements/opportunities in the future arising from the transition process for Bord na Móna/ESB employees. It will provide an essential forum for communicating detailed and "just in time" information on available employment levels, retention, and new opportunities in the Bord na Móna/ESB networks and potentially in existing and new enterprises in the region and the retrofitting programme. It will avoid an information gap developing and increase confidence and trust between the key stakeholders around the key objective of sustaining the maximum level of decent employment standards, fair and equitable remuneration for the employees concerned. I do not intend to suggest that this Committee supplants in any way current industrial relations structures in either Bord na Móna or the ESB. My terms of reference are very specific in this area.

- **Community Assistance Programme/Social Enterprise Interventions**
 - This programme will be informed by START
 - Local Development Companies/ Local Authorities (LCDCs & PPNs)
- Each Committee shall meet (either in person or via teleconference) in May and outline the scope of its work for the rest of 2020 and projections/initiatives that could be formulated and actioned in 2021. These committees will nominate a committee co-coordinator who will in turn report to the Commissioner and the MRTT.
- The statutory, legal or other footing under which the MRTT is established may need to be considered. As indicated, it was originally established by Offaly Co Council in response to the Bord na Móna "Brown to Green" strategy and was expanded as required and as the Midlands Regional Enterprise Plan was developed.

5.4. Office of the Just Transition Commissioner

- The Office of the Just Transition Commissioner should continue to be based in the Offices of Offaly Co Council in Tullamore.
- The funding for the office of the Just Transition Team and their administrative supports should be paid by DCCAIE under a specific budgetary vote. The team will be supplemented by the appointment of two dedicated staff to assist in the coordination and implementation of the interim recommendations in this report.
- The Commissioner/Just Transition Team will;
 - Provide quarterly reports to the Minister

- Provide updates to MRTT quarterly meetings
- Liaise with the DCCA and the Department of An Taoiseach/Interdepartmental Committee on Climate Change/ Joint Oireachtas Committee on Climate Change
- Liaise with the EU START Programme.⁹

5.5. Just Transition Fund

As referred to above, the Just Transition Fund was provided for in Budget 2020 and was given an initial allocation of €6 million. On the announcement to close its two power plants at Lanesborough and Shannonbridge, ESB committed to a contribution of €5 million to this Fund, so it now stands at €11 million. The Minister noted five priorities for the fund:

1. Retraining and reskilling workers to assist local communities and businesses in the Midlands to adjust to the low carbon transition;
2. Proactive communications with affected communities and other stakeholders in the region and between local communities and the relevant national institutions;
3. Best practice sharing networks and frameworks;
4. The early development of local transition plans, with local communities at the core of plan development, based on economic analysis and local scoping of transition impacts and the opportunities it presents, acknowledging that the needs of individual areas across the Midlands will differ; and
5. Innovation and investment proposals to generate sustainable employment in green enterprise that do not come within the ambit of the four Project Ireland 2040 Funds, or the State's other investment programmes.

It is imperative that these funds are used in 2020 to stimulate and finance potential projects that have employment potential and that contribute to the sustainability of the region, economically, socially and environmentally, in a manner that is complementary with other sources of public funding available to the region.

The funds need to be made available as quickly as possible for allocation to selected projects following an agreed open and transparent selection process, including geographical spread criteria. The existing structures already in place at Local Authority level for supporting suitable projects should be considered, having full regard for the requirements of the Secretary General of the

⁹ The relationship between the MRTT and the major Government funding Departments will need to be clarified.

Department of Communications, Climate Action and Environment as Accounting Officer, and also for the CEOs of the Local Authorities as Accounting Officers for their respective counties.

A Project Selection Committee will need to be established, the members of which still to be decided but could include an agreed representative from the six core County Councils. It should also include a representative from the MRTT, and a representative from the Office of the Just Transition Commissioner. Expertise in various areas could be provided from organisations such as the IDA, Enterprise Ireland, ESB, Bord Na Móna, ICTU, the LEO network, Fáilte Ireland and other appropriate state agents if and where appropriate and without competitive implications. Liaison will be maintained regarding the projects to be selected for funding purposes with Department of Communications Climate Action and Environment and other Central Government Departments.

5.6. The Co-ordination and Integration of Current and Future Funded Programmes

In my engagements with Local Authorities, Central Government and State Agencies it was worthy of note that there is a plethora of programmes being availed of in different counties and under various national and EU funding arrangements. The national schemes which support the Midlands are set out in Section 3 above.

These relate to many enterprise, community and facility enabling schemes.

Many individual counties are in a competitive process in applying for and getting access to the funds for a multiplicity of programmes/schemes. Sometimes as a result the available grants are made available at a percentage grant level and/or on timebound budgetary periods.

This applies to both Irish and EU funding sources. In some cases, despite considerable time, effort and the devotion of human resources to the task of preparing applications, the response is sometimes in the negative.

The resultant outcome leaves the organisation and their personnel with a disheartening experience. Even where applications are successful some projects struggle to achieve either their matching fund obligations or have the resources to bring projects to finality. In my view, this indicates there is a potential issue with funding continuity and certainty over future years.

There is a considerable number of projects underway in the Midlands, as evidenced earlier in this Progress Report, of dedicated and regional specific initiatives and which have continued potential for employment creation.

I have stated the belief at various public fora in the region that a “Whole of Midlands” strategic approach should be taken to Just Transition. The current funding for Just Transition, apart from

retrofitting (€20 million) and NPWS peatlands rehabilitation (€5 million), is €6 million, not including the once off contribution of €5 million from the ESB. This scale of annual funding will likely be inadequate for the period 2021-2026 to support projects that will generate the level of employment needed in the region.

Given some of the “asks” to date that the Just Transition team has received or have been indicated to them this fund will not meet the potential overall demands and expectations which will emerge before year end.

Preparation has to be made for future Budgetary funding of climate change activities and targets, and the use of the Carbon Tax and the EU Just Transition Fund post 2020.

If the Midlands is to benefit from these diverse sources, and they literally have the wind behind them on accessing these funds, then the preparatory work must be in the context of the regional plans in place (including but not limited to the Regional Spatial Strategy and The Midlands Regional Enterprise Plan) and their adaptation/adjustment in the context of my Recommendations.

To address this challenge my Recommendation is that cross county Consortia be established between the interested Local Authorities to co-ordinate applications to both Central Government and the EU schemes/programmes. This coordinated approach would have a complementary benefit to the current programmes operating in the Region as a whole and in the context of its geographical configuration.

These Consortia should be targeted towards sustainable employment, job creation, local authority cooperation engagement and the provision of community amenities, our significant heritage assets and maximising the Region’s considerable tourism potential.

These Consortia, which would be non-statutory but based around existing Local Authorities, their funding, and statutory powers, should be tasked with the following key priorities informed throughout the course of my Review:

5.6.1. Infrastructure

- Improving access and road connections to locations and sites within the region to support the development of industry, Business Parks, and Innovation and Enterprise Hubs.
- Purchasing and making available fully serviced “Second Site” options in the principal towns of the Midlands in the first instance.
- Developing Centres/Clusters of Excellence/Concentration for specific sectors, e.g. Bio-diversity, Food, Renewable Energy and Alternative Energy.

The involvement of the Midlands Regional Enterprise Plan, LEOs, the IDA and Enterprise Ireland would be central to any infrastructure and employment creation efforts in the Region. A special budgetary provision in addition to their current funding for a special taskforce on job creation in the Midlands, perhaps using the proposed 'Employment Generation Committee' under a restructured MRTT, should be considered by their funding Departments. The Region has a high unemployment rate and requires such an initiative to address the increasing and changing employment landscape.

5.6.2. Land and Facilities

Bord na Móna/ESB/Waterways Ireland/ NPWS under the Department of Culture, Heritage and the Gaeltacht/Teagasc/Coillte to identify land and facilities which could be of interest for alternative green enterprises and co-partner with themselves or with the private sector on viable projects in the green enterprise space. This is happening already in the windfarm and biomass sectors. It would represent a significant investment by the State in employment and in meeting its carbon emission and carbon neutral obligations.

The operating agricultural schemes referred to in Section 3 that have green and low-carbon benefits should be continued to assist farming in the region, and particularly small farm operations. New schemes that assist farmers to move from peat harvesting should be explored for investment purposes for 2021 and beyond. Priority could be given to food supplements, biodiversity and biomass projects.

5.6.3. Tourism, Heritage, the Leisure and Sport Environment

As I have indicated earlier in the Report, the Region is well endowed with a rich heritage from our original ancestors on the bogs of Ireland and their legacy of bog bodies and bog wooden crossways, to our religious Celtic monasteries and settlements on to our Norman and Ascendancy history and the rural and industrial development of Ireland in the twentieth/twenty-first century.

It is the home to various lakes, bordered by the river Shannon and traversed by two of our great canal systems - the Royal and Grand canals, with the many lakes and the Barrow Way.

There are many excellent projects, completed and ongoing, in all midland counties largely based largely on the regional eco-system, the use of rehabilitated bogs, greenways/trails, mountain bike trails and unused/discontinued rail tracks.

There is a need for developing further the enormous and immediate opportunities in this sector and create an updated map of a Regional Plan for the "Hidden Midlands". The purpose of such a proposition would be to take advantage of possible funding to maximise the utilisation of existing

and future heritage and leisure facilities and which have considerable “knock-on” tourism and community benefits.

Fáilte Ireland is already supporting the use of peatlands to provide recreation, access to nature and a connected network of green infrastructure for leisure. I agree with the suggestion that Bord na Móna should be supported in developing the peatlands for tourism including joined-up walking and cycling trails, and rehabilitating suitable cutaway bog to create amenities. The development of Lough Boora in Offaly is an excellent example of this. Another example is the Mid Shannon Wilderness Park project. Communities will benefit from the opportunity to use these amenities for lifelong learning, recreation and to increase health, well-being and quality of life.

Key Agents: Bord na Móna/ESB/Local Authorities/ Department of Transport, Tourism and Sport/Coillte/Waterways Ireland/Fáilte Ireland/Local Sports Partnerships.

5.6.4. Centre for Climate Change and Just Transition

It is essential for current and future generations to understand the vital need for Climate Change policies and actions and Ireland’s role in meeting Kyoto and EU emission targets.

A Centre to record and document this change would be an important addition to the “story” of the Just Transition in the Midlands and the movement towards the non-use of fossil fuels in Ireland. Now is the time to record this transition and the contemporary memory around the peatlands rehabilitation.

As I indicated earlier in my Progress Report such a Centre should be based in a Bord Na Móna facility and it would serve the dual function of a visitor attraction and an information centre for our primary and secondary school students.

Key Agents: Central Exchequer, the Carbon Tax, both Bord na Móna and ESB, and EU Just Transition funds as well as private funding sources.

5.6.5. Incentivising Green and allied Enterprises to locate in the Midlands.

The Region requires an improved marketing strategy and budget to move the Midlands forward in view of the impact of the move to a non- fossil fuel-based economy.

Though Bord na Móna, its workforce and the surrounding communities are taking the primary impact of the implementation of the decisions of both the APB and the ESB, there are other severe effects on many service companies which are significant suppliers to both Bord na Móna and the ESB.

In addition, the region has many other established industries and fledgling enterprises that require further enterprise supports and facilities.

The current COVID-19 crisis has demonstrated a significant capability for remote working. This could provide economic opportunities for the Midlands with the potential to increase the number of working hubs and innovation centres in the Midlands Network for Co-working Facilities, under Enterprise Ireland's "Empowering the Regions" plan for remote working hubs and innovation centres.

New ways of incentivising enterprises to locate in the region should be explored by Central Government, such as:

- Additional supports for new enterprises establishing/locating in designated areas in the Midlands, for example from carbon tax revenue, for a minimum period of, say, 10 years if their business or service is contributing to climate action such as decarbonisation or environmental sustainability. The criteria for qualification would need to be specified, e.g. would these enterprises have advantages for renewable energies, sustainable food production or the bio-diversity sectors?
- Supports or incentives for transport operators providing new transport services in the region, including to support employees getting to and from these new enterprises, and to and from the working hubs being developed by Enterprise Ireland to support remote working. These supports would be provided only if the operators are using sustainable transport vehicles such as electric or hybrid vehicles, or vehicles using biofuels or gas.
- Additional personal tax credits for those employees/ families who choose electric cars, bicycles and other sustainable modes of transport to travel to work. This could apply nationally and not just in the Midlands.

5.6.6. Renewable Energy Potential

I have referred earlier in my Report to developing the Midlands as a centre for the encouragement of renewable energy enterprises and building on current assets and public and private enterprises operating in the region.

The ESB power stations at both Lanesborough (Lough Ree Power) and Shannonbridge (West Offaly Power), have between them over a century of power generation knowledge, and both have significant assets and expertise in place in the locations. Due to current planning requirements these power stations are due to be decommissioned and then demolished and the sites returned to

brownfield sites in the very near future. This has been confirmed to me by the ESB. These plants are in the ownership of the ESB.

I understand there is a strongly held view in the community and among some in the energy sector that instead of immediately dismantling the plants, that the appropriate infrastructure elements be maintained for up to a year to see if it could be used with different emerging technologies, for example in storage. I also understand the existing generator, running as a motor, could possibly provide system services for EirGrid.

Before the decommissioning and dismantling operation begins, I recommend that the DCCAE, the ESB and other relevant interests in the renewable energy sector should conduct a study of the future potential of these plants and sites for the establishment of a dedicated "Energy Hub" in the Midlands. I understand there may be some provision for consultation with An Bord Pleanála in relation to the completion of the planning requirements for removing the plants. If necessary, this should be availed of to facilitate this suggested study.

The study would have at its focus, matters relating to energy storage, the usage of this energy to facilitate/back up other low carbon energy sources, a centre for exploring/evaluating new technologies in energy provision, and an R&D component based on the expertise available in the AIT/University of Limerick (UL) Technology University/Maynooth University nexus.

Such an R&D component could draw in knowledge and expertise from Universities both local and abroad, and private sector expertise in renewable energy technologies, and thus develop a "Centre of Excellence" facility in the region which would have the potential to collectively create high quality employment and attendant spin-offs.

Possible sources of funding for such a study could be the Science Foundation Ireland (SFI) or other funding mechanisms, including the Just Transition Fund.

There are several other renewable energy initiatives in the Midlands, including the Lumcloon battery storage project, the Rhode Energy Business Park, and several other developments, either large scale by Bord na Móna, ESB and others, or smaller scale projects. These and similar projects should be supported.

The development of a biomass supply chain for the heating sector, but also potentially for some renewable electricity generation, should also be reinvigorated. The Joint Oireachtas Committee on Climate Change's recommendation on a national review of land use, which would help further understand the appropriate balance between environmental, social and economic considerations of land use, and the ecological characteristics and suitability for different types of use, is relevant here.

5.7. Planning/Licensing and Regulation

Many of the commercial parties I engaged with in the Midlands outlined to me their frustration with the amount of laws, regulations and procedures that are required to be complied with when initiating, conducting and continuing business. There are considerable financial, legal and personnel resources necessary in preparing applications to planning bodies and Regulatory Agencies, and, potentially resultant appeals processes, which take time and can cause considerable delay in progressing.

While planning, legal and regulatory requirements must be complied with, delays in the regulatory and judicial processes can create an inhibiting factor in attracting enterprise investment.

If we are to encourage and support investment in the Midlands and other areas, then some fast-track 'one-stop-shop' arrangement needs to be considered for planning, licensing and regulatory compliance. Greater cohesion and coordination needs to be developed. I am not advocating any diminution in legal, planning or regulatory obligations, environmental standards, pollution, carbon or climate change/control requirements. But I am recommending that this issue be addressed as a matter of urgency. It could be an enabler to enterprise investment with potential positive employment creation outcomes.

I highlight this matter not least because, as indicated earlier, there is a risk to the peat harvesting in the Midlands for the 2020 season and with potentially considerable employment implications in the horticultural, mushroom, protected fruit, protected vegetables, nursery stock and protected ornamental crops sectors. This uncertainty is due to the need for operators to seek substitute consent for peat extraction not previously authorised to date, as required under EU law. The potential cost to the sector as a whole, I am advised, if peat harvesting cannot commence, is approximately €240 million. The horticultural peat would have to be replaced by import substitution at as yet an unquantified cost. The irony of replacing harvested peat from other EU countries should not be lost in these considerations.

Key Agents: An Bord Pleanála/EPA/Local Authorities/Department of Communications, Climate Action and Environment/Department of Housing, Planning and Local Government.

5.8. The Carbon Tax

The carbon tax is expected to raise an additional €90 million in 2020 and in a full year, revenues are expected to be €130 million.

The revenues raised in 2020 are ring fenced for climate action measures and includes funding supports for just transition, retrofitting, and protecting the vulnerable from rising energy costs.

In 2020 there is a direct commitment of €31 million to the Just Transition in the Midlands.

This is constituted as follows:

- €20 million for Retrofitting.
- €5 million Peatlands Rehabilitation.
- €6 million Just Transition.

I recommend that in 2021, as part of the Carbon Tax allocation, the Just Transition Fund be increased to €25 million to assist in the achievement of the recommendations I have made above; to facilitate any projects that require completion, and to support new priorities for 2021-2023. This reflects the level of funding provided for the Border region in the context of Brexit earlier this year, and while not similar in that the Border package focuses on specific measures, the need for investment in the economy of the region is the same. Such funds may also address the issue of matching funding required under the proposed EU Just Transition Fund under the Multi-annual Financial Framework.

The peatlands rehabilitation fund should be continued in view of its contribution to a number of projects in the region and which have employment creation opportunities for Bord na Móna employees and also for the environmental benefits.

These projects will be labour intensive, require the utilisation of new and existing equipment, and the physical provision of necessary materials over a medium term. These will be costly.

The Fund could benefit from an injection of another €5 million on top of the 2020 allocation from any carbon tax funding unspent by year end.

Key Agents: Department of Public Expenditure and Reform/Department of Communications, Climate Action and Environment/Department of Culture, Heritage and the Gaeltacht/Just Transition Commissioner.

5.9. Electric Vehicle Charging Infrastructure

€10m has been allocated to the ESB for the roll out of electric charging nationally through the Climate Action Fund with an additional €10m committed by ESB. It is noted that the Midlands region will benefit from these infrastructure investments with all standard chargers in the Midlands being upgraded to more modern high-reliability models and the stock of standard charges also being expanded. It is also noted that some new fast chargers will be installed in the Midlands in areas that are part of the Dublin commuter corridors as well as at select locations along many of the primary routes that cross the Midlands region.

Notwithstanding this national investment, which will include the Midlands, a Special Fund for the Midlands, building on the existing electric vehicle charging infrastructure, should be considered under future provisions.

I was informed through stakeholder engagement, that the Midlands has a high commute density and primarily towards the Dublin region.

It would be useful and as part of incentivising and encouraging the number of electric vehicles (and thus reducing emissions from commuting traffic) if additional charging points were targeted for the Region. These would be located in the principal towns of Athlone, Tullamore, Longford, Mullingar, Portlaoise, along with Roscommon and key service towns such as Birr, Moate. They should be provided in all service stations on the motorways and primary routes serving road transport in the region.

Expansion of the electric vehicle charging network in the Midlands would also encourage the use of electric vehicles and other modes of electric transport by those people who stay in the Midlands for work, and those who will benefit from increasing employment generation in the Midlands. With the aim of reversing the numbers of people leaving the Midlands daily for work or education purposes, and increasing both employment in the region and facilities for remote working, having the appropriate infrastructure in place to facilitate the movement of people in the region in an environmentally sustainable way is necessary.

The servicing, care, and maintenance of these charging units should be managed and funded by the ESB as a further contribution to the Just Transition programme. They should not fall as a burden on the existing stretched funding of the Local Authorities and who are suffering great income decreases from both Bord Na Móna and the ESB as highlighted earlier in this Report.

The carbon saving value and the take up of usage could be measured over three years and if successful extended to other regions in the country.

5.10. Loss of Rates Income

The closure of the ESB power plants and the supply services from Bord na Móna has created an immediate problem for both Offaly and Longford County Councils and their respective rates income for 2020 and beyond.

The loss of this income is sizeable for both counties and will affect the provision of the Councils' core and discretionary services.

It would be extremely unfair in circumstances over which they had no responsibility and for a decision which was not expected until 2027 that they should be burdened with this sudden loss.

I recommend that an urgent engagement takes place with the Chief Executives of the councils concerned with the funding Departments so that a suitable emergency arrangement can be agreed to alleviate the rate losses over the period 2021-2026.

6. Conclusion

It should be noted that this is an Interim and first Progress Report. Observations, analysis, feedback and the recommendations themselves may need further interrogation and refinement. However, key decisions need to be made urgently as the situation in the Midlands is a rapidly changing picture as recent events have illustrated. COVID-19 restrictions notwithstanding, the actions that have given rise to a Just Transition process will not be reversed.

There will be sufficient time over the next number of months to “drill down” the Consortia, and the structures, procedures, and personnel which will be required to build upon and deliver on the continuation of the multiplicity of existing projects, the future of new projects prior to year-end and potential new endeavours in the period beyond 2020.

A key part of this future workload will be with community interest under the EU START programme which will be commencing post Easter 2020.

I have attempted to identify the key current issues outlined to me in my engagement with all of the parties and where feasible to outline a series of practical, as opposed to theoretical, measures that could make a significant "on the ground" effect in the Midlands, which draw in all the key people and structures, and which are key to Just Transition. What is now required as a matter of priority is both ensuring that as many jobs in Bord na Móna and ESB are maintained, in existing and new enterprises, and that new employment opportunities are created in the region.

This can be achieved only by a positive and creative engagement between the key players, agencies and organisations and around a medium term action plan and strategy which can deliver results in the short to medium term.

I hope that this first Progress Report makes a contribution towards laying the building blocks for such a plan.

Appendix One: Just Transition Commissioner – Terms of Reference

i. As announced in Budget 2020, the Government is appointing Kieran Mulvey as a Commissioner to help ensure a co-ordinated and effective approach to Just Transition, focusing initially on communities and workers affected by the ending of peat harvesting for power generation in the Midlands region.

ii. Just Transition is a framework that encompasses a range of social interventions needed to secure livelihoods when economies are shifting to sustainable production. The Just Transition approach emphasises a coordinated, long-term, and multi-pronged response involving social partners, industry, and Government. The Midlands will be the first region facing this disruption, and as such will present important opportunities to learn for other areas and sectors affected in the years ahead.

iii. The Commissioner will engage with all relevant stakeholders, including:

- Bord na Móna and ESB;
- The relevant trade unions and worker representatives;
- Local community organisations;
- Relevant structures already established in particular the Midlands Regional Transition Team and the Regional Enterprise Plan Steering Committee;
- Regional Skills Forum;
- Local authorities, public representatives and relevant State Departments and Agencies;
- The National Economic and Social Council, which is currently undertaking a suite of actions on Just Transition as part of the Climate Action Plan and also as part of Future Jobs Ireland 2019; and
- The EU Platform for Coal Regions in Transition

iv. The Commissioner is asked to recommend, having engaged with stakeholders and taking account of their feedback, and reviewing experience and good practice in other projects/areas domestically and internationally, the essential elements of a Just Transition for workers and communities most affected, including through:

- Delivery of the Just Transition measures provided for in Budget 2020, in particular an operating model for the new Just Transition Fund;
- Implementation of other actions underway, or planned, by Government Departments, Agencies, and Companies, including the four competitive funds under Project Ireland 2040;

- Any additional actions\measures deemed appropriate; and
 - Optimal structures or processes to support co-ordinated and effective delivery of a Just Transition in the Midlands, including developing liaison channels between institutions in the region and central government.
- v. In undertaking this work, the Commissioner will take account of relevant existing plans and programmes by the State (e.g. Bord na Mona's Brown to Green Strategy, the Regional Enterprise Development Fund), as well as provisions made in Budget 2020 to support a Just Transition in the region including:
- €20 million for a new energy efficiency scheme targeted, initially, at the social housing stock in the region;
 - €5 million for peatland rehabilitation; and
 - €6 million for a dedicated new Just Transition Fund
- vi. The Commissioner will report quarterly to Government, through the Minister for Communications, Climate Action, and the Environment.
- vii. The Commissioner will not have a direct role in relation to industrial relations matters in Bord na Mona who will continue to work with the Joint Industrial Relations Council established under the Workplace Relations Commission.
- viii. Secretariat support for the Commissioner will be provided by the Department of Communications, Climate Action, and the Environment or the Midlands Regional Transition Team as appropriate. The existing interdepartmental Group chaired by the Department of the Taoiseach will also be available to provide any assistance necessary as the Commissioner's work proceeds.
- ix. As this model represents a new departure in terms of managing the impact of climate change, it will be reviewed after two years to see if it fulfils the aim of ensuring a Just Transition for the Midlands

Appendix Two: START Itinerary for December site visit

START Secretariat Site Visit to the Midland Region Midlands Regional Transition Team December 2- 4th 2019

Monday December 2nd 2019

Meeting Venue: Charleville Room, Offaly County Council

8.30- 9.15	Offaly Laois Kildare LA's
9.15 – 10.00	Irish Congress of Trade Unions (ICTU)
10.00-11.00	Laois Offaly Education and Training Board (representing ETBs from Longford/Westmeath, Galway/Roscommon) Athlone Institute of Technology
11-11.15	Coffee Break
11.15-12.00	Enterprise Ireland IDA Ireland
12.00-12.45	Eastern and Midland Climate Action Regional Office (CARO)
13.00-14.00	LA Members - Laois Offaly Kildare
14.00-15.00	Bord na Mona
15.00- 15.45	ESB
15.45-18.30	Site Visit to Ferbane Community Group with Cllr Eamon Dooley, Member of MRTT, Committee of the Regions, and Offaly County Council, Chair of Eastern & Midlands Regional Assembly Eastern & Midlands Regional Assembly

Tuesday, December 3rd 2019

Meeting Venue: Goldsmith Room, Longford County Council

9.30 -10.30	Longford, Roscommon & Westmeath LAs
10.30-11.00	Longford & Roscommon Local Enterprise Offices
11.00-12.00	Oireachtas Members – Longford, Roscommon & Westmeath
12.00-13.00	LA Members - Longford Roscommon Westmeath
14.00-15.30	Lanesborough Site Visit Cllr Mick Cahill, former Bord na Mona employee and President of the Association of Irish Local Government
15.30-16.30	Lanesborough Collaboration Group

Wednesday, December 4th 2019

Meeting Venue: Charleville Room, Offaly County Council

8.30- 9.15	Offaly Local Development Company (LEADER) LEO Offaly
9.15 – 10.00	Department of Employment & Social Protection (DEASP)
10.00-10.30	Tullamore District Chamber of Commerce & Construction Industry Federation
10.30 -11.30	Oireachtas Members – Kildare Laois Offaly
11.30-12.30	Site Visit Closing Remarks – START, Local Authorities & MRTT

Appendix Three: The Midlands Regional Transition Team

Stakeholders represented on the MRTT are:

- Members of Offaly Co. Council
- Local Authority Senior Management Team Members from: Laois, Longford, Offaly, Westmeath, Roscommon & Kildare
- Local Dáil Deputies
- Bord na Móna
- Midlands Regional Enterprise Office
- Regional and local representatives from IDA Ireland, Enterprise Ireland, LEOs, Local Development Companies
- Department of Employment Affairs and Social Protection
- Regional Skills Forum
- Athlone Institute of Technology
- Education and Training Boards
- Chambers of Commerce
- Eastern and Midlands Climate Action Regional Office (CARO)
- ESB
- ICTU.

Interested parties who attend as necessary, or who have observer status include:

- Just Transition Commissioner
- Department of Communications Climate Action and Environment.

Appendix Four: Other schemes supporting jobseekers

The Department of Employment Affairs and Social Protection provides a range of schemes to support jobseekers.

Employment Supports and Investments

- Back to Work Enterprise Allowance (BTWEA) - Jobseekers in receipt of certain long-term payments from the Department of Employment Affairs and Social Protection can retain income support for up to 24 months under the BTWEA:
 - 100% for the 1st year
 - 75% for the 2nd year
- Short-term Enterprise Allowance (STEA) – For shorter term jobseekers receiving jobseekers benefit, an STEA can be paid for the normal duration of that payment, this is equivalent to Jobseekers benefit payment.
- Non-financial supports can be provided to new enterprises to support start-ups. In the main, these are provided through the Local Enterprise Offices (operated under the aegis of county and city councils) and by Local Development Companies, some of which have dedicated enterprise support staff.
- Employment Support Grant – Individual items may be grant supported under the Employment Support Grant. In general, these cost items relate to start-up expenses but can be accessed over the duration of the BTWEA/STEA scheme. ESG is subject to total payments of €2,500 for the 24 month period of the BTWEA claim. For those on STEA it will be on a pro-rata basis €937 Max (9 months) and €625 (6 months)
- Working Family Payment – Working Family Payment (WFP) (formerly known as Family Income Supplement (FIS) is a weekly tax-free payment available to employees with children. It gives extra financial support to people on low pay. The claimant must be an employee to qualify for WFP. Self-employed do not qualify. The payment is determined by the weekly income and family size.
- Back to Work Family Dividend is a weekly payment to help people with children move from social welfare into work. It gives financial support to people with qualified children who are in, or who take up employment / self-employment and stop claiming Jobseeker's Allowance /Jobseeker's Benefit / One-Parent Family Payment or Jobseeker's Transitional Payment.

Education and Training Supports and Investments

1. Back to Education Allowance - Available to those unemployed, parenting alone or have a disability and are getting certain payments from the Department of Employment Affairs and

Social Protection (DEASP), they may take part in a second-or third-level education course and get Back to Education Allowance (BTEA). BTEA rate will be equal to the previous social protection payment (the payment that qualified them for participation in the scheme). They may also qualify for increases for qualified adult and qualified children.

2. A Training Support Grant (TSG) is designed to fund quick access to short term training or related interventions, obtain or renew certification and permits for individual jobseekers that have identified work opportunities or where DEASP Case Officers have identified an immediate skills gap that represents an obstacle to taking up a job offer. €500 towards training is available in a 12-month period.
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