

**Speech by Minister Dempsey**

**At a meeting of the**

**Jacksonville Delegation & Atlantic Way**

**Friday 19<sup>th</sup> June 2009**

I welcome the opportunity to be present at the meeting between the Atlantic Way and the delegation from Jacksonville.

### **Aviation**

The transatlantic aviation market is of enormous strategic, economic and cultural importance to Ireland and Shannon airport has a key role in that market. In a time of falling consumer demand the challenge will be to ensure that both Irish aviation and Shannon Airport are well positioned to take advantage of the economic recovery when it comes.

Pre-clearance for commercial aircraft is due to commence at Shannon on 29 July next and for private aircraft in September.

The necessary enabling legislation is currently being debated in the Oireachtas and I expect it to become law in early July. Pre-clearance means that passengers of U.S. bound flights from Ireland can be fully cleared for entry to the U.S. in respect of all necessary U.S. controls and checks, including U.S. immigration, customs, agriculture and security prior to departure. This will facilitate easy onward connectivity for passengers to all points within the US.

I understand that the US authorities have no plans to introduce similar facilities elsewhere in Europe. As well as improving the passenger experience for those travelling to the U.S., this provides Shannon with a unique marketing opportunity in attracting airlines and creating new business in the key transatlantic aviation market.

I note that the Airport Authority have signed a memorandum of understanding with the Lynxs Group relating to a Freight Logistics Centre as part of the drive to develop the airport to be Ireland's key cargo airport. While the current agreement excludes cargo from pre-clearance, I am willing to pursue the possibility of cargo pre-clearance with the US authorities in the future because of its potential advantages to Shannon. If the US were willing to approve cargo pre-clearance at a later stage, a renegotiation of the agreement and new legislation would be necessary.

### **Ports**

The Shannon Estuary is a great natural asset for the mid-west region. It is one of the best deep-water port locations in the country.

Shannon Foynes Port Company, the State owned commercial port company, is the third largest in the State in terms of turnover and the second largest in terms of tonnage handled.

There are a number of important port related developments currently underway within the Estuary. A new oil terminal is under construction at Foynes and planning permission is in place for the State's first LNG (Liquefied Natural Gas) terminal at Ballylongford. These developments, together with the existing electricity generating installations on the estuary, will add significantly to the region's importance in terms of the country's energy supply.

The natural advantages offered by the estuary's deep water mean that it is well placed to handle the bigger ships of the future. There have been suggestions in the past about the potential for development of a transshipment facility within the estuary. While previous considerations have not developed into concrete proposals, I am aware that the idea is under renewed consideration by Atlantic Way.

One of the key aims of Government Ports Policy is to ensure that the State owned ports are fully focussed on their commercial mandate and capable of responding to the commercial challenges they face. The Harbours (Amendment) Bill 2008, which is currently awaiting a date for Committee Stage in the Dáil, contains a number of provisions which will aid the State port companies in their commercial development.

Given the trans-national nature of today's event, it is appropriate that I refer to the provision in the Bill that will allow port companies to invest outside the State. This provision brings the port companies into line with other State commercial bodies and removes a previous restriction on such investment. Other important provisions relate to the reform of the structure of port company boards and facilitating private sector investment and involvement.

### **Roads**

In these difficult economic times, the Government remains committed to upgrading the Major Inter Urban road network to motorway or high quality dual carriageway standard.

All of the Major Interurban routes including the motorways from Dublin to Limerick and Dublin to Galway are on target for completion by the end of next year.

The ongoing upgrade of these routes is bringing about a significant improvement in the accessibility of this whole region, which will facilitate further development, economic activity and tourism.

The improved accessibility and connectivity from this investment will enable us to take early advantage of a return to global economic growth.

The development of the Atlantic Road Corridor from Letterkenny through Sligo, Galway, Limerick, Cork and Waterford will connect the Gateway Cities identified in the National Spatial Strategy.

It is envisaged that the route will be upgraded substantially to dual carriageway road standard.

In the Limerick/Shannon/Galway region alone, many projects are under construction including the N18 Crusheen to Gort, N6 Galway to Ballinasloe, N6 Athlone to Ballinasloe, N7 Southern Ring Road including the Limerick Tunnel Scheme, and the N7 Limerick to Nenagh.

There is also a major programme of projects in planning in the region. These include N18/N17 Gort – Tuam PPP scheme, and the M20 Limerick to Cork (Northern Section).

In recent years, projects such as the N18 Ennis Bypass, the N85 Western Relief Road and the N6 Loughrea Bypass have been completed.

These major improvements of our national roads will ensure that we have an infrastructure capable of:-

- Supporting continuing economic and social development that is environmentally sustainable;
- Ensuring balanced regional development;
- Providing a high quality living and working environment for our people, and
- Providing a standard of connectivity both within the country and beyond, which will attract and support inward investment in the local economy as economic growth returns, as well as in the longer term.

The last decade has seen an unprecedented level of Exchequer investment in our road-building programme as we rapidly continue the process of transforming Ireland's infrastructure landscape.

This significant level of funding has been accompanied by over €2billion in private sector funding through the PPP mechanism. The PPP approach, in addition to leveraging additional funding for the programme, also secures significant risk transfer to the private sector and brings private sector expertise to bear on the design, construction and operation of key pieces of national infrastructure. Crucially of course, it allows for the faster delivery of key road projects including some connecting into key parts of this region such as the Limerick Southern Ring Road and the N6 Galway to Ballinasloe.

Following a review of the financing arrangements for Transport 21 it was proposed that a number of national road projects should be undertaken as unitary payment (i.e. non-tolled) PPPs. The NRA identified four projects as suitable candidates for development as unitary payment PPP schemes. I am happy to report that underlining our commitment to this region three of these projects are here in the Atlantic area namely, the N17/18 Gort-Tuam road and the Southern and Northern Sections of the N20 Limerick-Cork road.

Good progress has already been made with this new PPP Programme and the N17/N18 Gort-Tuam project is already at procurement stage and you can expect to see construction start next year.

Thank you for your attention and invitation and I wish you well in your work.