Budget Submission 2026

Cork Chamber
Advancing business together

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Foreword

As we approach Budget 2026, Ireland stands at a pivotal juncture. The global economic landscape continues to evolve rapidly, shaped by technological transformation, climate imperatives and shifting geopolitical dynamics.

At home, the challenges of housing, infrastructure and competitiveness remain urgent, yet there are growing opportunities to position Cork and Ireland as leaders in sustainable growth, innovation and inclusive prosperity.

Cork Chamber, as the voice of business in the region, remains steadfast in its commitment to shaping a resilient and forward-looking economy. Our members, ranging in size from SMEs to large domestic and multinational firms spanning various sectors, consistently attest to the need for bold, strategic investment in the foundations of our future; housing, infrastructure, talent and enterprise. This submission reflects those priorities, grounded in extensive engagement and informed by our shared ambition for Cork to thrive as a dynamic, sustainable and globally competitive region.

Guided by the United Nations Sustainable Development Goals (SDGs) and our designation as an SDG Champion for 2024–2025, we have structured our recommendations around the pillars of economic resilience, social equity and environmental stewardship.

We believe that these goals are not only moral imperatives but also economic necessities, essential to attracting investment, retaining talent and enhancing quality of life.

We urge government to seize this moment to deliver a budget that is both responsive and visionary, one that addresses immediate pressures while laying the groundwork for long-term transformation. Our proposals are practical, evidence-based and rooted in the lived experience of our members. Now is the time for this government to deliver.

On behalf of Cork Chamber, we extend sincere thanks to our members and to the Budget Committee for their dedication and insight in shaping this submission. It is critical that Budget 2026 delivers for Cork, for business and for Ireland.

Stephen Keohane

Stephen Keohane, Budget Committee Chair

Conor Healy, Cork Chamber CEO


BROWN THOMAS
ecco

Introduction

Cork Chamber represents over 1,200 members together employing 130,000 people throughout the city, metropolitan area and wider county. Our vision is to lead a transforming and ambitious Cork city and county, with a purpose to unite, represent and support our members and community. Our direction is guided by our formal pledge to uphold the United Nations Sustainable Development Goals (UN SDGs), five of which have been identified as priority areas by the Chambers Ireland network. Cork Chamber has also been designated an SDG Champion by the Department of Climate, Energy and the Environment for 2024–2025.

All our policy outputs, including our pre-Budget 2026 submission, aim to work in support of:
Goal 11 Sustainable Cities and Communities,
Goal 8 Decent Work and Economic Growth,
Goal 9 Industry, Innovation and Infrastructure,
Goal 5 Gender Equality, and
Goal 13 Climate Action.

What our Members Say

Cork Chamber engages consistently with members throughout the year. Our priorities ahead of Budget 2026 are grounded in our members' views, challenges and needs. Through individual member engagement, board meetings, Thought Leaders Council and Inside Track: SME Network events, member surveys and other engagement, we develop a comprehensive understanding of the priorities of Cork's business community, informing our pre-budget submission.

In addition, our quarterly Economic Trends surveys help us to measure and evaluate business sentiment and member concerns as they evolve. In the Q2 2025 survey, we asked members about their priorities as Budget 2026 approaches. Competitiveness emerged as the top priority for members, including infrastructure investment, supports for SMEs and innovation, cost of business measures and tax reforms.

94% of respondents stated that they do not believe Cork is currently receiving sufficient funding to support the considerable increase in the region's population predicted in the coming decades.

Top budget priorities for members

1. Business competitiveness measures

2. Housing

3. Cost of living measures

Competitiveness

While the critical need to invest in our state's physical infrastructure is well documented, it is equally imperative that we invest in our fiscal infrastructure.

This is vital to ensure Ireland is well placed to seize the opportunities which present themselves in the current climate. This requires brave, smart choices, not simply prudence.

When assessing Budget 2026 measures, it is important that the costing of tax expenditure measures takes into account the broader impact on the economy, not merely tax foregone, and therefore should consider broader factors as part of a dynamic modelling approach.

Administrative burden

The positive impact of innovative measures to support the economy is diluted where the attendant administrative burdens are overly onerous, resulting in low uptake and impact. It is critical that the cost of doing business in Ireland is minimised and that the administrative burden on businesses is low.

The scale of burden should be commensurate with the scale of the business. Therefore, greater simplification should be afforded to smaller businesses recognising the outsized impact administrative burdens have on them given their reduced scale. This would also serve to encourage the establishment of more domestic businesses, helping to broaden and deepen the breadth of scaling domestic enterprises, and acting as a counterbalance to dependencies on concentrated Foreign Direct Investment (FDI). While this will take time to grow and have effect, the required focus and fiscal mindset shift is best started sooner rather than later.

Some recent examples of this increased burden on businesses include:

- Enhanced Reporting Requirements, specifically the requirement to be filed in real time.
- The Irish corporation tax return, which has had 43 pages added to it over the last 12 years; this same form applies irrespective of the size of taxpayer.
- The recent cessation of the VAT Fixed Direct Debit Scheme, unduly requiring small businesses to now file six bi-monthly VAT returns (instead of the previous single annual VAT return filing).
- Impending auto-enrolment and increase in minimum wage.

In this submission, we have set out a number of specific measures requiring improvement.

Additionally, we strongly recommend that a dedicated Office of Tax Simplification should be established to assist the Department of Finance with this process, which would work in consultation with wider stakeholders. Given the pace of change in the tax landscape over recent years, Ireland's tax code has seen much added complexity. Ireland must take steps to ensure it maintains its attractiveness as a location of choice for businesses.

The Corporate Sustainability Reporting Directive (CSRD) is a key step toward greater sustainability transparency. However, implementation must reflect the capacity constraints of SMEs. The EU Omnibus Package's phased approach is welcome, easing pressure and supporting competitiveness by aligning regulation with business realities. To support SME contribution, further steps are needed, including clear guidance, ESG training and proportionate timelines. With practical assistance, SMEs can play a central role in advancing sustainability goals while continuing to grow, innovate and compete in a challenging economic environment.

Improve the competitiveness of Ireland's personal tax regime

A competitive personal tax regime is vital for entrepreneurs, unincorporated businesses and mobile talent in a globalised modern economy. It is also necessary to support corporate businesses when considering locating talent and high value-adding business activities in Ireland. The following measures would support this aim:

- Lessening the cost and burden of our progressive tax system and high marginal income tax rate, by increasing the point at which individuals pay the top rate of tax, eliminating the 3% USC surcharge for self-employed individuals and capping the amount of income subject to PRSI.
- Automatic indexation of personal tax allowances, credits, standard rate cut-off bands, USC bands and PRSI should be introduced.
- Simplify the taxation of share-based remuneration.
- Enhance and extend the Special Assignee Relief Programme (SARP), including making it available to domestic businesses.
- Extend the Foreign Earnings Deduction (FED) beyond the end of 2025.
- Enhance the tax relief for personal pension provision, including taking a whole-of-life approach to tax relief within the fiscal protection of the Standard Fund Threshold for overall tax relief.
- With a rate of 33%, Ireland's Capital Gains Tax (CGT) ranks as one of the highest in the EU. This rate acts as a deterrent to the execution of capital transactions, subsequently impacting the revenue generated for the exchequer through CGT. We propose a reduction of the CGT rate to 20%, which would stimulate a substantial increase in revenue. Additionally, this reduced rate would ease the process of business ownership transition by mitigating the risk of incurring substantial and unsustainable capital taxes. It would also encourage investors in SMEs.
- Additionally, indexation should be re-instated for the computation of CGT gains to ensure only the gain in real terms is subject to taxation.
- Simplify the overly complex taxation regime applicable to investors in investment funds, supporting increased diversification for Irish investors as set out in the Funds Sector 2030 Review.[1] Ireland should further encourage investment in Irish businesses, by providing for an Irish-style Individual Savings Account (ISA), similar to the targeted ISA regime the UK has operated for several years.
- Amend the Enhanced Reporting Requirements to a monthly reporting in line with existing payroll reporting. The current requirement to make a reporting "on or before" the provision of a reportable benefit places an undue administrative burden on employers, particularly SMEs.

1. Less than 5% of Irish household's financial assets are held in investment funds, debt securities and listed shares. This is compared to Italy (33%), Spain (29%), and Germany (21%) - EFAMA report

Share schemes

Share schemes are crucial for SMEs, serving as an effective tool for incentivising, retaining and recruiting staff, thereby enhancing productivity. To compete on a global scale, SMEs require a variety of share plans.

While the Key Employee Engagement Programme (KEEP) has witnessed some increased adoption recently, it needs greater enhancement and simplification for wider appeal. Given the relief is due to expire at the end of 2025, now would be an opportune time to take a fresh look at an appropriate and fit-for-purpose share scheme for indigenous, non-listed businesses which takes on board the learnings of recent years, along with the recent consultation on share-based remuneration.

While such a new regime is being designed and approved, we suggest the following amendments to KEEP:

- Extend the relief beyond the current sunset of 31 December 2025 to the end of 2030.
- It is crucial that the scheme is simplified as the overall complexity of administrative burden and filing requirements is overly time-consuming and leads to low uptake.
- The scheme should facilitate uptake by various structures of trading groups that have grown organically. This would eliminate the need for restructuring in order to avail of KEEP. The emphasis should be on the group's overall trading activity. There should be explicit guidelines on the preparation and validity of valuations. If a valuation is unintentionally incorrect, the relief should not be forfeited. Instead, income tax could be levied on the undervalued amount at the time of the final share sale.
- Provide for the disposal of KEEP shares to qualify for the Revised Entrepreneur Relief.
- The provisions should be revised to allow a KEEP option to be 'rolled' during a company reorganisation.
- Increase the annual limits from the current €300,000 and introduce share harbour provisions for the valuation of KEEP shares.
- Currently, a KEEP1 form must be submitted by an employer company by 31 March of the year following the year in which share options were either granted, exercised, transferred or released. If this deadline is missed, it appears that the company becomes entirely ineligible for the KEEP scheme. This position seems unduly punitive and as an alternative to this, we propose introducing a fixed automatic penalty system. This would impose a financial or administrative penalty on the company for late filing, without disqualifying the scheme entirely. This approach would ensure that employees are not unfairly penalised for administrative oversights beyond their control.

Non-KEEP share plans

For non-KEEP share plans, we recommend the following measures:

- An income tax/USC/PRSI charge arises when free shares are awarded to an employee. Postponing this charge until a liquidity event would assist SMEs with cashflow issues.
- Lower the Benefit-in-Kind (BIK) on preferential loans for share purchases to a commercial rate. Employers could consider this as a funding mechanism. The current 13.5% rate is not competitive on an international scale (for example, when compared to 3.75% in the UK for the 2025/26 tax year).
- We advocate for the introduction of Employee Ownership Trusts (EOTs) in Ireland, offering an alternative exit strategy for retiring SME owners and supporting the retention of businesses and jobs, especially in rural communities.

Interest deductibility

The existing domestic tax rules, coupled with numerous anti-avoidance measures, have rendered Ireland's interest deductibility regime one of the most complex internationally. The recent addition of EU corporate interest deductibility rules has further exacerbated this complexity. Consequently, businesses find these rules overly restrictive and exceedingly complicated.

We commend the commitment to engage with stakeholders on Ireland's interest deductibility rules as part of the recent consultation on the Tax Treatment of Interest in Ireland. In light of the mounting challenges businesses face and intensified global competition, we underscore the urgency of progressing from review to legislative reform to streamline and simplify these rules.

Debt funding is a fundamental component of investment decisions and a critical driver of growth. If relief for interest is not available, investment will go elsewhere. Having a clear, concise and cogent regime for the tax treatment of interest is vital for inward investment decision-making, as well as supporting domestic enterprises seeking to finance growth and scaling up. Removing redundancy and cutting complexity in our tax system is critically important in this regard.

Research & Development tax credit

The ongoing uncertainties in the international tax landscape underscore the need for Ireland to ensure that the other parts of its value offerings, such as the R&D tax credit, are enhanced to ensure that they are best in class.

This would encourage global businesses to establish substantial operations here with a highly skilled workforce. In turn, this would create a knowledge spillover to both Irish third level institutions and indigenous businesses, and should also create a positive feedback loop when seeking to attract further operations here.

The R&D tax credit can provide an important support to start-ups and growing companies, but at present the administrative and technical requirements in relation to the credit are too onerous to make it worthwhile for many such businesses. For many companies, the costs of having a claim disallowed on administrative or technical grounds outweighs any benefit. Such costs can include potential interest, cost of professional advice or resources required to deal with Revenue queries, for example. Revenue's recent issuance of a guide drawing attention to common errors in making claims is welcome, but the requirement to issue such guidance simply highlights the complexity of the reporting process in the first place.

The tight deadline to make a claim (a claim must be submitted within 12 months of the end of the accounting period and cannot be increased afterwards even where a valid initial claim has been made) increases the difficulty of making claims for companies that do not have significant internal resources that can be dedicated to managing the process.

We suggest a simplification of the reporting process as well as a pre-approval process for smaller companies which would allow companies to budget for R&D costs and credits with confidence. In addition, we suggest an extension of the deadline to make a claim to 24 months from the end of the relevant accounting period.

There are a number of steps which should be taken to achieve this goal:

- Improve the R&D tax credit by increasing the rate of relief to 35%, and to 50% in the case of green technologies.
- Expand the range of qualifying fields to take account of artificial intelligence, blockchain and other emerging areas.
- Introduce a tax incentive to encourage recruitment of top researchers from abroad.
- Allow greater flexibility in respect of capital allowance claims.
- Restructure the Knowledge Development Box (KDB) as a refundable tax credit to be compatible with BEPS Pillar Two.
- In line with the European Chips Act, increase support for businesses in the semiconductor industry.

For more details on this section, please see Cork Chamber's detailed submission to the Public Consultation on the R&D Tax Credit and on Options to Support Innovation from May 2025.[2]

Retirement relief

As noted by the Commission on Taxation and Welfare report,[3] Retirement Relief helps maintain the viability of businesses and farms, which is vital if Ireland is to meet its stated objective of growing the domestic enterprise base as a counterbalance to the FDI sector.

The recent amendments to Retirement Relief require changes to address the unintended negative consequences and make the scheme fit-for-purpose:

- Introduce tapering of the clawback for disposals between years six and 12 given the long retention period of 12 years.
- Allow for subsequent intergenerational transfers during the retention period without triggering a clawback on the initial transfer.
- Amend the CAT/CGT offset provisions where there is a clawback of deferred CGT outside the normal four-year time limits for making tax refund claims.

Angel relief

The introduction and commencement of the new Capital Gains Tax (CGT) relief for investment in innovative businesses is broadly welcomed. However, the rules as currently drafted are overly complex and difficult to comprehend, with many investors deterred by the level of complexity and penalties for mistakes. Additionally, many of the conditions are not aligned with the commercial reality for many start-ups and SMEs, for example:

- The qualifying subsidiary requirement (i.e. 51%) means joint ventures would be disqualified from relief.
- A qualifying subsidiary should also include a subsidiary resident in a tax treaty jurisdiction (not just Ireland, but the UK and EEA states).

2. Cork Chamber Research & Development Tax Credit and Options to Support Innovation Public Consultation Response
3. Report of the Commission on Taxation and Welfare

The connected party rules should be amended to allow an individual that already holds an interest in the company, e.g. a loan, to qualify. Given the goal of the relief is to encourage investment in start-ups, the onerous connected party rules act as a barrier to further investment by such individuals. Remove the wholly test that applies to holding companies, as it disqualifies a holding company in receipt of interest income where monies are placed on deposit for a short period prior to use in the business.

- The definition of 'initial risk finance investment' should be amended to ensure that a company is not disqualified where the first issue of eligible shares is on incorporation of the company.
- The current structure excludes angel syndicates investing through nominee arrangements, an established and widely-used mechanism that enables coordinated investment, streamlined cap tables, and better access to follow-on funding. We recommend amending the relief to allow investments made via regulated nominee structures to qualify, subject to the same conditions as qualifying partnerships. This small change would significantly enhance the practical uptake of the scheme, while maintaining appropriate safeguards.

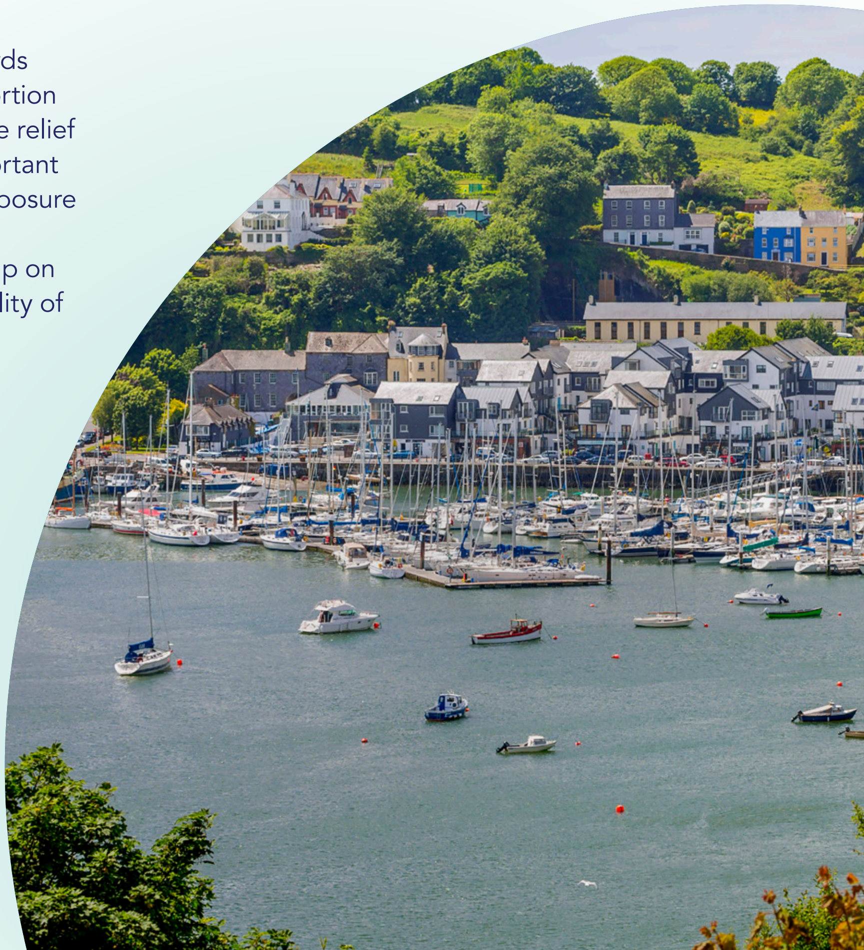
Fundamentally, the relief is targeted towards high-risk initial investments where a proportion of investments may not realise gains. While relief on upside gains is welcome, it is also important to recognise the commercial downside exposure on losses realised. Therefore, we propose removing the two times (2x) investment cap on upside gains to reflect the commercial reality of early-stage investments.

We would also propose a revision of the current legislation that would permit interest accrued on loans given to private businesses (start-ups and SMEs) by angel investor corporates to be taxed at the 12.5% corporation tax rate, rather than the existing 25% rate. This proposal also includes an exemption from the close company surcharge for such interest.

These loans would have to be allocated to eligible businesses and utilised for legitimate business purposes. We believe this measure would enhance the return on investment for 'riskier' loans, making them more attractive to angel investors. A lifetime cap, akin to the one applied to Revised Entrepreneur Relief, could be imposed on these loans.

Of particular concern in this sector is the data in the IVCA Report[4] on Q1 2025 which identified a 42% drop in <€1 million investment rounds and lesser drops in seed and sub-€3 million rounds.

In addition to the Angel Relief, the right policy framework could do much more to encourage private capital investment, from institutional and pension funds for example, to ensure the next generation of Irish companies have the capital they need to grow locally and compete globally.



4. IVCA Report Q1 2025

CGT entrepreneur relief

Government should take measures to improve CGT entrepreneur relief by:

- Applying a reduced 10% tax rate to both dividends and capital gains, thereby making it tax neutral for the entrepreneur, whether they receive a return in the form of dividend income or a capital gain, and reducing the incentive to sell high growth SMEs and start-ups early.
- Increasing the lifetime limit to €5 million (or €1 million per venture) as these proposed revisions are more in line with the level of investment that many private businesses need to develop and grow, given rising costs.
- Opening the relief to passive investors thus encouraging private investors to invest risk capital, in particular noting the substantial levels of Irish household deposits, in start-ups and in turn support the broadening of Ireland's domestic corporate base.
- Clarification on a legislative basis of the application of relief in holding company liquidation cases i.e. where the trading company has been sold and a holding company is liquidated to access the sales proceeds. The relief should apply to trading groups that may have dormant entities within their group structure.

Investment and start-up investment incentives

Steps should be taken to enhance the current investment and start-up investment incentives, including:

- Employment Investment Incentive Scheme (EIIS) – through simplifying and relaxing the conditions for relief and improving certainty for participants on qualification for the relief.
- Under the current regime, controlling founders are prohibited from having personal holding company structures in place. This creates a dilemma for personal planning for future reinvestment purposes versus the need for funding under the EIIS.

  A simple legislative amendment would eliminate this anomaly and be well-received in the market.
- Consideration should be given to further enhancing the relief towards sectors of strategic importance, such as the green transition.
- Start-Up Relief for Entrepreneurs (SURE) – Expand the relief to include previously self-employed individuals (currently limited to previously employed or unemployed persons).
- Start-Up Relief for Entrepreneurs (SURE) – Introduce an awareness campaign targeting recently unemployed individuals who are thinking about setting up their own business.

Capital Acquisitions Tax (CAT) business property relief – surplus cash

Cash should be viewed as a qualifying asset for CAT Business Property Relief in trading businesses until it is invested in non-qualifying assets. The Covid-19 pandemic highlighted the importance of cash reserves in businesses, with those lacking such reserves facing high lending costs.

Additionally, surplus cash often gets reinvested in qualifying business assets, a process that can take time, as well as acting as a strategic buffer for prudent businesses. This should not be discouraged. Current rules can dilute CAT Business Property Relief due to this surplus cash, contradicting the relief's main objective.

Harnessing AI to drive competitiveness and innovation

The EU is investing over €10 billion in AI Factories and supercomputing capacity through the EuroHPC and InvestAI initiatives,[5] with a strong focus on supporting SMEs, start-ups and research excellence. Ireland has an opportunity to secure a future AI Factory or Antenna, and Cork, with its concentration of global tech firms, leading universities and innovation assets, is strategically positioned to lead this effort. Budget 2026 should include targeted co-funding and preparatory investment to align national infrastructure and policy with EU priorities, ensuring Irish stakeholders can access and benefit from these transformative AI resources.

Investment in the establishment of a Cork AI Academy focused on training, internships and EU-level collaboration would be of great benefit, not only to the southern region but also to Ireland's broader innovation ecosystem and its position within the European AI landscape. Cork is home to many industries poised for AI transformation and also possesses the advanced education and research facilities necessary to support this rollout, with strong collaboration between leading higher education institutions and innovation centres.

This Academy would support SMEs, researchers and corporates in adopting trustworthy and impactful AI technologies, as well as addressing this high-priority skills gap. Furthermore, it could also support the implementation of the EU AI Act,[6] by offering regulatory training, governance upskilling, and a local resource hub for businesses navigating new compliance obligations.

Late payment rates

The interest rates in relation to the late payment of tax should be 3% per annum across all tax heads to aid business cash flow.

The current unfair negative arbitrage against businesses in terms of the rate of interest and the period for which interest accrues needs to be removed.

5. European Commission AI Factories
6. Department of Enterprise, Tourism and Employment EU AI Act

Housing

Housing supply in Cork remains a pressing concern for Cork Chamber members, particularly as the region's population is projected to grow considerably in the coming decades.

Housing delivery must keep pace with both current and projected future demand, which requires a step change in government policy and budgetary provisions for the sector. The Housing Commission estimated that at the time of the 2022 Census, there was a housing deficit of between 212,500 and 256,000 homes in Ireland, corresponding to a shortfall of between 24,000 and 29,000 homes in Cork.[6]

The delivery of between 7,500 and 10,000 housing units per year is needed in Cork to ensure both the availability and affordability of housing. Housing provision is critical to maintaining and enhancing the Cork region's competitive edge, supporting balanced regional growth and economic development by helping to attract talent and investment to the region.

As part of an efficient housing market, liquidity in second-hand or existing stock must also be supported. To this end, the conveyancing process needs to be modernised and improved, in particular with regards to the probate system which unduly holds up many transfers in the existing stock of housing.

While government schemes such as Croí Cónaithe and Project Tosaigh are having a direct impact in Cork and, for now, should be extended, more needs to be done to encourage private investment into the market.

Housing targets to reflect a growing population

Housing investment must reflect the needs of a growing population. Government targets should align with the Housing Commission's findings and the delivery of at least 50,000 units annually across Ireland should be targeted. At a local level, Cork needs to produce at least 7,500–10,000 units per year to keep pace with demand. Alignment is key between the priorities of local authorities, developers and providers of crucial utilities to ensure efficient delivery of units. Any obstacles to the speedy delivery of housing must be removed.

Housing and infrastructure

The non-alignment of delivery plans for residential sites with the necessary infrastructure such as electricity, water and wastewater, has been highlighted as a restricting factor to development. There must be greater alignment of prioritisation between local authorities, state and semi-state bodies, and developers.

6. Report of the Housing Commission

Raising cost-rental income limits

Increases made to the cost-rental income limits in 2024 are too modest and do not reflect couples' income in or around the average industrial wage. A further extension of the income limits for cost-rental is required to include higher incomes that reflect couples' income in or around the average industrial wage and currently do not qualify for cost-rental.

The current cost-rental model locks a large proportion of the population out of the housing market, particularly middle-income couples, because they exceed the net income limit for the schemes.

- Introduce indexation to account for inflation to ensure cost-rental remains affordable.
- Increase the investment in cost-rental in tandem with this to increase supply of units. Currently, there are only a limited number planned and the current budgeted allocation is inadequate.

Timebound tax-based measures for apartment development

Accelerated capital allowances were key to delivering high-density apartments in Cork city centre, e.g. Blackpool, that would never have been built without them.

A targeted short-term form of property relief or capital allowances for a defined period of five to 10 years would deliver a significant number of apartment units and is needed to deliver a step change in housing delivery.

Apartment viability

The unviability of apartments remains an ongoing concern that is inhibiting development from progressing beyond the planning stages, demonstrated in two Cork Chamber and CIF Southern Region reports completed by EY[8] and KPMG.[9] There are several recommendations within these reports that will increase the viability of high-density housing developments, namely:

- Reduce the rate of VAT on residential construction activity to 5% for the period to 2030.
- Provide tax depreciation of 4% per annum for apartment developments and explore accelerated capital allowances over seven years for Build to Rent (BTR) and Private Rental Sector (PRS).

Accelerated reliefs for brownfield sites

City centre brownfield sites, such as those at the Docklands in Cork, should be designated for accelerated tax reliefs over a time-limited period to unlock development. Construction levies and duties should have targeted reductions for high-density development on these sites.

CGT rollover relief should also be available to businesses when they dispose of real estate and re-invest the proceeds in replacement business property, freeing up prime land for residential and other development while enabling businesses to move to more suitable locations.

8. EY Viability and Affordability of Apartment Building in Cork City
9. KPMG Addressing the Viability and Affordability of Apartment Development in our Cities

Uisce Éireann funding

To ensure infrastructure delivery is aligned with the priorities of local authorities and developers, Uisce Éireann must receive multi-annual funding commitments from government to grow investment in water services. This will enable them to deliver large-scale capital projects efficiently and effectively.

It is crucial that Uisce Éireann has the necessary funding to support delivery of government's housing targets. The timely provision of water and wastewater services on zoned lands is essential for swift housing delivery. Sufficient funding is also required to ensure that Uisce Éireann can continue to upgrade and enhance the existing network, particularly in urban areas like Cork city where investment is required to modernise the network and ensure readiness for population growth.

Residential Zoned Land Tax

This tax should not be applied to any housebuilder that has been delayed by factors outside their control such as judicial review, infrastructure capacity constraints, the phased development of lands for residential purposes or any matter related to the planning system, be it pre-application or planning process.

Incentives for employer-developed accommodation

Introduce incentives within the business sector to develop and let properties to staff, either on a short-term or longer-term basis. For example, taxing rents received by corporate employers from their employees at 12.5% (as opposed to the current 25% rate), employers receiving additional deductions or allowances in respect of the purchase/retrofit of 'green' properties, additional tax reliefs available to employees that lease retrofitted properties from their employer (e.g. additional income tax credits, reduced or ideally full relief from Benefit-in-Kind (BIK) where less than market rent is paid to employer).

Rental income received should not be surchargeable income for the purposes of the close company surcharge. Such properties should be recognised as eligible assets for CAT Business Property Relief, if they are maintained as rental properties for employees.

Rent-a-Room relief

Increase the threshold, which has remained unchanged for over half a decade, and incentivise the uptake and awareness of this practical tax relief available to individuals who rent rooms in a qualifying residence, where income earned less than €14,000 a year, is exempt from tax. The relief should be adjusted such that the proposed increased limit would be exclusive rather than inclusive of reimbursement payments which may be made to the owner by licensees for utility bills etc.

Modern Methods of Construction (MMC)

Modern Methods of Construction (MMC) offer clear benefits in cost, speed and sustainability, yet their adoption remains limited. Budget 2026 should prioritise dedicated supports to scale MMC, including an innovation fund, public procurement reform and binding MMC targets in state-backed housing. Investment in testing facilities and standardised design implementation will drive productivity gains and build capacity to meet Ireland's housing targets through a modern, industrialised construction approach.


PENROSE WHARF

Infrastructure

Ireland's ability to provide, maintain and enhance infrastructure is a key strand of the country's economic competitiveness. From transport and active travel infrastructure to social and cultural infrastructure, every development plays a role in driving Ireland's competitiveness and supporting investment and job creation.

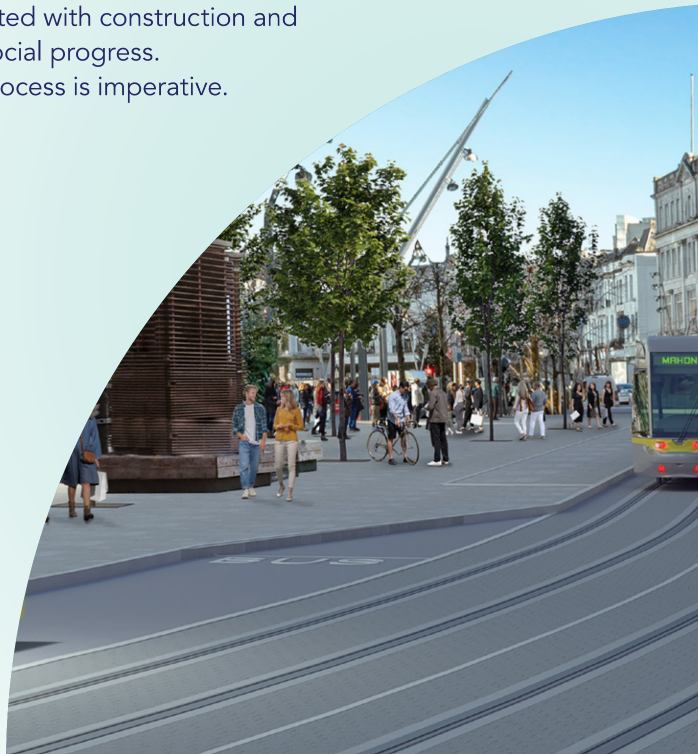
Ireland's competitiveness performance in the area of infrastructure continues to lag behind other areas, demanding decisive action and investment from government.[10] Connectivity and accessibility are crucial for sustainable, regional economic development. Supporting Cork's development as the key economic enabler in the south of Ireland requires investment in transport infrastructure, regionally, nationally and internationally. Connectivity with Limerick is crucial in this regard, as is the development of a more integrated all-island economy, with provision for air travel from Cork to Belfast.

Cork's population is projected to grow considerably in the decades to come and investment in the supporting infrastructure to enable this population growth across the city region is critical. Roads in the region such as the M20, the M28, the N25, the Cork Northern Distributor Multi-modal Route and the Great Island Connectivity Scheme will help to support both residential and industrial development, complementing the many developments underway in the region's public transport network.

Cork currently has a once-in-a-generation opportunity to integrate economic growth and environmental responsibility, with key public transport projects like Luas Cork in the pipeline, alongside upgrades to suburban commuter rail and the implementation of BusConnects, as well as the development of multi-modal, active travel infrastructure around the city.

Social infrastructure, including health, cultural and community amenities, plays an important role in building communities and sufficient funding for these sectors should be prioritised to promote social cohesion and improved quality of life for all, particularly as Cork's population grows.

The government must consider the increased cost of delaying decisions on necessary infrastructure projects. Procrastination not only inflates the expenses associated with construction and development, but also hampers the country's economic and social progress.
Thus, accelerating the decision-making and implementation process is imperative.



10. Ireland's Competitiveness Challenge 2025

Acceleration of the public spending approval for infrastructure

The urgency of infrastructure delivery across energy, transport and housing is being unnecessarily delayed by approved projects getting stuck in the extended review and elongated approval processes. This process should be streamlined and shortened as it is a key barrier to Ireland meeting its targets across housing, transport and energy to support economic growth. At a minimum, the process should be shortened with set deadlines for completion to provide certainty for project delivery.

Luas Cork

Building on the recent publication of an Emerging Preferred Route and the completion of a public consultation, progress towards the delivery of Luas Cork should continue to be prioritised by government. It is vital that funding commitments are made to support the project's delivery and avoid unnecessary delays in the process. With Cork's population expected to grow considerably in the coming decades, the business case for Luas Cork is clear. The project will also support Cork's efforts in fulfilling the ambitions of the EU Climate-Neutral and Smart Cities Mission.

Enhance intercity rail services

Only when travelling by train becomes a realistic alternative to the car will rail become the prevalent mode of transport in the mind of the consumer. The All-Island Strategic Rail Review recommended accelerated delivery of a more direct service between Cork and Limerick, as well as consideration of a cross-Dublin solution to support longer-distance travel, such as that between Cork and Belfast. High-speed, seamless connections between Cork and Belfast would play an important role in reducing travel times between two of the island's largest cities, fostering economic links between regions across the island.

Cork Chamber collaborates with partners in Dublin Chamber and Northern Ireland Chamber through the Tri-Region Partnership to progress key priorities that will shape the future of the island's economy. Connectivity has a key role to play in supporting the development of an all-island approach to economic development.

Investment in Cork Airport

Cork Airport is a key economic enabler, supporting over 12,000 jobs and over €1 billion in economic impact. It is essential that targeted investment in critical enabling infrastructure for the airport is secured through Budget 2026, including road access improvements, sustainable transport connections, and energy/digital infrastructure upgrades. These projects are vital to supporting Cork's role as Ireland's second city and enhancing regional connectivity, economic resilience and climate-aligned growth.

Prioritise strategic infrastructure investment

Government must continue to prioritise investments in our strategic infrastructure, supporting Ireland's ongoing economic competitiveness. Vital projects of strategic importance from a national perspective include critical roads, multimodal connectivity, active travel and greenways, alongside continued investments in public transport infrastructure, as well as social, cultural, community and health infrastructure.

Budget 2026 must ensure that provision is made to finance the progression of the following critical projects for the Cork region:

- Cork Area Commuter Rail Programme
- Luas Cork
- Intercity rail upgrades
- BusConnects Cork
- M/N28 Cork to Ringaskiddy Road
- M/N20 Cork to Limerick Road
- N25 Cork to Youghal Upgrade
- Great Island Connectivity Scheme, including R624 (Belvelly Bridge)
- Northern Distributor Multi-modal Route
- Cork City Northern Transport Project
- Lower Lee (Cork City) Flood Relief Scheme
- Cork City Docklands Regeneration
- R630 strategic road to Aghada/Whitegate energy hub
- N72 Mallow Relief Road
- N71 Innishannon Bypass, Bandon Relief Road, Clonakilty Bypass, Bantry Relief Road

Taxsaver scheme

Full exemption from all income tax benefits in relation to the provision of certain public transport benefits to employees should be introduced (such as the Taxsaver Commuter Ticket Scheme). This has the dual benefit of allowing businesses to support employees with increased costs associated with commuting without increasing wages and encourages greater use of public transport.

Additionally, the permitted reduced rate of VAT on bicycles and electric bicycles should be applied to encourage a broader use of alternative modes of sustainable travel.

Alternative fuels infrastructure

Businesses with ambitions to electrify their fleet of vehicles require significant infrastructure changes at their premises, with the installation of vehicle charging points capable of powering the fleet. Lack of national grid network capacity presents significant challenges as part of these rollouts. Upgrading the existing grid infrastructure to accommodate alternative fuels, scaling biomethane production and associated infrastructure of anaerobic digesters, and providing incentives to early adopters will help to accelerate the transition to sustainable technologies

Electric vehicles (EVs)

To stimulate the second-hand EV market, introduce tax incentives and extend grants to buyers. High costs hinder many potential buyers, slowing progress towards our target of 845,000 private and 95,000 commercial EVs by 2030. Grants can improve affordability and support battery replacements, making second-hand EVs a more attractive green choice.

The Benefit-in-Kind reliefs should be enhanced and extended to encourage greater uptake of sustainable travel modes. Any tapering of reliefs at this stage is premature while the adoption of EVs continues to bed in and risks reversing the progress made to date.

The transition of Ireland's existing transport fleet to EVs could be further incentivised by offering a partial income tax credit for EV charging costs.

The delivery of local EV charging infrastructure by local authorities to help reduce transport emissions must be prioritised.

Social and community infrastructure

Infrastructure that supports community development, place-making and overall quality of life offering is a vital strand to competitiveness, helping to attract investment and talent to a region.

Alongside sustained investment in transport and connectivity infrastructure, Budget 2026 must make provision for the funding of critical pieces of social, cultural, educational, community and health infrastructure, including the following:

- New school buildings
- Refurbishments and expansions of existing school buildings
- Cork Events Centre
- Cork Elective Hospital
- Research infrastructure (similar to the previous Programme for Research in Third Level Institutions)
- UCC, including projects such as the dental school project, Tyndall North, Cork University Business School, Kane Building refurbishment, Boole House refurbishment, Granary Theatre redevelopment, and outdoor sports developments.
- Cork ETB Bishopstown campus
- Enhanced funding for islands and Gaeltacht areas

Planning

While steps have been taken to address issues identified in the planning system, including the introduction of the Planning and Development Act and the establishment of An Coimisiún Pleanála, further funding and support for authorities should be provided to improve outcomes and reduce the length of time it takes to go from concept to design.

Planning authorities must be fully resourced at local and national level to ensure that applications are dealt with in a timely manner. An Coimisiún Pleanála must also be fully staffed and resourced to respond to appeals within statutory timelines. It is essential that the Planning and Development Act is implemented fully to accelerate timelines for decision-making through actions such as the streamlining of regulations regarding judicial reviews. A triage system should be employed when projects enter the planning system whereby strategic infrastructure applications are accelerated and prioritised for processing to speed up delivery.

Supports for the further and higher education sector to provide initial training for planners and support further upskilling in the planning sector should also be prioritised.

Education, Skills and Talent

Addressing skills gaps and supporting the existing workforce is crucial to maintaining and attracting FDI in Ireland, as well as supporting domestic enterprises to scale and thrive here. As a critical strand of Ireland's economic competitiveness, it is vital that government takes steps to support the development of talent, through robust further and higher education funding, as well as upskilling and reskilling opportunities.

Steps must be taken to bridge the well-identified funding gap that exists in the higher education sector, as well as to support Education and Training Boards in the provision of apprenticeships and other training opportunities. Supportive infrastructure and policies, such as in the area of student accommodation, are equally important to ensure the affordability and accessibility of further education and training.

In addition, supports for the existing workforce must be prioritised to ensure that Ireland retains critical talent and can continue to sustain a wide variety of sectors. Enhanced supports for services such as childcare are crucial in this regard, as are policies regarding visas for those working in Ireland.

Apprenticeships

It is important to recognise that people benefit from different paths to employment and not every profession or person is the best fit for traditional higher and further education. We must make alternative paths, such as apprenticeships, more viable and attractive for prospective employees and businesses alike. Therefore, there must be increased funding to expand, research and market apprenticeship programmes across targeted industries and sectors, with a specific focus on STEM.

Technological Universities: borrowing framework and professorships

Technological Universities (TUs) require access to a government-approved borrowing framework to deliver capital projects including student accommodation, teaching spaces and research facilities. Current restrictions place TUs at a disadvantage and limit their ability to meet regional demand. Enabling borrowing, under appropriate financial oversight, will unlock vital investment and support the sustainability and impact of the TU sector.

Introducing a professorial grade within TUs is essential to attract and retain academic leadership. Without it, TUs face continued challenges in building research capacity, securing talent, and competing internationally. A professorial pathway will support institutional growth, enhance research supervision, and strengthen the role of TUs in regional and national development.

Higher education funding

The higher education sector needs a total investment of €377.8 million in Budget 2026. This includes prioritising €120 million for research infrastructure and talent development, €212.8 million in core funding to cover 2026 pay awards, inflation, and growing student numbers, and €45 million to help close a €307 million structural funding gap. Higher and further education is crucial to Ireland's competitiveness. It is essential that the government properly funds the sector and that there is increased investment in further and higher education for capital projects and an ongoing funding pot to ensure talent and skills pipelines in Cork.

The surplus in the National Training Fund (NTF) continues to grow. It is now between €1.5 and €2 billion. This is money levied on employers that is explicitly earmarked to support skills development and training for the workforce. The surplus in the NTF has grown in tandem with a widening skills shortage in both the public and private sectors. While we acknowledge that the Minister for Further and Higher Education, Research, Innovation and Science has obtained government approval to prepare a General Scheme of a Bill to amend the NTF Act, this process must be accelerated to unlock spending for skills development from the growing NTF surplus in line with other initiatives, such as increased funding for Skillnet Ireland.

Investing in ETBs to drive regional and economic growth

Education and Training Boards (ETBs) are central to delivering the skills needed for regional development. Continued investment in apprenticeships, micro-credentials and digital training, particularly in sectors like life sciences, ICT, the green economy and construction, is essential. Capital funding for modern, sustainable campuses will improve access across city and county regions.

Tackling youth unemployment requires enhanced guidance, youth services, and smoother transitions from school to further education. Increased support for community education, adult literacy and wraparound measures, such as transport and childcare, will boost participation.

Strengthened employer-ETB collaboration can expand work-based learning, while targeted supports for marginalised learners will improve inclusion. Investment in green skills, AI and the digital transformation will futureproof both learners and the workforce. These priorities position ETBs as key enablers of inclusive, skills-led growth.

Student housing

The availability of student housing remains a pressing concern. The capacity of higher education institutions to build and manage their own Purpose-Built Student Accommodation (PBSA) should be increased in Budget 2026 to alleviate these pressures.

Critical skills visa

The base pay requirement for critical skills visas with a degree could rise to €44,000 from the current threshold of €38,000, which was set in January 2024. This would be an extraordinary increase from the 2023 threshold of €32,000 and will severely impact the ability of certain businesses to fill the graduate roles they are already struggling to recruit for in a very challenging labour market. The potential consequences of such a significant threshold increase are concerning.

This proposed continuous rise in salary requirements could inadvertently deter companies from recruiting graduates from overseas to address skill shortages. This scenario may result in a significant challenge for consultancies and other businesses seeking to bridge skill gaps from outside the European Economic Area (EEA). Such a measure may price certain employers out of the market and hinder their ability to access essential talent pools.

We urge careful consideration of the new roadmap for increasing salary thresholds within the employment permit system and urge the government to keep the current salary threshold for Employment Permits for Critical Skills with a degree.

Schengen area visa restrictions

Ireland is at a disadvantage when seeking employees from countries outside of the Schengen area to fill roles in areas where there are skills shortages. Ireland is not in the Schengen area, one of only two EU countries who have opted not to join because we are in a separate Common Travel Area with the UK.

This means that non-EEA citizens living in Ireland need a Schengen visa to travel to the Schengen area, even if they have a valid Irish Residence Permit (IRP). Conversely, non-EU nationals living in the Schengen countries or visiting the EU as tourists, exchange students or for business purposes can travel through Schengen countries without going through border controls. This issue needs to be resolved as a matter of urgency to ensure that Irish-based companies are on a level playing field when attracting international talent.

Childcare provision

The need for high-quality, accessible and affordable childcare services in Ireland is evident. Cork Chamber's members have expressed concerns about the lack of options, the high cost of childcare and the impact these issues have on their employees' ability to work effectively, in particular women in the workforce.

The shortcomings in the childcare sector in Ireland have been well-documented. The lack of affordable options, long waiting lists and inconsistent quality of care have created a significant barrier for working parents. This situation is exacerbated by the current economic climate, where the cost of living continues to rise, making it increasingly difficult for families to afford childcare. The following proposals aim to address these issues.

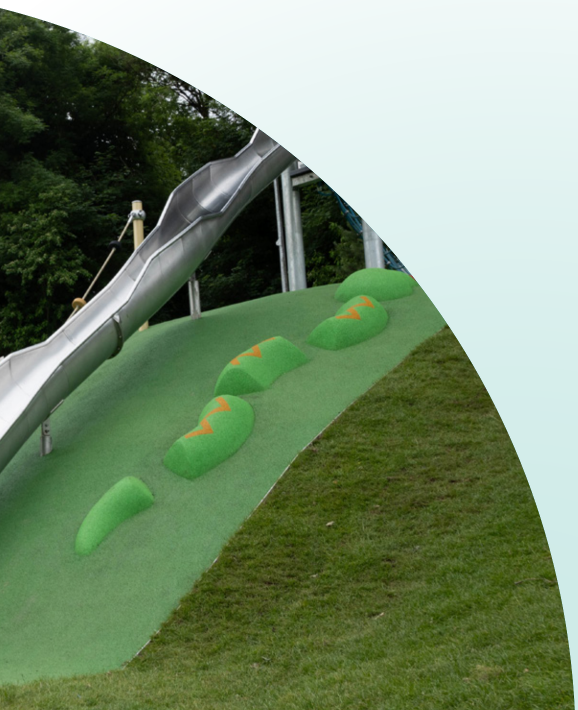
Promoting parental leave equality

Conduct a thorough review of parental leave supports, including maternity, paternity and parental leave, to identify obstacles to uptake and barriers to achieving greater parenting equality. This review will provide valuable insights into the challenges faced by parents and inform the development of more inclusive and flexible parental leave policies. Simplifying parental leave options can empower more families to decide how to allocate various leave options between parents. Providing flexible and simplified parental leave options would promote greater parenting equality and support parents in balancing their work and family responsibilities.

Enhancing access to and investment in early learning and childcare

Build upon the increased investment made last year in early learning and care and school- age childcare by providing sustained support for childcare services, early education infrastructure and schools.

This support should extend to the establishment of breakfast clubs and after-school childcare programmes across all regions, enabling working parents to access quality care for their children. By investing in the necessary infrastructure and expanding childcare services, we can better support working parents and ensure that children have access to high-quality early learning and care facilities.



Commit to continued investment in the Early Childhood Care and Education (ECCE) programme. The ECCE plays a vital role in providing accessible and affordable early education for all children. By allocating resources to the ECCE programme, we enable children to benefit from quality early education experiences, promoting their holistic development and preparing them for future learning success.

Mentoring programmes

Expand mentoring programmes like ‘Better Start’ that focus on improving the quality of childcare and early childhood education. These mentoring initiatives provide valuable support to childcare providers, fostering continuous improvement and ensuring that children receive the best possible care and educational experiences. By investing in mentoring programmes, we can enhance the quality and standards of early childhood education, setting a solid foundation for children’s development.

Renewable Energy and Sustainability

Ireland has immense potential to support a thriving offshore renewable energy industry and Cork has the capacity to become the first of the national hubs for the sector. Enhancing Ireland's energy efficiency and energy security is a key strand of our competitiveness and must be prioritised by government.

Cork is uniquely positioned to become a leading hub for offshore renewables thanks to its existing infrastructure, strategic location and the presence of major energy stakeholders across the region. Growing offshore renewables capacity in Cork will help to secure future social and economic benefits for Ireland as a whole, but this can only be achieved through investment in enabling infrastructure and policies.

Ireland has ambitious climate goals to reach in the coming decades. Without decisive action and sufficient investment in the next decade, these crucial targets could be missed, putting Ireland's economic future at risk, as well as the country's sustainable energy future.

Input from members of the Cork Offshore Renewable Industry Forum (CORIF) forms the basis of Cork Chamber's recommendations ahead of Budget 2026.

Investment in ports

The Port of Cork has undertaken a significant expansion plan to prepare for offshore renewable energy, with a new deepwater berth in Ringaskiddy set to be ready for use in October 2025, representing Ireland's first dedicated quay facility for the sector. As the only port nearing readiness for offshore renewables, the strategic importance of the Port of Cork from a national perspective is clear.

Continued port investment is crucial to delivering on Ireland's renewable energy targets and to realising the benefits and spin-off job creation from the development of our abundant offshore wind resources. While CORE1 - the first deepwater berth to support the sector - is almost complete, ongoing investment will ensure that the Port of Cork can continue to expand and upgrade its facilities in order to meet the offshore renewables targets set out in 'Powering Prosperity - Ireland's Offshore Wind Industrial Strategy' to 2030, 2040 and beyond, alongside the port's existing operations.

Budget 2026 also provides an opportunity to address a number of additional barriers currently inhibiting development and growth at the Port of Cork. The following are key areas where Budget 2026 can make a meaningful impact:

- A financial incentivisation mechanism is needed to enable Seveso and other heavy industries (such as mills, warehousing, logistics, etc.) to relocate out of areas earmarked for redevelopment to new, more appropriate sites outside of urban areas. This will unlock regeneration lands such as Cork Docklands.

- Consideration of financial aids to support and de-risk the provision of port infrastructure required to enable offshore renewable energy.

Energy transport investment and interconnection

Ireland needs to implement the energy transport investment plans already in place and unlock investment to substantially upgrade our electricity grid and gas network, enabling enhanced capacity, project viability and reducing dispatch down for both onshore and offshore. The realisation of these plans will create a network fit for the needs of the 21st century, supporting increased energy demand and greater energy security, vital for continued economic development.

Reinforcing and building out Ireland's electricity grid is a national priority as we strive to support a growing supply from renewables and meet increasing electricity demand. Currently, the grid lacks sufficient capacity to harness the full potential of renewable sources and is unable to support increased demand. Projects in EirGrid's 'Shaping our Electricity Future' must be delivered to support this demand and achieve a zero-carbon electricity system.

Ireland must also be prepared to connect its future electricity grid with Europe and the suitability of such connection with an energy hub on the south coast at Cork presents obvious synergies.

The national gas network and renewable gases are crucial for meeting Ireland's climate objectives, ensuring energy security, and protecting economic growth and foreign investment. Support is needed for strategic undertakings like energy storage facilities that enhance supply security and align with decarbonisation commitments.

Ireland's existing €2.8 billion gas network can support the achievement of climate targets by transporting green hydrogen and forming the basis of a national hydrogen network. By using the existing gas interconnectors to Scotland, Ireland can connect to the European hydrogen network, providing export opportunities. Clarity around the implementation of the National Hydrogen Strategy and other related policies, as well as supports for network operators and other stakeholders, is critical.

Biomethane delivery

Government must urgently expedite the implementation of the Renewable Heat Obligation (RHO) and commit to long-term, stable funding for the biomethane sector. The current delay in RHO commencement, now unlikely before Q2 2026, combined with uncertainty around the indigenous multiplier, is undermining investor confidence and jeopardising Ireland's ability to meet its climate targets. Without a clear and timely policy framework the sector risks stagnation.

Biomethane is a proven, carbon-neutral energy source already integrated into Ireland's gas network, and its strategic role has been recognised both nationally and at EU level. To unlock its full potential, the government must provide certainty through legislation, accelerate the RHO process, and ensure sustained funding mechanisms that support infrastructure development and market growth.

Designation of Cork as a national and international renewable energy hub

Cork Harbour and Bantry Bay are of national strategic importance for delivering our climate and energy targets. With its existing infrastructure, strategic location, and the presence of major energy stakeholders and education and research institutions across the region, Cork is uniquely positioned to become the first of Ireland's national hubs to support the offshore renewable energy sector. While various regions around Ireland need to be developed to deliver on these targets, Cork is best positioned at present to enable Ireland to start on this journey.

Work is progressing towards the development of the South Coast Designated Maritime Area Plan (SC-DMAP) sites, which will play a key role in enhancing Ireland's energy security and independence once complete, supporting the country's economic competitiveness in turn. Realising the potential of offshore renewables off the south coast can support the region in terms of FDI attraction and retention. It is critical that a clear route to market is established for the SC-DMAP sites, with supporting infrastructure and policies in place to encourage the colocation of energy demand and supply in Cork.

Cork's green energy park

FDI and indigenous enterprises across a range of sectors stand to benefit from greater access to renewable energy sources. In parallel to the development of the SC-DMAP sites, consideration should be given to the potential for renewable liquid fuel and green hydrogen production in Cork and to the creation of a green energy park. Such a park would provide scope for the colocation of energy supply and creation, alongside energy off-takers who can leverage the local energy supply to meet their needs. This would be particularly beneficial for energy-intensive sectors such as data and ICT.

To realise Cork's full potential as an energy hub, consideration should also be given to Cork as a location for the planned Offshore Wind Centre of Excellence to support talent and skills development in the region. Leveraging existing educational and research resources in the region to the fullest extent will also be vital, providing important opportunities for upskilling and reskilling.

In order to develop one or more green energy parks in the Cork region, it is critical that sufficient zoned lands are available in the appropriate locations. The IDA and other organisations have an important role to play in this regard and should be supported and resourced fully to carry out their remit.

Resourcing and delivery

A consistent approach with clearly defined guidelines and timelines is needed for DMAP policy to instil investor confidence into the future. Clear routes to market for the remaining SC-DMAP sites must be identified as soon as possible, as well as offtake options, with grid and network upgrades undertaken where necessary.

At a national level, accelerating delivery of the new National DMAP for remaining sites around the coast should be prioritised to ensure that Ireland does not miss out on the immense opportunities, both in terms of climate and economics, provided by the offshore wind sector. Certainty is needed for every step of the development process to ensure that Ireland meets the important climate targets set out at national and EU levels.

In this regard, it is critical that progress continues across all aspects of renewable energy development in tandem with offshore wind developments. Consistent annual auctions must be prioritised under the 2026 RESS successor to support wind and solar. Clear, streamlined planning guidelines and procedures must be established for wind, solar and storage projects.

Resourcing of regulatory authorities

Key regulatory bodies and consenting authorities must be adequately resourced to effectively support the development of renewable energy projects. The Maritime Area Regulatory Authority (MARA) requires enhanced capability and capacity to efficiently manage applications for consenting and licensing related to renewable assets. Similarly, An Coimisiún Pleanála, the National Parks and Wildlife Service (NPWS), the Commission for Regulation of Utilities (CRU), EirGrid and ESB all need significant additional resources to facilitate the decarbonisation of our society.

Capital acquisitions tax on solar

Capital Acquisitions Tax (CAT) on utility-scale solar projects poses a significant barrier for farmers and landholders. Addressing this issue could promote the development of more solar farms. A key component of Ireland's decarbonisation strategy is the government's goal to achieve 8 GW of solar energy by 2030. This ambitious plan will necessitate around 25,000 acres dedicated to solar farms over the next decade, making the cooperation of farmers across the country essential. When developing renewable energy projects, developers typically lease land from landowners. Current CAT regulations allow beneficiaries who inherit agricultural land to receive 90% relief on the market value of the asset. At present, this is conditional on ensuring that the land used for solar panels is no more than 50% of the total landholding, which is a barrier to further solar energy development. It is crucial for the government to collaborate with all stakeholders, including the solar industry and farming bodies, to identify solutions that can eliminate this barrier.

Retrofit incentivisation

There is an increasing need for focus on the retrofit of private housing and existing commercial buildings, particularly those occupied by SMEs which often suffer from split incentives, and with moves by large multinational companies to new office buildings that meet new sustainability requirements. A clear focus and incentive package are required to retrofit and decarbonise our existing commercial building stock.

- Introduce measures to incentivise both private individuals and the private business sector to invest in green properties. Some suggested measures in this regard include additional 'green' tax reliefs in respect of Capital Gains Tax liabilities arising on the disposal of properties that have been retrofitted.
- Extend Help to Buy scheme to include 'help to insulate' second-hand homes with attention to households on the brink of living in energy poverty to support a just transition.
- Introduce a reduced rate of Stamp Duty, or indeed an exemption from Stamp Duty, where a retrofit of a second-hand property has taken place within a specified time period after the initial purchase of the property.
- Encourage a regional approach to financial retrofitting initiatives by fostering partnerships between local authorities and the financial sector, drawing inspiration from the effective strategies adopted in other regions such as in Parma.[11]
- Explore the implementation of Environmental Service Agreements, which link tax incentives to the progress made by local authorities in their endeavours to decarbonise buildings within the region.
- Create a regional taskforce focused on local retrofitting, bringing together representatives from the public, private and financial sectors to encourage cooperation among stakeholders and lead the efforts in decarbonising the built environment.

Dedicated fund for climate neutral cities

Cork and Dublin have been designated EU mission cities to 2030 under the Climate-Neutral and Smart Cities Mission, and both officially received their Mission Cities label in May 2025 following a significant process. For Cork and Dublin to achieve these climate objectives, funding is essential, and government must support both citie's ambitions.

A dedicated fund should be established by central government to fund the next five years of investment to meet that target of climate neutrality for Cork and Dublin by 2030. Currently, no such dedicated funding exists and is urgently required to meet our climate targets.

11. Financing the energy renovation of residential buildings through soft loans and third-party investment schemes

Urban Evolution and Tourism

Creating safe, welcoming and thriving public realm spaces ensures that our urban centres remain attractive to those wishing to live, work, visit or invest in Ireland. The country's urban centres have undergone significant changes in recent years, bringing both challenges and opportunities.

Maintaining and enhancing safety in our urban areas is vital to supporting Cork and Ireland's reputation as a welcoming destination for visitors, as well as supporting continued investment and talent attraction. Delivering vibrant urban centres is essential for Ireland's economic and social vitality.

Cork has evolved into a thriving, multicultural city in recent decades and it is imperative that the harmonious nature of this transformation continues into the future, supported by cohesive policies that encourage further integration.

Government must invest in our towns and cities to set a course for long-term, sustainable growth and development across regions. Investing in initiatives like above shop living can help bring life back into towns and cities, alongside the necessary social and community infrastructure, as well as hospitality. Innovative ideas and solutions will be critical going forward, supporting a sustainable, enhanced quality of life offering in Ireland's urban centres.

Garda resourcing

A greater Garda presence is needed on the streets of cities and towns. An increase in crime and anti-social behaviour is having a detrimental effect on the safety and attractiveness of urban centres, as well as harming local businesses, both directly in terms of theft and other criminal activity and indirectly in terms of reduced footfall and business traffic.

Garda visibility is a prime deterrent to anti-social behaviour. It is critical that An Garda Síochána's resources are increased in line with population growth in order to police cities such as Cork effectively, and to detect and deter crime.

A review of Garda resourcing should be undertaken to realign needs with population growth.

Vacancy and dereliction

Vibrant towns and cities rely on people living in the urban heart. Currently, throughout Cork and Ireland, there are buildings being underutilised with many remaining vacant and derelict. Therefore, vacant potential urban centre housing units, such as those over shops, should be targeted to remove impediments to converting these spaces into living quarters. Obtaining planning permission and fire certification are top barriers to repurposing these buildings. Innovative options to develop these units without compromising safety need to be explored. Bringing residents back into the urban centre is a vital cog in growing vibrant, safe and liveable towns and cities.

The new Cork City Taskforce could be charged with exploring solutions to current barriers that prevent the conversion of vacant and derelict buildings into housing units in urban centres.

Reinstate 9% VAT on food-related hospitality services

Cafés and restaurants are often at the heart of villages and towns across the country, bringing life to these urban centres. Given the severe impact on food-related hospitality businesses, many of which are facing enormous financial pressures, it is crucial to reinstate the 9% VAT rate as soon as possible.

Increased funding for tourism bodies

Many towns and villages around Ireland are very reliant on our ability to attract visitors from abroad to Ireland. Tourism agencies already successfully promote Ireland as a holiday destination, both at home and abroad. To boost promotion efforts in key international markets the government must ensure that Tourism Ireland is properly resourced to help attract more tourists to Ireland.

Green initiatives

Funding and incentives should be provided to hotels to invest in sustainable practices, such as energy efficiency upgrades and waste reduction programmes.

Skills development and talent attraction

Investment in training and upskilling programmes to address labour shortages and enhance service quality in the hospitality industry should be prioritised.

Due to the low unemployment rate and labour shift from the hospitality industry in recent years, the sector is having trouble attracting and retaining high quality staff members. Therefore, managers for the hospitality sector should be included on the critical skills list to alleviate staffing pressure on the industry.

Improvement of tourism infrastructure

Investment in transportation and tourism infrastructure to enhance the visitor experience and improve accessibility to various destinations is crucial.

Reduction of red tape

Streamlining of regulations to reduce the administrative burden on hotels and other tourism-related operators should be prioritised, in order to make doing business easier.

Support for regional tourism

Initiatives aimed at promoting tourism in less-visited regions to ensure balanced economic development across the country are vital.

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