



Cork
Chamber
Advancing business together

BUDGET SUBMISSION 2027

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FOREWORD

The global economic outlook continues to evolve rapidly, bringing uncertainty and, in some cases, disruption, at a national level. However, Ireland's economic fundamentals remain strong. Budget 2027 presents an important opportunity to safeguard economic competitiveness and lay the foundations for business and communities to grow and thrive.

Security, sustainability, digitalisation and the pace of delivery are the guiding principles through which Cork Chamber's pre-budget submission is framed. Prioritising these key principles across all policy areas will ensure that the Irish economy remains competitive and attractive for both talent and investment in the years to come.

Cork is Ireland's second city and a region where all stakeholders share a progressive and ambitious vision for the years to come, built on a sustainable economic footing, and remaining future-focused in the face of external challenges. Confidence remains high among firms operating in the region, yet we cannot become complacent about the pace of change and development in Cork.

From competitiveness to housing, from infrastructure to energy, Cork Chamber members consistently highlight the need for ongoing investment and targeted policy interventions. Cork Chamber's recommendations for Budget 2027 are grounded in continuous engagement with our 1,200 members, representing firms of all sizes operating across a broad range of sectors.

Setting out actionable recommendations across all key policy areas, this pre-budget submission takes a holistic approach to the myriad factors influencing the Cork region's competitiveness, and ultimately its success.

Budget 2027 must take decisive action across all critical areas to strengthen the business community's capacity to be agile, dynamic and outward-looking, and establish a viable innovation ecosystem that will enable start-ups and domestic enterprises to grow and scale. Vital too is a continued focus on quality of life, on vibrant communities, and on a sustainable future for all.

On behalf of Cork Chamber, we extend sincere thanks to our members and to the Budget Committee for their valuable insight and expertise in shaping this submission.

Stephen Keohane, Budget Committee Chair

Conor Healy, Cork Chamber CEO

INTRODUCTION

Cork Chamber represents over 1,200 members together employing 130,000 people throughout the city, metropolitan area, wider county and beyond. 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 Ambassador by the Department of Climate, Energy and the Environment, following the conclusion of a successful term as SDG Champion for 2024 – 2025.

All of our policy outputs, including our pre-Budget 2027 submission, aim to work in support of:

- > Goal 5: Gender Equality,
- > Goal 8: Decent Work and Economic Growth,
- > Goal 9: Industry, Innovation and Infrastructure,
- > Goal 11: Sustainable Cities and Communities,
- > Goal 13: Climate Action.



WHAT OUR MEMBERS SAY

Cork Chamber engages consistently with members throughout the year. Our priorities ahead of Budget 2027 are grounded in our members' views and shaped by the most pressing challenges and concerns facing Cork's business community. Through individual member engagement, member surveys and events, such as the Thought Leaders Council and Inside Track: Public Affairs Update for SMEs, we are uniquely positioned to understand and represent Cork's business community.



Our quarterly Economic Trends surveys help us to measure and evaluate business sentiment and the economic outlook as it evolves. In the Q1 2026 survey, we asked members about their key priorities for Budget 2027. Business competitiveness measures, across costs, regulation and enterprise supports, emerged as the top priority for respondents in this year's budget.

95% agreed that additional government support is needed to ensure the delivery of transformative projects for Cork on time and on budget. Rising operating costs and geopolitical disruption were cited by members as the emerging challenges most likely to impact business over the next three to five years.

Top budget priorities for members

- Business competitiveness measures.
- Cost of living.
- Housing.

EXECUTIVE SUMMARY

COMPETITIVENESS

- > Prioritise a more competitive personal and business tax regime, and ensure simplification of access to grants, tax credits and other supports, particularly for SMEs.
- > Mitigate the operational and financial burden of increased administrative pressures for business.
- > Harness AI and digital supports to enhance competitiveness.
- > Target the development of a more supportive enterprise ecosystem to support start-ups and scaling indigenous enterprises.
- > Greater simplification in relation to regulation, reporting and compliance should be afforded to businesses in accordance with their size. Government should seek to streamline reporting processes and ensure compliance penalties are proportionate.

HOUSING

- > Improve development viability by eliminating key barriers and supporting accelerated delivery of much-needed housing.
- > Align infrastructural development with housing requirements.
- > Revise support schemes to consider market evolution.

TRANSPORT

- > Develop a sustainable, integrated transport network for Cork through the timely delivery of key projects, e.g. Luas Cork, BusConnects Cork and Cork Area Commuter Rail.
- > Invest in the ongoing development of the Port of Cork, Cork Airport and intercity rail services, alongside roads projects of strategic importance.

INFRASTRUCTURE

- > Implement the Accelerating Infrastructure Report in full to deliver a step change in delivery.
- > Invest in Ireland's cyber, infrastructural and energy security.
- > Invest in social, community, educational, cultural and health infrastructure in line with population growth, e.g. Cork Events Centre and the Cork Elective Hospital.

EDUCATION, TALENT & SKILLS

- > Future-proof talent pipelines of work-ready graduates and highly skilled international talent.
- > Invest in skills development and talent attraction in key emerging areas such as AI and digitalisation.
- > Support apprenticeship uptake to align with economic growth.
- > Address the remaining gap in core funding for higher education, alongside research and capital funding.
- > Deliver on the commitment to unlock the National Training Fund (NTF) to support skills development and grow flexible learning opportunities.
- > Invest in supporting infrastructure, including student accommodation and childcare provision.



ENERGY

- > Adopt a holistic approach to energy and enterprise policy, harnessing renewables development to facilitate economic growth.
- > Deliver upgrades to energy transport, storage and interconnection to enable economic and population growth, and facilitate renewables as they come onstream.
- > Accelerate delivery timelines and establish a clear route to market for key energy projects, including the South Coast Designated Maritime Area Plan (SC-DMAP), alongside onshore, solar, biomethane and hydrogen development.
- > Designate Cork a national and international renewable energy hub and locate a Green Energy Park in Cork.

URBAN EVOLUTION

- > Progress the work of the Cork City Futures Group at pace to identify and address key priority areas for the city's future development.
- > Ensure Garda resourcing keeps pace with population growth.
- > Explore innovative solutions to vacancy and dereliction, including above shop living, 'meanwhile use' and an expansion of the Living City Initiative.
- > Support resourcing and growth in the tourism and hospitality sectors.

COMPETITIVENESS

Ensuring Ireland remains a competitive and attractive location for investment requires a regulatory and tax environment that is predictable, proportionate and supportive of business growth. As global economic and trade uncertainty continues, safeguarding Ireland's economic competitiveness domestically has never been more important.

For many firms, the cumulative impact of administrative obligations, across tax, regulation, employment and compliance, and energy, legal and insurance costs, as well as tariffs, has become a material cost driver, diverting capacity away from innovation, digitalisation and expansion.

Budget 2027 should deliver a systematic programme of regulatory reform through simplification and digitalisation, strengthening Ireland's international reputation and supporting SMEs to grow and scale.

SUPPORT SMES IN ENHANCING THEIR COMPETITIVENESS

Supporting domestic SMEs to grow and thrive is essential to achieving a more competitive Irish economy. With the administrative and cost burdens on many smaller firms increasing in recent years, it is critical that steps are taken to mitigate the potential adverse impact of additional regulation and administration requirements.

- > The use of the SME Test should be expanded and applied to all new regulatory and administrative measures.
- > The introduction of targeted supports for SMEs should be prioritised, particularly for those in the services sector or not engaged in exporting. Supporting smaller firms to access digital tools, automate compliance practices and enhance productivity should be a key focus.
- > Time, costs, delivery formats and awareness of opportunities are the main barriers to accessing upskilling opportunities for SMEs¹. Expanding flexible options, increasing funding provision and ensuring regional access to upskilling should be

prioritised.

- > Improving the accessibility of existing measures and supports for SMEs is vital, including the R&D tax credit and other grant supports. Targeted communications and informational actions should also be prioritised in this regard.

Budget 2027 should take steps to further implement government's Action Plan on Competitiveness and Productivity². The Plan's aim to enhance the economic areas within the domestic sphere of influence is welcome, particularly in an increasing uncertain global economic landscape. It is critical that the 85 actions identified in the Plan are implemented swiftly, supporting firms of all sizes to enhance their productivity and compete effectively.

¹ South-West Regional Skills Forum, Barriers & Enablers to Employee Participation in Upskilling & Training in the South-West Region

² Department of Enterprise, Tourism and Employment, Action Plan on Competitiveness and Productivity

EU LEGISLATIVE TRANSPOSITION

In line with policy aims in other areas, it is crucial that simplification is prioritised in the transposition of EU directives. The practice of 'gold-plating' EU legislation as it is transposed into Irish law risks placing Irish firms at a competitive disadvantage in comparison to those based in other EU Member States.

- > The Accelerating Infrastructure Action Plan recommends adoption of a more prescriptive approach to the transposition of EU legislation, reducing ambiguities and subjectivity where possible³. As Ireland takes on the Presidency of the Council of the European Union in the second half of 2026, now is the opportune time to review Ireland's approach to the transposition of EU directive and demonstrate leadership in streamlined, effective transposition into national law.
- > Supporting businesses, particularly SMEs, to access the EU Single Market is crucial. Delivering on commitments to establish a new taskforce and Single Market Office within the Department of Enterprise, Tourism and Employment is key to reducing barriers to Single Market participation.

HARNESSING AI TO SUPPORT COMPETITIVENESS

Building on the publication of government's new National Digital and AI Strategy, *Digital Ireland – Connecting Our People, Securing our Future*, earlier this year, Budget 2027 should invest in digitalisation and AI supports across sectors. Ensuring that SMEs, in particular, have access to new digital and AI tools as they become available, as well as corresponding training and upskilling opportunities, is vital to further strengthen their competitiveness.

Budget 2027 should explore opportunities such as:

- > A standalone digitalisation tax credit, accompanied by guidance and support, to ensure SMEs can leverage appropriate funding mechanisms and training opportunities to invest in digitalisation and AI adoption.

As the EU AI Act comes into effect and the AI Office of Ireland is established to coordinate the AI Act's national implementation, it is vital that Ireland leverages its existing digital ecosystem and skills base to become a leader in European AI adoption. The International AI and Digital Summit, a flagship event of Ireland's Presidency of the

Council of the European Union, represents a key opportunity to showcase Ireland's capabilities in the sector.

Cork, with its concentration of global tech firms, leading universities and research infrastructure, is well-placed to host a new AI Academy, focused on training, internships and EU-level collaboration. Budget 2027 must include targeted investments to ensure that Cork and Ireland can benefit fully from EU initiatives in the AI sector and remain competitive in a rapidly changing global economy.

Investment in an AI Academy would also support implementation of the AI Act, providing opportunities to upskill in compliance, supporting businesses in navigating new obligations.

³ Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, Accelerating Infrastructure Report and Action Plan

IMPROVE THE COMPETITIVENESS OF IRELAND'S TAX REGIME

In the International Tax Competitiveness Index 2025, Ireland ranked 31st out of the 38 OECD Member States for tax competitiveness⁴. Improving the competitiveness of Ireland's personal and business tax regimes would support talent attraction and retention, entrepreneurship and the scaling of domestic enterprise.

A competitive personal tax regime is essential for entrepreneurs, unincorporated businesses, and mobile talent in a globalised economy. It also helps corporate businesses attract talent and locate high-value activities in Ireland. Measures to simplify the personal tax regime, without narrowing the tax base, should therefore be prioritised.

With regard to Ireland's personal tax regime, the following measures could support enhanced competitiveness and entrepreneurship:

- 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;
 - capping the amount of income subject to PRSI.
- Introduce automatic indexation of personal tax allowances, credits, standard rate cut-off bands, USC bands and PRSI.
- Simplify the taxation of share-based remuneration. Particularly for private unlisted shares, where the practical challenge arises in having to fund front-loaded cash tax liabilities where there is no ability to realise funds from the shares.
- Further enhance the Special Assignee Relief Programme (SARP), including:
 - making it available to domestic businesses;
 - reverse the recent increases in the minimum income threshold to €75,000 per annum;
 - remove the cap on the amount of income that can benefit from the relief;
 - maintain the notification deadline of 180 days but remove the curtailment of the relief's duration where a notification is made between 90 and 180 days.
- 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. The recent restrictions introduced on PRSA fundings limit choice in the market.
- Mobilise domestic private capital into productive investment, including activation of the more than €170 billion held in household deposits, through targeted, well designed investment incentives. Consideration should be given to simplification of 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 and Funds Review Implementation Plan.

- Encourage investment in Irish businesses, by providing for an Irish-style Individual Savings Account (ISA), similar to the targeted ISA regime in the UK.
- Review the current inheritance tax regime to reflect changing household structures by extending favourable exemption treatments with regard to inheritance tax beyond immediate family members and increasing the tax-free threshold for siblings, nieces/nephews and cohabiting couples from €40,000 to €100,000.

With regard to Ireland's business tax regime, the government should prioritise implementing the tax measures announced in Budget 2026, including modernising interest deductibility,

considering branch exemption, simplifying VAT administration, and reforming withholding tax processes. In particular, the modernisation of interest deductibility rules should focus on reducing unnecessary complexity.

In Budget 2027, further steps should be taken to reduce the cumulative administrative burden within Ireland's tax regime. Simplifying processes such as preliminary tax rules, R&D tax credits, Employment Investment Incentive (EII), and Corporation and Income Tax filings would strengthen competitiveness across firms of all sizes. To ease compliance costs for smaller companies, short-form and pre-populated corporation tax returns should be introduced to improve efficiency and reduce friction in the tax system.

SHARE SCHEMES

Practical and accessible share schemes for SMEs should be prioritised to help them compete on a global scale and attract and retain talent.

The Key Employee Engagement Programme (KEEP) needs greater enhancement and simplification for wider appeal. With the relief due to expire at the end of 2028, now is an opportune time to refine the scheme to have wider purpose and increased uptake. While such a new regime is being designed and approved, we suggest the following amendments to KEEP:

- Simplify the scheme to reduce the administrative and filing burden to improve uptake.
- Broaden the scheme to facilitate uptake by various structures of trading groups that have grown organically. 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.
- Introduce share harbour provisions for the valuation of KEEP shares.
- Introduce fixed automatic penalties to impose financial or administrative penalties for late filings

⁴ Tax Foundation, International Tax Competitiveness Index 2025



NON-KEEP SHARE PLANS

For non KEEP share awards, employees are generally subject to income tax, USC and PRSI at the time they acquire free or discounted shares, based on market value at that date.

- > Introduce an elective deferral, so that the income tax/USC/PRSI charge on such shares would arise at a future liquidity event (e.g. sale or buy back). Aligning the tax point with liquidity would make equity participation more accessible.
- > Reduce the BIK 'specified rate' for employer loans used to acquire shares in the employer company (or group) to a rate that more closely reflects commercial funding costs. The current rate of 13.5% for non home loans is high by international standards and acts as a disincentive to using employer loans as a mechanism to facilitate employee share ownership. For comparison, the UK's official interest rate for employee loans will be 3.75% in the 2025/26 tax year. A reduced BIK

rate specifically for share acquisition loans would support broader employee ownership without requiring a general reduction in the specified rate for all employee loans.

- > Introduce a bespoke Employee Ownership Trust (EOT) regime in Ireland, modelled on the successful UK framework. An Irish EOT regime would give retiring SME owners an additional, tax efficient succession option by enabling the sale of a controlling interest to a trust for the long-term benefit of employees. This would help keep viable businesses in local ownership, support job retention, and contribute to the resilience of regional and rural economies.

INTEREST DEDUCTIBILITY

Debt funding is a fundamental component of investment decisions and a critical driver of growth. Having a clear and concise 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 scale.

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 exacerbated this.

Our key recommendations are as follows:

- > Retain the 'wholly and exclusively' test for the purposes of Schedule D Case I and II.
- > Introduce a new interest deductibility rule for Schedule D Case III and IV, which should provide certainty for businesses, be free from complexity and aligned with established caselaw principles.
- > Allow companies to offset Case III and Case IV losses on a value basis in the same accounting period: (i) against their other profits and (ii) by way of group relief, in a similar manner to trading losses.
- > Interest income chargeable to tax under Cases III and IV of Schedule D should continue to be taxed on a receipts basis. However, corporates should have the option

to elect, on a loan-by-loan basis, to tax such interest income on an accruals basis.

- > The first €3 million of exceeding borrowing costs should be excluded from the Interest Limitation Rules (ILR), rather than the current cliff edge approach.
- > The Section 247 interest relief provisions should be amended to remove redundancy and align with modern commercial practices. For example:
 - > remove the common director requirement;
 - > permit relief for interest on money borrowed to make a capital contribution;
 - > allow for the direct transfer of borrowed funds to the company concerned or in the case of a refinancing, between lenders; and
 - > provide that a recovery of capital will not be deemed to occur where the amount recovered is reinvested for a qualifying purpose.

RESEARCH, DEVELOPMENT AND INNOVATION

Given ongoing uncertainties in the international tax landscape, Ireland must ensure that other parts of its value offerings, such as the R&D tax credit, are best in class. This would encourage global businesses to establish 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 the current associated administrative and

technical requirements are too onerous to make it worthwhile for many such businesses.



R&D tax credit – claim deadline and complexity

The tight statutory deadline for making a claim – within 12 months of the end of the accounting period, with no possibility of increasing the claim thereafter even where a valid initial claim has been made – can be difficult, particularly for companies without significant internal resources. Compared to the general four year timeframe within which Revenue can subsequently query or challenge a tax return, this is particularly stark.

- From a fiscal policy perspective, and in order to encourage take up among SMEs, a longer deadline of up to four years for SMEs should be considered.
- Simplifying the reporting process and introducing a pre-approval mechanism for smaller companies, allowing them to budget for R&D costs and credits with greater certainty, would also be welcome.

Targeted measures to enhance the R&D tax credit

Recommendations made in the Research and Development Tax Credit and Innovation Compass should be considered and implemented swiftly where possible to enhance accessibility and uptake of the R&D tax credit and strengthen Ireland's attractiveness as a competitive location for investment and innovation⁵.

Key steps to enhance the R&D tax credit include:

- Increase the rate of relief to 50% in the case of green technologies to accelerate the development and deployment of innovative low-carbon solutions, reduce cost barriers associated with development of green innovation, and stimulate private sector investment in technologies that support Ireland's climate commitments.
- Expand the range of qualifying fields to take account of AI, blockchain and other emerging areas.
- Allow greater flexibility in respect of capital allowance claims.
- Restructure the Knowledge Development Box (KDB) to preserve its effectiveness for companies in scope of the BEPS Pillar Two rules.
- Third party R&D outsourcing: Increase the current outsourcing limit from 15% to 30%, aligning the regime more closely with commercial realities.
- Universities and Institutes of Higher Education: Remove, or significantly increase, the existing 15% cap for collaboration with universities and institutes of higher education and extend the provision to include public research institutes, strengthening industry-academia collaboration.

There is a clear incentive gap within Ireland's tax framework for commercially significant innovation activities that fall below the thresholds required to qualify for the R&D tax credit. Innovation is becoming increasingly critical for Irish operations, particularly in the areas of digitalisation and decarbonisation, in order to maintain competitiveness.

We recommend targeted reforms to the current R&D tax credit outsourcing provisions to enhance flexibility and competitiveness:

- Group R&D outsourcing: Introduce a provision allowing connected party R&D outsourcing up to at least the level of internal qualifying R&D expenditure incurred by the Irish company, provided the outsourced expenditure is borne by the Irish company and the resulting intellectual property is owned and exploited by that company.

Ireland should introduce a new standalone innovation incentive, structured as a refundable tax credit, to support companies operating in qualifying fields of science, engineering and technology. This measure would enable firms to scale innovation activity, enhance productivity, and strengthen Ireland's position as a leading global hub for technology and innovation. Importantly, it would help ensure that Irish operations continue to evolve their capabilities and functionality, supporting the attraction of future investment, projects, and high-value activity.

⁵ Department of Finance, Research and Development Tax Credit and Innovation Compass

RETIREMENT RELIEF

Capital Gains Tax (CGT) retirement relief is available where an individual aged 55 or over disposes of business or farming assets. The level of relief available varies depending on the age of the individual making the disposal and their relationship (if any) to the acquirer.

As noted by the Commission on Taxation and Welfare report, 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 Foreign Direct Investment (FDI) sector⁶.

A number of amendments are required to improve the relief:

- Introduce a tapering of the clawback of relief for disposals between years six and twelve given the long retention period of twelve years.
- Allow for subsequent intergenerational transfers during the retention period without triggering a clawback on the initial

transfer. Currently, where a child receives qualifying assets and then disposes of these qualifying assets to their own child within twelve years of the first disposal, they will be subject to a clawback of the amounts previously deferred. This is the case even when the second disposal would be relieved under Retirement Relief. An exemption should apply in such situations as it is not in line with the stated policy intention of facilitating inter-generational transfers of business or farming assets within a family.

- 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.

⁶ Report of the Commission on Taxation and Welfare, Foundations for the Future

ANGEL RELIEF

The commencement of the new Capital Gains Tax (CGT) relief for investment in innovative businesses is welcome. However, the requirements are complex and may prove a deterrent.

Several provisions should be revised to reflect the realities of start-ups and SMEs, including:

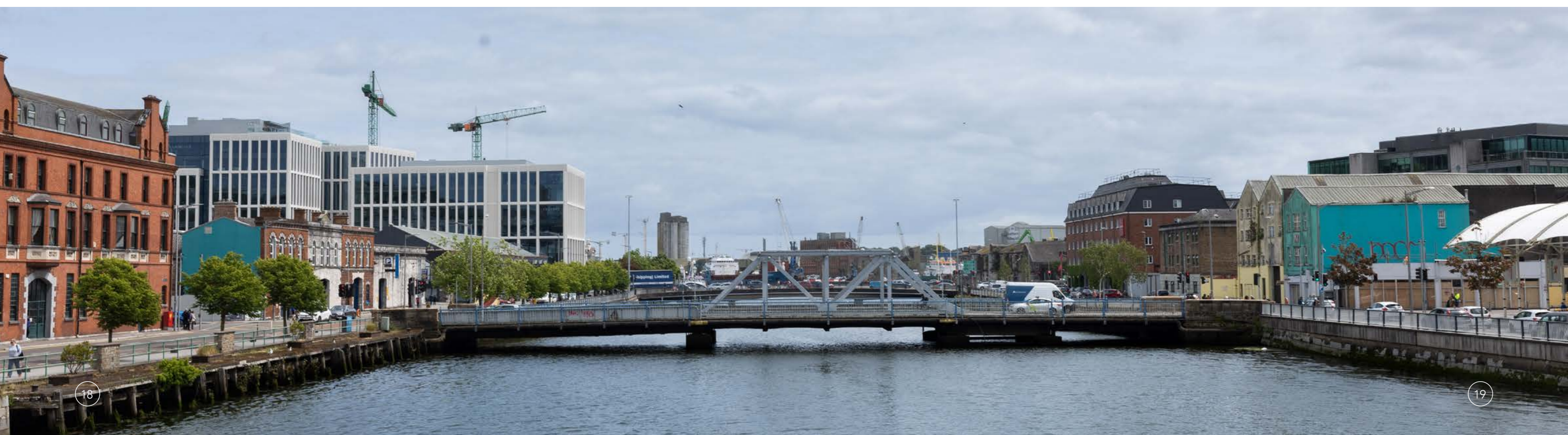
- Broaden the qualifying subsidiary requirement beyond the current 51% threshold which excludes joint ventures. Extend it to subsidiary residents in tax treaty jurisdictions, such as the UK and EEA.
- Amend the connected party rules to allow an individual that already holds an interest in the company to qualify. The onerous connected party rules act as a barrier to further investment by such individuals.
- Remove the “wholly” test for holding companies as it can disqualify companies that temporarily earn interest income on short-term deposits prior to deployment in the business.
- Amend the definition of “initial risk finance investment” to ensure companies are not excluded where eligible shares are first issued on incorporation.
- The relief should also accommodate angel syndicates investing through regulated

nominee structures.

Given the high-risk nature of early-stage investment, the current cap limiting CGT relief to twice the investment should be removed to better reflect the commercial reality that many investments will not realise gains.

We also propose that interest earned by corporate angel investors on loans to qualifying start-ups and SMEs should be taxed at the 12.5% corporation tax rate rather than 25%, with an exemption from the close company surcharge. This would improve returns on higher-risk lending and encourage additional investment, potentially subject to a lifetime cap similar to Revised Entrepreneur Relief.

More broadly, Ireland must encourage greater domestic private capital investment. Venture capital funding for Irish technology SMEs fell 23% to €1.1 billion in 2025, while Irish pension funds allocate only 0.01% of assets to Irish PE and VC funds despite holding €3.8 billion in overseas equities. Policy reform is needed to redirect more domestic capital into Irish businesses.



REFORM OF CAPITAL TAX REGIME

Recent Exchequer figures indicate that yields from both Capital Gains Tax (CGT) and Capital Acquisitions Tax (CAT) were down considerably compared to the same period last year⁷. To incentivise individuals and businesses to realise gains and reinvest in growing companies, housing supply and other productive activities, we recommend reducing both the CGT and CAT rates to 20%.

This would encourage transactions and should increase yield. It would also encourage the most productive use of assets by incentivising sale of unproductive assets to those more likely to make use of them.

Lower rates should also be applied to assets which have been held long-term or are actively used in a business, for example applying the lowest rate to assets held for five years. Such a regime could be introduced for assets acquired

from 2027 onwards to incentivise long-term investment going forward only. At present, there is no distinction between short- and long-term gains, placing Ireland at odds with international norms and reducing the incentive to make long-term investments.

Finally, consideration should be given to introducing a single pay-and-file date for capital tax purposes for each year of assessment.

INVESTMENT AND START-UP INVESTMENT INCENTIVES

Support for start-ups and venture capital must be prioritised in Budget 2027, supporting emerging and scaling sectors such as deep tech to grow. The number of new companies spun out from Research Performing Organisations (RPOs) has stagnated in recent years, demonstrating the need to review the current investment ecosystem to enable progression from idea stage to execution and commercialisation⁸.

Sources of funding have moved away from Venture Capital investors and towards a more fractured investment ecosystem, with smaller funding rounds, an issue that is particularly prevalent in regional locations.

Consideration should be given to the creation of funds dedicated to investment in companies in the Cork region or other locations to help counterbalance the large pull of funding into Dublin. This fund can be a mix of both public and private funding.

The ongoing review of the EU General Block Exemption Regulation (GBER) presents a timely opportunity for Ireland to strengthen its support for entrepreneurship and innovative enterprises.

As the revised framework is expected to provide greater flexibility for Member States in designing State aid measures, Ireland must use this moment to enhance existing incentives, such as the Employment and Investment Incentive Scheme

(EIS), Start-up Capital Incentive (SCI) and Start-Up Relief for Entrepreneurs (SURE), to ensure they are more competitive, more accessible, and better aligned with international norms. By leveraging the expanded possibilities under the updated GBER, Ireland can close current gaps in early-stage risk capital, stimulate greater private sector investment and build a vibrant domestic sector.

Budget 2027 should prioritise the growth path for scaling enterprises, ensuring that funding is available to support growing companies, helping to build a viable scaling ecosystem. We propose the introduction of a targeted 'scale-up' relief for entrepreneurs designed to encourage long-term growth rather than early exits. This relief could provide enhanced CGT outcomes for shareholders who retain a significant shareholding as their business scales, with eligibility linked to objective metrics such as revenue growth and valuation thresholds.

Access to commercialisation supports is another key strand of scaling supports, providing training and funding for areas necessary for commercialisation, such as sales and marketing functions.

For start-up and early-stage companies that are not yet within the scope of the Pillar Two rules,

the introduction of a reduced corporation tax rate of 6.25%, linked to new or incremental investment and expenditure, would provide a strong incentive to scale operations in Ireland. Such a measure would stimulate economic activity and job creation while remaining appropriately aligned with international tax reform developments.

Employment Investment Incentive Scheme (EIS)

We recommend that the EIS be extended beyond its current sunset clause of 31 December 2026. According to the Central Bank, in excess of €170 billion is held on deposit in Irish banks. Mobilising even a portion of these funds for productive investment should be a national priority, and a revised EIS could go a long way to making it happen.

In this regard, we recommend that:

- Amend the EIS provisions so that, where a company has provided accurate and complete information to Revenue, a confirmation that the company is eligible for EIS can be issued.
- Amend the holding company rules to allow subsidiary companies in a group to avail of the relief. This would enable groups to attract minority investors into specific subsidiaries that form part of a wider group.
- Relax the connected party rules, in line with the UK approach, so that they only apply where the individual holds a 30% interest in the EIS company. This would enable Ireland to remain competitive in this space and help ensure that individuals are not prevented from availing of EIS due to unduly strict rules.

Additional reforms are required to make the scheme more attractive to investors and we therefore support the recommended enhancements to EIS suggested in the Report of the SME Taskforce, including:⁹

- Allowing CGT losses for loss-making EIS investments. This is permitted under Article 21(4) of GBER.
- Offering full CGT relief on gains from the disposal of EIS investments. This is permitted under Article 21(4) of GBER.

Finally, the rate of EIS relief available for qualifying green investments should be increased. The EU State aid rules allow for enhanced relief where certain conditions are met, for example, where the investment is made in certain regions of the country. This would align with a number of policy objectives in terms of more balanced regional investment and the green transition.

Start-Up Relief for Entrepreneurs (SURE) Scheme

The Start-Up Relief for Entrepreneurs (SURE) Scheme, in its current form, does not allow for a timely return on investments, resulting in low uptake. Many founders are required to turn to an external tax professional to help access the scheme, resulting in further upfront costs towards a distant gain.

A revised SURE Scheme could serve as an impactful driver of regional economic growth, boosting the pipeline of future companies seeking to spin out from universities with a range of commercialisation projects. More timely payouts from the SURE Scheme would help to attract strong commercial leads to start-ups, if they

could unlock some of their equity funding upfront. A renewed SURE Scheme would also address the recent trend of start-ups being funded by Convertible Debt Instruments, which risk leaving the companies appearing undercapitalised and highly leveraged.

⁷ Department of Finance, Fiscal Monitor: Incorporating the Exchequer Statement (March 2026)

⁸ Knowledge Transfer Ireland, Annual Knowledge Transfer Survey 2024

⁹ Department of Enterprise, Tourism and Employment, Report of the SME Taskforce: National SME and Entrepreneurship Growth Plan

TAXATION OF INVESTMENT FUNDS

The tax treatment relating to Investment Funds is overcomplicated at present, leading to considerable confusion. The reduction in Exit Tax rates to 38% is welcome, however this rate should be reduced further and ultimately abolished. Abolition of the 38% Exit Tax rule on the 8th year anniversary (deemed disposal) would also be welcome.

Amendments whereby losses arising on certain regulated exit funds in particular, can be used to offset against chargeable gains on other investments, should also be considered. Under current rules, capital losses in regulated offshore funds cannot be used to offset other capital gains. However, capital losses in unregulated funds may be used to offset other capital gains.

REGULATION, REPORTING & COMPLIANCE

Administrative burden

The benefit of new, innovative measures and reforms designed to boost competitiveness and support the economy is diluted when the associated administrative burdens are overly onerous, leading to low uptake and reduced impact.

The scale of burden should be commensurate with the scale of the business. Greater simplification should be afforded to smaller businesses recognising the outsized impact administrative burdens have on them given their reduced scale. This would also support start-ups, helping to broaden and deepen the breadth of scaling domestic enterprises, and acting as a counterbalance to concentrated FDI.

The cumulative effect of recent legislative changes, such as pension auto-enrolment and the upcoming implementation of the EU Pay Transparency Directive, on many businesses, particularly SMEs, is considerable. Such measures must be accompanied by sufficient guidance and lead-in times, allowing businesses time to plan and allocate resources.

Operational cost burden

The increasing administrative burden often results in higher administrative costs for many firms, disproportionately impacting SMEs who are often time-poor and operating to tight margins. For example, high legal and insurance costs, driven by delays, complexity, and inconsistency in the civil justice system, are a significant concern and serve to undermine business competitiveness by increasing the operational burden.

- Government should seek to prioritise streamlined legal and insurance processes, alongside financial supports for firms where appropriate.
- Measures such as civil justice reform can help to reduce burdens through faster case handling, expanded early resolution (e.g. mediation), proportionate legal costs, greater transparency, defamation reform, and measures to reduce insurance costs and improve claims efficiency.

Unexpected cost increases are a source of immediate concern for many in the business community, particularly energy costs as a result of ongoing geopolitical uncertainty.

- Budget 2027 should introduce a mechanism to provide energy supports for businesses through periods of energy price instability, ensuring that firms can remain competitive in the face of unprecedented cost challenges.

Reporting requirements

Reporting and compliance requirements are the source of considerable administrative burdens for many firms and, in some cases, a key driver of costs, necessitating the procurement of external service providers to ensure accurate reporting.

- Budget 2027 should promote simplification and streamlined processes, reducing duplication across state agencies by improving data sharing and system integration between Revenue, the Companies Registration Office (CRO), the Registrar of Beneficial Ownership (RBO) and other relevant regulators to eliminate repeated submissions and inconsistent reporting requirements.
- Reform of Enhanced Reporting Requirements should be considered, moving from real time to a monthly reporting model, incorporating de minimis thresholds and appropriate SME exemptions to avoid disproportionate penalties and administrative pressure. In line with recommendations, a review should be undertaken to consider amendments for SMEs below a certain threshold (i.e. below 20 staff and/or below €1 million in annual turnover) to lower the relative administrative burden¹⁰.
- The deployment of digital tools across public services should be prioritised to promote further simplification. The development of a single national business portal for tax, corporate, regulatory and grant obligations, for example, would provide an important resource for firms navigating the complex compliance environment.
- Proportionality rules for ESG and procurement data requests made to SMEs should be introduced to ensure smaller firms are not at a disadvantage in accessing supports and ensuring compliance with regulations.

Regulatory enforcement practices

Budget 2027 should prioritise improvements to the consistency and fairness of regulatory enforcement practices across agencies. A more user-friendly mechanism should be introduced to allow companies to correct genuine, minor administrative errors without penalty. This should be accompanied by more comprehensive guidance to support reporting to Revenue and other agencies.

- Current proposals to abolish the right of taxpaying companies to insist on a private appeal hearing could serve to deepen the power imbalance that exists between Revenue and the taxpayer. A charter of taxpayer rights should be put in place on a statutory basis including a guarantee of anonymity in cases which do not involve fraud, ensuring that taxpayers do not feel pressured to settle by the threat of publication.
- 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.

HOUSING

Delivering sufficient housing supply is critical for Cork's economic growth. Under the National Planning Framework, significant population growth is projected for Cork city and county, with the population of the city and metropolitan area alone expected to grow by 40% in the period to 2040.¹¹

This growth will support Cork's role as the economic driver of the southern region and ensure the city region remains a true economic counterbalance to the capital. However, it must be accompanied by a sustained focus on housing delivery to support the region's capacity to grow and attract talent.

The establishment of the Housing Activation Office, the publication of government's Delivering Homes, Building Communities action plan, and additional measures announced in Budget 2026 to stimulate the housing market are welcome.

In 2025, Cork city and county combined saw a total of 3,727 units delivered, but concerns remain about a decline in commencements nationally and viability challenges in brownfield developments. A two-pronged approach to housing delivery, ensuring continued investment in successful government housing schemes, alongside measures to support private investment and the second-hand market, is needed to address shortfalls and ensure that housing delivery keeps pace with projected population growth.

HOUSING TARGETS TO REFLECT A GROWING POPULATION

Government's housing action plan, Delivering Homes, Building Communities, sets an overall target of 300,000 new homes to be delivered by 2030. At the time of the 2022 Census, the Housing Commission identified a housing deficit of between 212,500 and 256,000 homes in the state, corresponding to a shortfall of between 24,000 and 29,000 homes in Cork¹². The Department of Finance's Future Forty report concluded that such 'pent-up' housing demand is

unlikely to be resolved before 2040¹³.

Urgent action is needed to address existing shortfalls and support projected population and economic growth. Government must set out clear housing targets, aligned with regional population growth targets, and accompanied by concrete steps to ensure these targets are achieved. Existing obstacles to the delivery of housing in a timely manner must be identified and remedied.

INFRASTRUCTURE ALIGNMENT

Aligning critical infrastructure delivery across water, wastewater, electricity and transport is vital to unlocking zoned lands and enabling much-needed housing delivery.

Sufficient funding and resourcing for providers of critical infrastructure, as well as local authorities and planning authorities, is a key factor in enabling delivery and multi-annual funding structures should be prioritised to provide greater certainty for developments. Uisce Éireann, ESB Networks, EirGrid, the National Transport Authority and Transport Infrastructure Ireland all have key roles to play in supporting housing and infrastructure delivery and must be resourced effectively to

enable them to carry out their remit.

Significant plans are in place to transform infrastructure delivery over the coming decades. For example, Uisce Éireann's Cork Wastewater Strategy will support housing and industrial growth, but key elements are not scheduled to be completed until 2080. Exchequer funding is therefore needed to accelerate this and other critical projects.

¹¹ Government of Ireland, National Planning Framework: First Revision

¹² Department of Housing, Local Government and Heritage, Report of the Housing Commission

¹³ Department of Finance, Future Forty

DEVELOPER-LED ENABLING INFRASTRUCTURE

To address shortfalls and delays in infrastructural delivery in cases where housing development is advancing, further provision should be made to allow for the deployment of developer-led enabling infrastructure under agreed standards. This could play a key role in delivering access roads, water and wastewater infrastructure, in particular,

accelerating housing delivery on zoned lands. The recent implementation of the Developer-Led Wastewater Initiative is a welcome step forward and should be replicated across other applicable areas of infrastructure, in line with the aims of the Accelerating Infrastructure Action Plan.

MODERN METHODS OF CONSTRUCTION (MMC)

Modern Methods of Construction (MMC) offer clear benefits in cost, speed and sustainability, but adoption remains limited. Budget 2027 should prioritise dedicated supports to scale MMC, building on the MMC Action Plan published by government last year¹⁴. Scaling MMC to support the level of housing delivery needed at

present will require targeted investment in training and skills, testing facilities and standardised design implementation to drive productivity gains and build capacity. Opportunities to leverage AI and emerging technologies to support the construction sector should also be explored, such as 3D concrete printing and robotic bricklayers.

TIMEBOUND TAX-BASED MEASURES FOR PROPERTY DEVELOPMENT

Budget 2027 should consider an extension of timebound viability supports, particularly for urban apartment delivery, given challenges with regard to timelines in the planning and legal systems, as well as the impact of ongoing inflationary pressures on the construction industry. Other areas of the property market would benefit from the introduction of targeted property development tax reliefs. For example, incentives for student accommodation could result in older parts of the housing stock currently used for student housing becoming available for permanent occupation. Such measures should be accompanied by supportive planning policy to prevent the over-concentration of student developments in certain areas.

Similarly, measures targeted towards above-shop living and other innovative approaches to housing delivery could enable delivery of significant housing stock in urban centres.

The Living City Initiative provides considerable tax reliefs to support such aims, however these tax reliefs must be accompanied by a practical approach to the planning for and regulation of such developments to ensure delivery, as well as a more user-friendly approach to the scheme's administration to encourage uptake. Further expansion of the Living City Initiative to include key urban thoroughfares, such as St Patrick's Street in Cork city, should also be implemented. Such an approach would also support vibrancy in urban centres, bringing people back into the centres of towns and cities around the country.

¹⁴ Department of Further and Higher Education, Research, Innovation and Science, Modern Methods of Construction Action Plan

APARTMENT VIABILITY

Ensuring the viability of apartment development is an ongoing concern, preventing development from progressing beyond planning in some instances. Analysis from the Society of Chartered Surveyors Ireland and Mitchell McDermott indicates that urban apartment development costs now exceed €500,000 in many cases, with hard construction costs representing approximately 50% of total project costs.¹⁵

Government interventions to date, including VAT reductions and Croí Cónaithe supports, have moved some developments towards viability, however further measures are required to improve viability in the longer term and provide certainty for developments.

Two Cork Chamber and CIF Southern Region reports completed by EY¹⁶ and KPMG¹⁷ make recommendations to improve 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).

ALIGNMENT OF SUPPORT SCHEMES TO PROPERTY MARKET EVOLUTION

Budget 2027 should update purchase price limits for the First Home and Help to Buy Schemes to reflect market evolution. The current Help to Buy scheme is available for new-build homes or self-build property costing €500,000 or less, while the First Home Scheme is available for homes up to €500,000 in Cork city and €450,000 in Cork county. Aligning limits for Cork city and county should be considered to reflect the integrated property market across the city, metropolitan area and county.

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. 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.

Eligibility income limits that increase with household size should be considered to improve access for larger households. Similarly, individuals should be permitted to come together to share a larger unit at a more affordable cost by setting individual income limits related to multi-tenant occupancy.¹⁸

- Income limits should be adjusted and indexed to reflect actual earnings and inflation trends.
- Investment in cost-rental should be increased to support the sufficient supply of units. Streamline administrative processes to reduce empty units and loss of rental income.
- Cost-rental income limits for Cork city should similarly be adjusted to align with the limit for Dublin, reflecting the evolution of the market in Cork.
- Cross-subsidisation across tenures within sites should be permitted to support access to housing throughout lifecycle.

Consideration should also be given to an increase in the Rent-a-Room Relief 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.



RESIDENTIAL ZONED LAND TAX

This tax should be amended, not applying 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 for businesses to develop and let properties to staff, either on a short- or long-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.

¹⁵ Society of Chartered Surveyors Ireland and Mitchell McDermott, The Real Costs of New Apartment Delivery 2025

¹⁶ EY, Viability and Affordability of Apartment Building in Cork City

¹⁷ KPMG, Addressing the Viability and Affordability of Housing Development in our Cities

¹⁸ ESRI, Pricing and affordability of Ireland's new Cost Rental housing tenure: A microdata exploration



TRANSPORT

Transport investment and delivery across Cork continues to advance under the Cork Metropolitan Area Transport Strategy (CMATS) and National Development Plan (NDP), with several major projects progressing to improve connectivity, reduce congestion, and support the region's projected population and employment growth.

Continued investment in regional, national and international connectivity is a key enabler of sustainable economic and population growth across Cork city, the metropolitan area and wider county. Accelerating the pace of delivery across key projects of strategic importance is vital to Ireland's ongoing competitiveness and must be accompanied by certainty regarding funding streams and allocations.

A city region such as Cork with significant population growth projected over the coming decades must be equipped with an integrated, multi-modal transport network that can meet the demands of a growing city, at the centre of economic activity in the southern region.

A SUSTAINABLE, INTEGRATED TRANSPORT NETWORK FOR CORK

Budget 2027 should support the development of an integrated, multi-modal and sustainable public and active transport system through transformative projects such as Luas Cork, Cork Area Commuter Rail, BusConnects Cork and active travel schemes to facilitate projected growth in line the National Planning Framework, National Development Plan, and City and County Development Plans.

An integrated transport delivery office must be established in Cork, bringing together key stakeholders at both regional and local level involved in the delivery of critical transport projects for the region, as well as key decision-makers from stakeholders such as TII and NTA, to encourage coordinated delivery and local engagement.

Luas Cork

With a Preferred Route for Luas Cork now published, progress towards delivery of this key strategic project must be prioritised by government. This vital project will enable Cork's growth for decades to come, while also playing a key role in advancing sustainable travel, in line with the aims of Cork's participation in the EU Climate-Neutral and Smart Cities Mission. Luas Cork should be designated a key project under the Critical Infrastructure Bill.

Cork Area Commuter Rail

The Cork Area Commuter Rail Programme has a vital role to play in unlocking lands on the city's northside for housing and supporting continued population growth in east Cork. Significant progress has been made on this project to date and guaranteed multi-annual funding support will be vital to completing the remaining phases of the project.

BusConnects Cork

BusConnects Cork promises to deliver vital sustainable transport corridors for the city region, transforming existing infrastructure and service provision. Its implementation has been subject to a number of delays, however, and must now be progressed as quickly as possible following Cabinet approval for the project in October 2025.

INTERCITY RAIL SERVICES

The All-Island Strategic Rail Review recommended accelerated delivery of a more direct service between Cork and Limerick, reduced journey times between Cork and Dublin, as well as consideration of a cross-Dublin solution to support longer-distance travel, such as that between Cork and Belfast. It is critical that planned reductions in journey times, capacity improvements and network electrification continue at pace, particularly projects outlined in the Rail Project Prioritisation Strategy, which details improvements that can be achieved by 2030.

Higher-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 Dublin Chamber and Northern Ireland Chamber of Commerce and Industry through the

Tri-Region Partnership to advance shared aims of enhanced all-island connectivity, including higher speed rail links, as well as air connectivity¹⁹. Improving connectivity between Cork, the key economic driver of the southern region, and Northern Ireland is instrumental to strengthening all-island economic and tourism links.

INTERNATIONAL CONNECTIVITY

As an island nation, Ireland is entirely reliant on our ports and airports for connectivity and trade. In the current context of geopolitical uncertainty, the potential for trade disruption and fuel inflation is heightened, necessitating continued investment in Ireland's connectivity and trade security.

Cork Airport

Cork Airport is a key economic enabler, supporting over 12,000 jobs and over €1 billion in economic impact. Targeted investment in critical enabling infrastructure for the airport must be secured through Budget 2027, including road access improvements, sustainable transport connections, and energy and digital infrastructure upgrades. It is also essential to support the airport to access new routes and to maintain existing ones, including those to key business and connectivity hubs to facilitate onward travel.

Government should support the improvement of public transport access to Cork Airport for staff and passengers with the introduction of 24-hour bus services and the extension of services from

hinterland towns to the airport, alongside provision for additional multi-modal transport links in the longer term. Currently, less than 10% of people access Cork Airport by public transport, a figure that has been declining in recent years.

As part of the Tri-Region Partnership, Cork Chamber works with colleagues in Dublin Chamber and Northern Ireland Chamber of Commerce and Industry to advocate for the restoration of a direct airlink between Cork and Belfast. Budget 2026 saw the allocation of funding for the restoration of the Dublin-Derry airlink; this year's budget must replicate this with a timebound subsidy to re-establish the Cork-Belfast link to enhance business and tourism links.

¹⁹ Cork Chamber, Tri-Region Partnership Policy Position Paper

Port of Cork

Islands are dependent on maritime trade and ports as drivers of essential economic trade. Cork city has a rich maritime heritage and remains a key point of access to the Irish economy, a role which must be protected and strengthened. In 2025, the Port of Cork handled 10.2 million tonnes of cargo, representing approximately 17% of tonnage moving through Irish ports.²⁰

Government must future-proof our ports, ensuring they can support economic growth and industrial advancements, access new trade routes and maintain existing ones, and remain insulated from geopolitical shocks and fuel inflation. As the Port of Cork continues to develop, the following are key areas where Budget 2027 can make a meaningful impact:

- > Financial incentives can support the relocation of Seveso and other heavy industries (such as mills, warehousing, logistics, etc.) out of areas earmarked for redevelopment to new sites outside of urban areas. This will unlock regeneration lands such as the Docklands and Tivoli. Ensuring that lands are available in key areas such as Ringaskiddy and Marino Point is vital to ensure this transition continues at pace; supporting infrastructure such as access roads like the M28 to Ringaskiddy and Great Island Connectivity Scheme (R624 Cobh Road) must also be prioritised to support this transition.
- > Funding should support development of full border control infrastructure at the Port of Cork to handle agricultural produce and the required supports from Revenue to designate an appropriate customs-controlled area to enable cost-effective trade.
- > Financial aids to support and de-risk the provision of port infrastructure required to enable offshore renewable energy should be considered.

The Port of Cork has taken steps to invest in its own infrastructure, in particular in relation to offshore renewable energy and national security. The new National Ports Policy must facilitate state supports for continued investment in ports of strategic national importance, including Cork. Port activities are inherently land-intensive; government departments and their agencies should collaborate with the Port of Cork to identify additional lands in the Ringaskiddy area to support its future development.

PRIORITISE STRATEGIC INFRASTRUCTURE INVESTMENT

Government should prioritise investment in projects of strategic importance, critical to Ireland's economic competitiveness. This includes critical roads, multi-modal connectivity and active travel facilities, public transport and greenways.

Budget 2027 must ensure that provision is made to finance the progression of the following critical projects for the Cork region to support regional connectivity and transport safety, as well as enabling large-scale housing delivery and industrial development:

- > Luas Cork,
- > Cork Area Commuter Rail Programme,
- > BusConnects Cork,
- > the Cork Northern Distributor Multi-Modal Route,
- > Great Island Connectivity Scheme (R624),
- > N/M20 Cork to Limerick Motorway,
- > N25 Cork to Youghal Road,
- > N72 Mallow Relief Road,
- > upgrades to the N71 Cork City to West Cork Route,
- > the Northern Transport Project,
- > R630 strategic road to Aghada/Whitegate energy hub, and
- > Continued funding for the M28 Cork to Ringaskiddy Motorway.

²⁰ Port of Cork, Corporate Strategy 2026 – 2030

TAXSAVER SCHEME

Review public transport benefits available to employees to encourage uptake, including the TaxSaver Commuter Ticket Scheme. Such schemes allow businesses to support employees with costs associated with commuting without

increasing wages. In addition, the permitted reduced rate of VAT on bicycles, cargo bikes and electric bicycles should be applied to encourage uptake of sustainable travel modes.

ALTERNATIVE FUELS INFRASTRUCTURE

Businesses aiming to electrify their vehicle fleet require significant onsite infrastructure. Lack of national grid capacity can present significant challenges with the roll-out of charging and other infrastructure. Upgrades to the existing grid infrastructure to accommodate alternative fuels,

scaling biomethane production and anaerobic digestion infrastructure should be prioritised, alongside incentives for early adopters. In the context of geopolitical uncertainty and disruptions to fuel supplies, such investments are even more critical.

ELECTRIC VEHICLES (EVs)

To stimulate the second-hand EV market, tax incentives should be introduced and grants extended to buyers, building on the recently announced ICE2EV scheme. High costs hinder many potential buyers, slowing progress towards the target of 845,000 private and 95,000 commercial EVs by 2030.

Benefit-in-Kind reliefs should be enhanced 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 through a partial income tax credit for charging costs.

The delivery of efficient charging infrastructure across the state must also be prioritised by government, including super-fast charging on key strategic routes, alongside neighbourhood and destination charging. Improving the accessibility and reliability of charging infrastructure is key to supporting consumer confidence and further EV adoption.

INFRASTRUCTURE

Alongside the delivery of vital transport projects, enhancing critical infrastructure across energy, water, wastewater, social and community infrastructure must be prioritised to keep pace with Ireland’s growing population. The pace of delivery continues to fall short of what is required, placing Ireland’s ongoing competitiveness at risk.²¹

Realising projected population and economic growth for Cork city and county over the coming decades depends on the state’s ability to deliver critical infrastructure in a timely, reliable manner. Certainty regarding timelines, approval processes and funding streams is crucial to unlocking growth potential.

As the state’s population grows, social infrastructure must also be a priority for investment. Across health, cultural and community infrastructure, investment is needed to promote access to

services, social cohesion and improved quality of life for all.

Commitments made in the Accelerating Infrastructure Action Plan represent a welcome step change in Ireland’s approach to infrastructural delivery and must be implemented in full. Delays in decision-making and funding allocations for vital projects risks inflating associated construction costs, while undermining economic and social progress.

ACCELERATION OF PUBLIC SPENDING APPROVAL FOR INFRASTRUCTURE

Despite the urgency of infrastructure delivery, extended review and elongated approval processes continue to lead to unnecessary delays – a key barrier to Ireland meeting its targets across housing, transport and energy to support economic growth.

Government must prioritise implementation of the Accelerating Infrastructure Action Plan, including provisions for accelerated spending approvals to support the timely delivery of critical infrastructure projects. To improve certainty for contractors, delivery partners and stakeholders, multi-annual or project-based funding models

should be introduced for projects of strategic importance. Milestone-based, transparent progress reporting should be published for major capital projects, including large-scale projects in the Cork region, such as the Cork City Docklands Regeneration, and Lower Lee (Cork City) Flood Relief Scheme.

CRITICAL INFRASTRUCTURE BILL

The forthcoming Critical Infrastructure Bill presents a significant opportunity for government to accelerate the delivery of nationally strategic projects essential to Ireland’s economic competitiveness, regional balance and climate objectives. The Cork Northern Distributor Multi-Modal Route (CNDMR), Luas Cork, the R624 Great Island Connectivity Scheme and vital offshore renewable energy infrastructure and grid upgrades should be explicitly designated under the legislation as projects of critical national and regional importance.

These projects are fundamental to unlocking housing delivery, enhancing sustainable mobility, improving access to the Port of Cork and major employment centres, and supporting the continued growth of Cork as Ireland’s fastest-growing city region. Their inclusion would provide greater

planning certainty, prioritised investment and streamlined delivery mechanisms, ensuring that critical transport and connectivity deficits do not constrain economic development, FDI or quality of life across Metropolitan Cork.



SOCIAL AND COMMUNITY INFRASTRUCTURE

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

Alongside sustained investment in transport and connectivity infrastructure, Budget 2027 must fund critical elements of social, cultural, educational, community and health infrastructure, including the following:

- > Cork Events Centre,
- > Cork Elective Hospital,
- > Cork City Library,
- > New school buildings, alongside refurbishments and expansions of existing buildings,
- > Research infrastructure through the INSPIRE Research Infrastructure Investment Package and similar initiatives,
- > UCC, including projects outlined in UCC’s Capital Development Plan, such as the expansion of the Tyndall National Institute, refurbishment of the Kane Building, a new Cork University Business School on campus, development of the Clinical Medical School, modernisation of the Cork University Dental School and Hospital, and sports initiatives.²²
- > MTU capital projects and plans, including investments in sustainability and decarbonisation, High Performance Indoor Athletics Centre, new College of Art, Design & Media, and Centre for the Digital Life Sciences.
- > Cork ETB Bishopstown campus, and
- > Enhanced funding for islands and Gaeltacht areas.

²¹ National Competitiveness & Productivity Council, Ireland’s Competitiveness Challenge

²² University College Cork, Capital Development Plan

PLANNING

A number of welcome steps have been taken to address issues in the planning system, including the introduction of the Planning and Development Act and the establishment of An Coimisiún Pleanála. However, it is vital that the additional planning reforms identified in the Accelerating Infrastructure Action Plan, including streamlining judicial reviews, introducing legal obligations for faster agency processing, implementing parallel processing, and establishing a new Regulatory Simplification Unit to remove bottlenecks, are now implemented as quickly as possible to expedite critical developments.

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. 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.

CYBER, INFRASTRUCTURE AND ENERGY SECURITY

Security has gained renewed importance amid geopolitical instability and complex supply chains. Encompassing energy security, cybersecurity, the protection of national assets and infrastructure, as well as Ireland's ability to defend itself, security is now a core strand of the state's competitiveness on the global market.

Budget 2027 should strengthen Ireland's cyber resilience, focusing on critical infrastructure and essential national services. As digitalisation continues apace, particularly across public services, data protection should also be a key consideration.

Government must accelerate investment in energy security and grid resilience through faster delivery of renewable generation, storage and grid infrastructure, alongside supports for business energy diversification and onsite generation to reduce exposure to international energy price shocks and supply disruption.

In parallel, enhanced national economic and supply-chain security should be pursued through strategic infrastructure, digital connectivity, and port and transport resilience, while supporting Irish businesses to diversify export markets and reduce dependency on concentrated global supply chains.

Supports for SMEs, such as grant funding, tax incentives, and shared advisory supports for cybersecurity upgrades, staff training and incident response planning, are vital too to ensure businesses of all sizes are equipped with the resources and skills to mitigate cyber risks. Safeguarding our supply chains is vital in the current context of geopolitical uncertainty and potential trade disruptions, and SMEs with key roles to play in essential supply chains must be a core focus.

EDUCATION, TALENT & SKILLS

A competitive regional economy depends on a strong talent pipeline. The Cork region already punches well above its weight in terms of economic output, yet its capacity to grow and scale depends on a robust, sustainable talent pool, from work-ready graduates to highly skilled international talent.

Continued investment in further and higher education, alongside support for upskilling, reskilling and flexible learning options is critical to continued competitiveness. With digitalisation progressing, resulting in evolving ways of working, as well as the emergence of new sectors, investment in the education sector will help to future-proof Ireland's talent pipeline, ensuring that we remain agile and able to respond to new trends as they emerge.

Investment in supporting infrastructure, including childcare provision and visa processes, is vital to support the existing workforce, as well as helping to attract international talent. Ireland's ability to attract FDI and to support domestic enterprise to grow is dependent on a holistic approach to competitiveness, one that includes meaningful support for talent attraction and skills development.

APPRENTICESHIPS

People benefit from different paths to employment and not every profession or person is the best fit for traditional higher and further education. Alternative paths, such as apprenticeships, must be more viable and attractive for both prospective employees and businesses. Increased funding to expand, research and market apprenticeship programmes across targeted industries and sectors, with a specific focus on STEM, must be a key priority for government, ensuring that

apprenticeships are positioned as strategic workforce pipelines, not second-choice routes.

The new Action Plan on Apprenticeships for 2026 to 2030 should prioritise the growth of apprenticeships and training programmes in response to economic drivers, aligning investment in programmes with Ireland's long-term infrastructural and climate objectives, as well as the accelerating digital transition and increased AI adoption.

HIGHER EDUCATION FUNDING

Budget 2027 must address the remaining gap in core funding for higher education in order to improve staff-student ratios and maintain quality. Central government funding should be introduced to cover salary increases as a result of national pay agreements, rather than such costs being absorbed by higher education institutions within existing budgets as is currently the case, placing pressure on funding for teaching, research and other services.

Research funding must be prioritised to ensure Ireland remains an attractive location for innovation. Budget 2027 should consider the establishment of a strengthened, unified research funding system, alongside flagship programmes to drive impact and support international competitiveness, leveraging Research Ireland and recently introduced programmes such as INSPIRE. Multi-annual funding is vital to ensure Irish universities remain competitive internationally and can plan for the future.

Capital funding is also required to future-proof the higher education sector, enabling investments in the retrofitting and decarbonisation of existing buildings, and improvements to digital

infrastructure and student systems, which in turn plays a role in enabling flexible and hybrid modes of learning. Top-up funding for approved capital projects in cases of exceptional inflationary pressures should be considered.

In an era of rapid digitalisation and evolution, access to lifelong and flexible learning opportunities is increasingly important, facilitating upskilling and reskilling to meet the needs of emerging sectors and new ways of working. A policy emphasis on upskilling, micro-credentials and flexible courses is essential. A long-term strategy must be introduced to ensure the sector remains agile in response to emerging trends and requirements.

NATIONAL TRAINING FUND (NTF)

Funded by an employer levy, the surplus in the National Training Fund (NTF) now stands at between €1.5 and €2 billion. While we acknowledge that the Minister for Further and Higher Education, Research, Innovation and Science has published 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 the fund's aims. The surplus should be directed towards increased funding for Skillnet Ireland, supports for apprenticeships and further education opportunities, and other upskilling opportunities. Directing funds towards AI training and upskilling must be a priority to support evolving ways of working.

TECHNOLOGICAL UNIVERSITIES: BORROWING FRAMEWORK

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.

Delivering on commitments made in the new student accommodation strategy to enable borrowing, under appropriate financial oversight, must be prioritised to unlock vital investment and support the sustainability and impact of the TU sector.



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 upskilling and reskilling, particularly in areas of Smart Specialisation like life sciences, ICT, the green economy, healthcare, hospitality and construction, is essential.

Targeted financial initiatives to support SME employers of student apprentices should be introduced, especially in areas where apprenticeship uptake is not keeping pace with economic growth. A two-year wage subsidy scheme, for example, would support uptake.

Strengthened employer-ETB collaboration can expand work-based learning, while targeted supports for marginalised learners will improve inclusion. Increased support for community education, adult literacy and wraparound measures, such as transport and childcare, will boost participation.

An increase in the National Tendering Procurement Thresholds should be considered to reflect inflationary cost increases, particularly an increase of the lower threshold to €100,000. This would support ETBs in delivering capital projects and critical initiatives.

STUDENT HOUSING

The availability of student housing remains a pressing concern. The new National Student Accommodation Strategy 2026 – 2035 must be progressed quickly, ensuring the projected requirement of approximately 42,000 additional student beds by 2035 is met²³. Alongside the sustained, long-term development of Purpose-Built Student Accommodation (PBSA),

affordability and accessibility for students must be prioritised. Where suitable sites have been identified, such as on-campus sites at MTU, these should be progressed at pace. Current shortfalls in student accommodation have a knock-on impact on the broader rental market in Cork, while also impacting the student experience by increasing the number of commuting students.

CRITICAL SKILLS VISA

Under the Roadmap for Minimum Annual Remuneration (MAR) Salary Thresholds, the minimum salary for Critical Skills Employment Permits has increased from €38,000 to €40,904, with additional increases scheduled to take effect over the next two years. This represents a significant increase from the 2023 threshold of €32,000 and is likely to have a significant impact on the ability of some businesses to fill roles in an already challenging labour market.

The introduction of more graduated increases to salary thresholds in the new Roadmap, alongside provisions for certain sectors and categories is welcome. Consideration should be given to further adjustments for any sectors unduly impacted by the new thresholds; continued engagement with businesses should be prioritised in this regard.

SCHENGEN AREA VISA RESTRICTIONS

Ireland, as one of only two EU countries not currently in the Schengen area, is at a disadvantage when seeking employees from countries outside of the Schengen area to fill roles in areas where there are skills shortages. Cyprus, the only other EU Member State currently not in the Schengen area, already participates in Schengen cooperation and is in the process of integration into the wider Schengen area, leaving Ireland as the sole Member State outside the Schengen area.

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. The current situation has a detrimental impact on Ireland's ability to attract international talent, affecting the state's broader economic competitiveness.

²³ Department of Further and Higher Education, Research, Innovation and Science, National Student Accommodation Strategy 2026 – 2035

ENHANCING ACCESS TO AFFORDABLE, HIGH-QUALITY EARLY LEARNING AND CHILDCARE

*Childcare has become a significant competitiveness and workforce challenge for employers across Cork. Recent Cork Chamber research found that 68% of businesses consider the current childcare system to be unfit for purpose, while 57% report that childcare challenges are having a moderate or significant impact on their workforce. More than one-third of employers have experienced employees leaving or declining roles due to childcare constraints, and 88% report a disproportionate impact on women's workforce participation and career progression. Childcare must therefore be recognised as essential economic infrastructure that underpins labour market participation, talent attraction, productivity and regional competitiveness.*²⁴

While recent Government investment in early learning and care is welcome, Budget 2027 should prioritise a sustainable, workforce-focused childcare model that addresses affordability, capacity, and workforce sustainability together through the following measures:

- Continued expansion of the National Childcare Scheme to establish a pathway towards an income-linked fee model that caps childcare costs at an affordable proportion of household net income,
- Introduction of tax incentives and grant supports for employer-supported childcare models, including workplace childcare facilities, corporate crèches and partnerships between employers and childcare providers. Cork Chamber research found that almost 70% of employers would consider supporting childcare provision if appropriate government incentives were available, demonstrating significant untapped capacity for public-private collaboration,
- Delivery of a workforce sustainability package for the early years sector, including a roadmap towards pay parity with primary school teachers, enhanced professional development, mentoring and coaching supports, leadership development, and clearer career progression pathways to improve recruitment and retention across the sector,
- Expansion of supports for registered childminders and home-based childcare providers, particularly in rural and suburban areas where flexibility and availability gaps are most acute, and
- Roll-out of school-age childcare, including breakfast clubs, after-school care and holiday provision, to support working parents.

Addressing childcare provision would strengthen labour supply, improve gender equality, support employers facing recruitment and retention pressures, and enhance Cork's attractiveness for investment.

ADVANCING PARENTAL LEAVE EQUALITY AND UPTAKE

A targeted review of parental leave supports should be conducted across maternity, paternity, and parental leave, with a specific focus on uptake rates, adequacy of payment, and accessibility for different income groups.

- Increase the duration and payment level of paternity leave, aligning Ireland more closely with EU best practice,
- Introduce stronger provisions for each parent to support more equal uptake, and
- Simplify the parental leave system to improve clarity and accessibility for employers and employees.

²⁴ Cork Chamber, Childcare Provision & its Impact on the Workplace



ENERGY

Delivering a transition to a sustainable, secure and competitive energy system is now both an economic and climate imperative. Ireland has immense potential in key areas such as offshore renewable energy, yet the pace of delivery to date has fallen short of what is required to realise a true step change in Ireland's energy landscape.

Ensuring energy security and system resilience is increasingly vital to the state's economic competitiveness, supporting SMEs with energy affordability and helping to attract FDI, particularly in energy-intensive sectors. In parallel, EU and national climate targets are fast-approaching, underlining the need for accelerated delivery in the energy sector and meaningful supports for energy efficiency.

As the renewable energy sector matures, consideration must be given to the opening of a conversation on additional energy sources to ensure security and affordability, including nuclear energy. Reducing Ireland's reliance on imported energy should be a key consideration in the context of ensuring secure, safe and affordable energy for business customers and communities alike.

With existing industry and infrastructure, as well as renewable energy developments concentrated in the region, Cork is well-positioned to drive Ireland's climate transition as a national hub, and to reap the economic and social benefits associated with the transition to renewable energy.

Input from members of the Cork Offshore Renewable Industry Forum (CORIF) forms the basis of Cork Chamber's recommendations ahead of Budget 2027.

INTEGRATED ENTERPRISE AND ENERGY POLICY

As the climate transition accelerates, there is a clear opportunity to integrate renewable energy development with economic development at scale. Initiatives like the Department of Enterprise, Tourism and Employment's Large Energy User Action Plan (LEAP) demonstrate a recognition of the interconnected nature of enterprise and energy, and should be implemented at pace in response to the changing geopolitical landscape.²⁵

Government must prioritise the implementation of LEAP's plan-led approach to industrial development, co-locating Green Energy Parks with renewable energy supply. The aim to align LEAP's implementation with the development of Next Generation Sites for FDI by IDA Ireland is welcome too, and Cork is the ideal location to facilitate development of a Green Energy Park and Next Generation Site.

Existing excess generation in the region presents an opportunity to attract Large Energy Users (LEUs) to Cork, a position that will strengthen further as additional power comes onstream. FDI and indigenous enterprises across a range of sectors stand to benefit from greater access to renewable energy sources, and with developments in offshore renewable energy continuing at pace off the coast of Cork, the region is the obvious choice for a Green Energy Park that can continue to grow into the future. 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 be given to Cork's development as a hub for the Propel Ireland initiative. Enterprise Ireland's Propel Ireland initiative will see establishment of a new innovation centre designed to drive collaboration, innovation and supply chain development across the offshore wind sector. Leveraging existing educational and research resources in the region would support the initiative, helping to provide important opportunities for upskilling and reskilling.

The Department of Enterprise, Tourism and Employment's anticipated Green Growth Strategy will further support the development of a strong domestic supply chain in the renewable energy sector, and should aim to support broader economic growth. Realising Ireland's renewable energy goals and scaling sustainable industrial development requires a coordinated approach, across energy, skills development and infrastructural growth.

²⁵ Department of Enterprise, Tourism and Employment, Large Energy User Action Plan



ENERGY TRANSPORT, STORAGE AND INTERCONNECTION

Ireland must implement existing energy transport investment plans 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. 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.

The Climate Change Advisory Council's Annual Review 2026 found that Ireland's electricity system is failing to keep pace with the energy transition, with around 10% of available renewable electricity not used last year due to grid constraints and curtailment²⁶. The implications for both renewable energy targets and consumer energy costs are significant.

Reinforcing and building out Ireland's electricity grid is a national priority in order to support a growing supply from renewables and meet increasing electricity demand. Projects in EirGrid's Shaping our Electricity Future must be delivered to support this demand and achieve a zero-carbon electricity system. ESB Networks' plans to address localised capacity constraints in the Cork region will also support housing and industrial development.

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

Accelerate workable hybrid (wind, solar, battery) planning, grid connection policy and route to market policy to get the most from our existing grid. 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. Delays to the delivery of critical infrastructure projects such as the Celtic Interconnector, now unlikely to be commissioned until Q4 2028, are a cause for concern and risk delaying progress on broader climate and capacity targets.

ACCELERATE DELIVERY TIMELINES FOR ENERGY PROJECTS

Accelerating regulatory timelines for energy-related consenting and infrastructure upgrades is vital to ensure the network and related infrastructure can be scaled up to meet demand. Implementing the recommendations of the Accelerating Infrastructure Action Plan in full will be crucial in this regard. The Critical Infrastructure Bill should support these aims by giving consideration to the designation of energy projects as critical infrastructure projects where appropriate, however a broader recognition of the importance of progressing such projects is also required in the context of Ireland's climate objectives. In the context of an uncertain global energy market, securing Ireland's energy supplies and capitalising on domestic potential must be to the fore in government policy.

Facilitating the acceleration of key projects could play an important role in progressing Ireland's climate ambitions by ensuring the timely delivery of critical infrastructural projects across offshore and onshore wind, solar, hydrogen and biomethane. Government should prioritise encouraging investment through risk mitigation measures for developers in order to unlock investment. At present, uncertainty regarding development timelines and likely return on investment acts as a deterrent to private investment, leading to further development delays and necessitating additional state intervention. Prioritising high-quality auctions for key projects is also critical, ensuring that sufficient geotechnical data and surveys are made available in advance to support participation.

RESOURCING FOR AGENCIES

Key regulatory bodies and consenting authorities must be adequately resourced to effectively support the development of renewable energy projects, particularly in the current context of significant population growth coupled with ongoing geopolitical uncertainty. Strengthening decision-making capabilities within the Department of Enterprise, Tourism and Employment and the Department of Climate, Energy and the Environment, as well as cross-government collaboration, is critical to accelerating the pace of delivery. Consideration should be given to the expansion of the Offshore Wind Clearing House to include onshore wind, improving coordination for the sector.

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.

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 a national hub to support renewable energy development and associated economic growth.

Alongside the development of a Green Energy Park in Cork, government must continue to progress the South Coast Designated Maritime Area Plan (SC-DMAP). As work towards a National DMAP continues ahead of its planned completion in late 2027, it is critical that the south coast's potential is harnessed to help deliver on Ireland's offshore wind targets in the short to medium term.

With the first site, Tonn Nua, moving to the development phase, government must prioritise the exploration of routes to market for remaining sites, particularly Lí Bán, to facilitate an auction as soon as possible. Cork should be designated an operational base for Lí Bán, harnessing the Port of Cork's existing infrastructure and establishing a project team based in Cork. Alongside Tonn Nua, this would see almost 2GW of offshore wind energy constructed out of Cork over the next decade, making it one of the largest offshore wind hubs in Europe.

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 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, including RESS 7, focusing on deliverable lowest cost proven energy generation. Clear, streamlined planning guidelines and procedures must be established for wind, solar and storage projects.

²⁶ Climate Change Advisory Council, Annual Review 2026 – Electricity



INVESTMENT IN PORTS

The Port of Cork has undertaken a significant expansion plan to prepare for offshore renewable energy, including development of a new deep-water berth in Ringaskiddy 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. Ongoing investment will ensure that the Port of Cork can continue to expand and upgrade its facilities in order to meet national offshore renewables targets and support the continued development of the South Coast DMAP alongside the port's existing operations.

HYDROGEN SUPPORT

The development of offshore wind in particular will facilitate the growth of a hydrogen economy in Ireland, an important part of the future energy system, providing clean energy source for hard to abate sectors, facilitating the production of clean fuels, and allowing for the storage of energy at scale to better optimise energy demand and supply.

In relation to the development of a hydrogen economy in Ireland, this nascent industry will require government support across areas such as the regulatory framework and policy supports.

Ensuring that sufficient funding is allocated across government departments and state agencies is crucial to ensure adequate resourcing for the delivery of the National Hydrogen Strategy in line with broader EU ambitions.

With an innovation fund for hydrogen expected to be launched in 2027 for initial hydrogen projects nationwide, it is crucial that Budget 2027 allocates sufficient funding and resources to support this important initiative.

BIOMETHANE DELIVERY

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 and ensure sustained funding mechanisms that support infrastructure development and market growth.

Delays in the implementation of the Renewable

Heat Obligation (RHO) following the issuing of a Detailed Opinion by the European Commission risk undermining investor confidence in the sector. Long-term, stable funding based on a clear and timely policy framework is required to support the sector's growth. Learnings should be taken from the experience of other countries with more advanced biomethane sectors, such as Denmark, where the share of biomethane in the gas system reached 40% in 2023²⁷.

CAPITAL ACQUISITIONS TAX (CAT) ON SOLAR

Capital Acquisitions Tax (CAT) on utility-scale solar projects poses a significant barrier to solar development for farmers and landholders. A key component of Ireland's decarbonisation strategy is the government's goal to achieve 8GW 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 that government collaborate with all stakeholders, including the solar industry and farming bodies, to identify solutions that can eliminate this barrier.

²⁷ Danish Energy Agency, Biogas in Denmark



URBAN EVOLUTION

Delivering vibrant, safe and welcoming urban centres is essential for Ireland's economic and social vitality, ensuring that the state remains attractive for those wishing to live, work and invest in Ireland. 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.

Maintaining and enhancing safety in our urban areas is vital to supporting Cork's reputation as a welcoming destination for visitors, as well as supporting continued investment and talent attraction. Continued investments in placemaking through public realm upgrades and supports to bring city centre buildings back into use are also crucial, along with long-term planning for

sustainable development and population growth in our urban centres.

Innovative ideas and solutions to deliver above-shop living, for example, or strengthen the night-time economy should be explored as part of a holistic approach to quality of life improvements.

CORK CITY FUTURES GROUP

Government's approval of the establishment of the Cork City Futures Group earlier this year marked a welcome step towards investment in Cork's sustainable future growth, recognising the city's role as the key economic driver of the southern region. It is vital that the Group delivers on its remit, including:

- > Identifying key issues in the Cork City Centre Development and Operations Action Plan 2025 – 2030 and making recommendations to support delivery,
- > Progressing FDI attraction, alongside innovation and enterprise support, growing Cork to become a key regional hub,
- > Building on Cork's status as a university city, leveraging the strength of UCC and MTU,
- > Supporting economic growth in the wider region, and
- > Strengthening Cork's arts and cultural offering.

Coordination across central government, local authorities and key regional stakeholders is key to ensure sustainable growth, and to address structural under-investment in the Cork region when compared with Dublin. This will ensure that the critical enablers are in place to support Cork as it continues to make a significant contribution to national GDP, expanding the city region's role in the regional, national and international economy in line with population growth in the coming decades.

Government must commit to fully fund and resource all recommendations arising from the group's report.

GARDA RESOURCING

The recent increase in the allocation of Gardaí to Cork city, alongside a renewed focus on high-visibility policing, has had a positive impact on perceptions of safety in the city centre and should continue. Garda numbers in Cork city and in towns across County Cork must continue to keep pace with population growth and should be aligned with projected growth under the National Planning Framework.

Cork city needs 25 to 30 new Gardaí per quarter

to ensure we can maintain current levels of policing and the positive impact this has brought to the city.

Ensuring safety in our urban centres and reducing instances of crime and antisocial behaviour is crucial to economic competitiveness, ensuring urban areas remain attractive locations for investment and talent, as well as supporting footfall and business traffic.

VACANCY AND DERELICTION

Vibrant towns and cities rely on people living in the urban heart, however many buildings remain vacant or underutilised in Cork and other urban areas around the country.

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 the top barriers to repurposing these buildings. Innovative options to develop these units without compromising safety need to be explored. The Derelict Property Tax must also be implemented. Interim solutions for vacant buildings, including 'meanwhile use,' should be explored where feasible. Expansion of the Living City Initiative to target key urban streets and areas should also be considered.

Urban regeneration also has a key role to play in enhancing the vibrancy of our urban centres. Supports for brownfield regeneration are crucial, including Ireland's largest regeneration project, the Cork Docklands. Supports to bring vacant and derelict commercial properties back into use in Cork city centre would support increased urban footfall, ensuring sustainability of revenues for both businesses and local authorities through an increase in rate-paying businesses.

Above shop living represents an important opportunity to provide housing units and bring people back into urban centres. While the Vacant Above the Shop Grant is welcome, planning and fire regulations remain a barrier to undertaking this work.

EU MISSION CITIES FUNDING

Budget 2027 should introduce multi-annual funding for the EU Climate-Neutral and Smart Cities Mission participants, Cork and Dublin, to support large-scale decarbonisation, as well as retrofitting and community-based interventions. To deliver

a significant reduction in emissions and support the aim of climate neutrality by 2030 in Cork and Dublin, substantial investment and engagement with key regional stakeholders will be required.

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 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 Parma.²⁸
- 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, with representatives from the public, private and financial sectors to encourage cooperation among stakeholders and lead the efforts in decarbonising the built environment.

28 Energy Cities, Energy renovation of residential buildings through soft loans and third-party financing

NIGHT-TIME ECONOMY

Government must simplify and modernise licensing processes to support the vibrancy of the night-time economy in our urban centres. Supporting late evening cultural, retail and hospitality activity is crucial to ensure a well-rounded night-time economy offering that brings people into the centres of cities and towns in the evening, improving public realm animation and safety after hours. Events and initiatives at local and regional

level play an important role in realising this vision, but must be accompanied by supporting measures such as Garda visibility and late-night transport availability. An Economic Trends survey of Cork Chamber members in late 2025 found that the three key factors influencing the feeling of safety at night in Cork city were the visibility of Gardaí, the design of public realm space and the availability of transport at night.²⁹

IMPROVEMENT OF TOURISM INFRASTRUCTURE AND REGIONAL TOURISM

Many towns and villages around Ireland are reliant on our ability to attract visitors from abroad. 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, building on the positive funding allocations made in the Department of Enterprise, Tourism and Employment Sectoral Capital Plan earlier this year.³⁰

Investment in transportation and tourism infrastructure to enhance the visitor experience and improve accessibility to various destinations is crucial. The planned development of an attraction of scale in Cork city is important in this regard. Funding and incentives should be provided to hotels to invest in sustainable practices, such as energy efficiency upgrades and waste reduction programmes. Initiatives aimed at promoting tourism in less-visited regions to ensure balanced economic development across the country are also vital.

HOSPITALITY 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. Managers for the hospitality sector should be included on the critical skills list to alleviate staffing pressure on the industry.

29 Cork Chamber, Economic Trends Survey Q3 2025

30 Department of Enterprise, Tourism and Employment, Sectoral Capital Plan 2026 – 2030



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