



An Roinn Fiontar, Trádála agus Fostaíochta
Department of Enterprise, Trade and Employment

Oifig an Ard Rúnai | Office of the Secretary General

R0854 PAC33 (i)

Ms Sarah Cremin
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2 D02 XR20

27 October 2021

Ref: S0544 PAC33

Dear Sarah,

I refer to your letter of 22nd October 2021, which raises matters arising from the meeting of the Committee of Public Accounts on Tuesday, 28 September 2021 at which the Committee discussed correspondence from the Tánaiste, Leo Varadkar T.D. relating to data centres and Ireland's electricity grid.

Your letter requests an information note to include "confirmation and details of the specific analysis that has been undertaken by our Department in respect of growing energy demand due to data centre investments".

It is important to clarify that the Department of Enterprise, Trade and Employment does not undertake analysis of energy demand generally or energy demand from specific sectors. In the case of electricity demand, as would be relevant to data centre developments, this is appropriately the role of electricity policy and the designated agencies responsible for management and regulation of our electricity market. Electricity policy and the roles of the electricity grid operators and independent regulator (the Commission for Regulation of Utilities) are principally matters for the Department of the Environment, Climate and Communications.

The Tánaiste's letter stated, "the Government will seek to ensure that any downside costs of growing energy demand are minimised by encouraging data centre investment in regions where we have infrastructure capacity to facilitate investments". The Tánaiste was referring to a commitment articulated in the 'Government Statement on the Role of Data Centres in Ireland's Enterprise Strategy', published in the summer of 2018, whereby enterprise policy would seek to prioritise data centre investments in regional locations where there may be fewer electricity grid capacity constraints. I enclose a copy of this statement for your information.

This Government commitment and the Tánaiste's comments are made in the context of analysis undertaken and published by the relevant agencies, which highlights emerging challenges that arise from a very high level of projected electricity demand growth from data centre development. This projected demand is forecast while we also seek to invest in our electricity grid to provide for higher penetration of renewable generation. In particular, I would draw the committee's attention to:

- Eirgrid's recently published grid capacity statement which includes analysis of this projected data centre demand (http://www.eirgridgroup.com/site-files/library/EirGrid/4289_EirGrid_GenCapStatement_v9_web.pdf);
- the considerations that inform the future design of our electricity grid and the relevance of the location of high demand developments addressed in Eirgrid's 'Shaping our Electricity Future' technical report (<https://www.eirgridgroup.com/site-files/library/EirGrid/Full-Technical-Report-on-Shaping-Our-Electricity-Future.pdf>); and
- a recent consultation on data centre connection policy by the Commission for Regulation of Utilities, which deals with the extent of data centre demand and its potential impacts on our electricity grid (<https://www.cru.ie/wp-content/uploads/2021/06/CRU21060-CRU-consultation-on-Data-Centre-measures.pdf>).

If required, the committee may wish to seek any further clarifications from the relevant body.

While this analysis was not undertaken by this Department it nonetheless has implications for enterprise policy; it therefore informed the Tánaiste's comments in his letter to the committee.

I trust the Committee will find this information useful.

Yours sincerely,



Dr Orlaigh Quinn
Secretary General



Rialtas na hÉireann
Government of Ireland

Government Statement on

The Role of Data Centres in Ireland's Enterprise Strategy

Prepared by the Department of
Business, Enterprise and Innovation

Gov.ie

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Executive Summary

This statement outlines the role data centres play in Ireland's ambition to be a digital economy hot-spot in Europe. Ireland currently hosts several global players in the ICT sector and boasts a strong cadre of technology-rich Irish owned enterprises. The evidence speaks for itself with 16 of the top 20 software companies, 9 of the top 10 US ICT companies, the top 10 'born on the web companies', and 4 of the top 5 IT services companies based here. Data centres are central to the digital economy. Data centre presence in Ireland raises its visibility internationally as a technology-rich, innovative economy. In turn, this places Ireland on the map as a location of choice for a range of sectors and activities that are increasingly reliant on digital capabilities including manufacturing, financial services, animation, retail and global business services.

Data centres directly contribute to job creation and they also generate significant added economic benefit by providing a range of services to other firms that undertake production, research and development, marketing, sales, service, and support activities in locations with no physical/geographic connection to the data centre.

However, as large consumers of electricity, data centres also pose particular challenges to the future planning and operation of a sustainable power system. The Government recognises these challenges and will take steps to mitigate them. A plan-led approach will develop a range of measures to promote regional options for data centre investment, minimising the need for additional grid infrastructure. A balance will be maintained between the distributional impacts of higher energy costs on the economy and the longer term economic impacts of utility intensive enterprise investment.

The increased renewable electricity requirement linked to energy intensive investments will be mainly delivered by the development of the new Renewable Energy Support Scheme (RESS) which will also reflect falling costs across a range of renewable technologies and an ambition to increase community and citizen participation in renewable energy projects.

The Government recognises that there also is a balance to be struck between the need to take account of community and public concerns around individual projects and ensuring timely decision making in the planning process. The Government is amending the planning process for data centres over certain size thresholds to reclassify them as strategic infrastructure development which will streamline the decision-making process. The Government is also reviewing judicial review timelines on planning decisions which will provide greater certainty to investing companies, while emphasising the continuing importance of public and community consultation processes.

Taken as a whole, this plan-led approach will allow Ireland to optimise the benefits that these strategically important investments can bring to our society. This plan-led approach will also ensure that Ireland continues to be an attractive and competitive location for digital economy investments.

The Role of Data Centres in Ireland's Enterprise Policy

Context

In October 2017, the Government agreed to a strengthened Strategic Policy Framework for the continued development of data centres in Ireland, as part of objectives for wider economic growth and regional development.

This strategic approach involves a number of complementary strands, including:

- The development of this Government Statement setting out the strategic importance of data centres in Ireland's Enterprise Strategy;
- The recalibration of the Renewable Electricity Policy and Development Framework to provide guidance to planning authorities on electricity generation and supply potential for enterprise development;
- The amendment of the Planning and Development (Strategic Infrastructure) Act to include data centres;
- The strategic importance of data centres being reflected in Project Ireland 2040 National Planning Framework which sets out the approach to spatial planning in Ireland to 2040;¹ and
- Work ongoing in relation to judicial review of major infrastructure projects.

This Government Statement contributes to the Strategic Policy Framework and outlines the Government's desire for a plan-led approach to data centres.

The strategic approach aims to:

- Drive Ireland's ambition in the digital economy as a location of choice for investment and a seed-bed for technology entrepreneurship across a range of sectors and activities;
- contribute to regional development, deliver associated economic activities and support the creation of high quality, sustainable jobs;
- align enterprise electricity demand with generation capacity and transmission planning; and
- ensure that potential downside costs are minimised and that economic impact is optimised.

The plan-led approach aligns with the objective set out in Ireland 2040, National Planning Framework for the 'promotion of Ireland as a sustainable international destination for ICT infrastructures such as data centres and associated economic activities' to deliver on the

¹ Project Ireland, 2040, National Planning Framework, Government of Ireland, Department of Housing, Planning and Local Government, February 2018

National Strategic Outcome 6 'A strong economy supported by enterprise, innovation and skills'.

Ireland currently hosts several global players in the ICT sector and boasts a strong cadre of technology-rich Irish owned enterprises. The agency supported enterprises in the ICT sector employed over 115,000 in 2016.² Data centre presence in Ireland raises Ireland's visibility internationally as a technology-rich, innovative economy. This, in turn, places Ireland on the map as a location of choice for a range of sectors and activities that are increasingly reliant on digital capabilities including manufacturing, financial services, animation, retail and global business services.

It is in this overall context that this Statement sets out the role and significance of data centres in Ireland's wider enterprise policy objectives. Recognising the capacity constraints inherent in an economy that is approaching full employment, it provides insights on the economic and societal benefits arising from data centres, while acknowledging the need to consider cost implications, particularly in relation to energy and renewables.

Employment in data centres are high value jobs, and although the numbers directly employed in data centres is relatively low at 1,800³ they stimulate additional economic activity. Many entities that have invested in data centres here have doubled their employment since 2010. They are involved in a range of activities including data analytics, customer experience services, technical support and software development. Data centre investments form the backbone of Ireland's overall digital economy, are capital intensive and have contributed in excess of €7 billion to the economy since 2010 through direct and indirect expenditure. Furthermore, deep expertise has been developed in Ireland's construction firms. Aside from the 1,900 or so workers involved each year in the construction of data centres here, according to the Construction Industry Federation, our Irish owned construction firms now compete effectively on international markets and generate a further 6,600 jobs through overseas activities.

This Statement on Data Centres sets out policy enablers that are important to ensure that Ireland's business environment continues to be conducive to business investment throughout the regions. It is important that Ireland retains the ongoing capacity to meet a range of energy intensive industry demands over time. A plan-led and strategic approach should ensure that suitable locations throughout Ireland are promoted for investment that minimise the need for deep reinforcements on the energy grid.

This Statement does not pre-empt the outcome of the Renewable Electricity Policy Development Framework or the ongoing Judicial Review Process. Furthermore, Ireland

² Annual Employment Survey 2016, DBEI, August 2017. Includes fulltime employment for foreign and Irish owned ICT Hardware, Computer Consultancy Services, Computer Facilities Management, Computer Programming and 'Other' ICT activities

³ A Study of the Economic Benefits of Data Centre Investment in Ireland, Grant Thornton, commissioned by IDA Ireland, 2018 The report surveyed 16 entities that have invested in data centres in Ireland

has robust laws and regulations in place which govern planning and environmental considerations and allow for proper consultation and appeal for each proposed investment. Indeed, it is Ireland's focus on quality and sustainable growth that reinforces our attractiveness as a location for data centre investment by corporations that have a high regard for corporate social responsibility and environmental sustainability over the longer term.

Ireland's Enterprise Policy Objectives

Ireland's national enterprise policy objectives are set out in *Enterprise 2025 Renewed*⁴ and include the ambition for Ireland to be a digital economy hot-spot within Europe. Today Ireland has become the location of choice for strategic business activities of global ICT companies and has earned the reputation of being the heart of ICT in Europe. The evidence speaks for itself with 16 of the top 20 software companies, 9 of the top 10 US ICT companies, the top 10 'born on the web companies', and 4 of the top 5 IT services companies based here. Ireland can boast a highly entrepreneurial culture and point to a range of technology-rich Irish companies that have expanded their reach throughout the world.

The agency supported enterprises in the hardware, software and services ICT sector employed almost 115,000 in 2016⁵ and contributed €31 billion to value added⁶. International digital infrastructures, such as data centres, underpin Ireland's international position as a location for ICT.

Technological advances are not new, but the pace of change over the past few years has been phenomenal. Technologies such as 3D printing, Artificial Intelligence, Virtual Reality and Augmented Reality are starting to take hold – with the potential to have a transformative impact on productivity, innovation and profitability. Digital technologies are now becoming a reality for all businesses – opening opportunities to deliver customised products and services, to reach new markets, to develop new business models and to embed efficiencies.

This means that our Irish owned food companies, engineering, medical devices, fintech, retail and other manufacturing and services enterprises are adopting digital technologies, utilising data analytics and customising products and services. It also means that the digital economy relates to all businesses across Ireland.

The Role of Data Centres in Ireland's Enterprise Policy

Data centres are central to the digital economy. They generate added economic benefit across the value chain. Data centres provide remote support functions for other firms which themselves undertake production, research and development, marketing, sales, service,

⁴ Enterprise 2025 Renewed, Building resilience in the face of global challenges, DBEI, March 2018

⁵ Annual Employment Survey 2016, DBEI, August 2017. Includes ICT Hardware, Computer Consultancy Services, Computer Facilities Management, Computer Programming and 'Other' ICT activities

⁶ ABSEI 2016, DBEI

and support activities in locations with no physical/geographic connection to the data centre. Perhaps less well known, is that centres facilitate many other sectors across the economy by enabling data storage, e-payments, securities transactions, banking, fraud protection, cloud telephony, inbound and outbound Intellectual Property (IP) traffic, and disaster recovery services yielding productivity benefits to their users, all the way to those users' customers.

The fact that Ireland has become a leading European destination for data centres demonstrates that we are achieving our national enterprise policy objectives. Ireland's ability to attract the next wave of data centre investments will send a strong signal that Ireland remains an open, competitive, globally attractive and innovative economy.

Strategic Significance of Data Centres

Contribution to enterprise and regional policy objectives

Data centre presence in Ireland raises its visibility internationally as a technology-rich, innovative economy, which in turn, places Ireland on the map as a location of choice for a range of sectors and activities that are increasingly reliant on digital capabilities including manufacturing, financial services, animation, retail and global business services.

In terms of employment, data centres create jobs both directly and indirectly. Today, data centres in Ireland are estimated to employ 1,800 people directly in high value jobs that stimulate additional economic activity and form a key element of Ireland's overall digital economy.⁷ A further 1,900 are employed annually in related construction activities. The agency supported companies that have invested (or plan to invest) in data centres in Ireland are already involved in other activities including data analytics, customer experience services and technical support. A number of those entities that have large data centre investment in Ireland have attracted additional activities to Ireland, and have doubled their employment since 2010 to almost 10,000 today.⁸ Ireland has also attracted investment in smaller scale data centres that host and provide services for a range of sectors and businesses here. The presence of a data centre and related economic activities positions Ireland strategically within the Corporation, ensuring that Ireland is continuously considered as a location of choice for additional mobile project investments.

Direct jobs in data centres are generally well-paid and provide secure employment for a considerable period. Data centres are highly capital intensive and provide job opportunities during the construction phase which can run for three years or more. In addition, data centre operations create employment in the firms from which they purchase goods and services.

⁷ A Study of the Economic Benefits of Data Centre Investment in Ireland, Grant Thornton, commissioned by IDA Ireland, 2018. The report surveyed 16 entities that have invested in data centres in Ireland

⁸ *ibid*

The data centre entities surveyed as part of the Grant Thornton study for IDA Ireland indicate a total economic impact of over €7 billion since 2010 (including direct economic impact of €4.54 billion and a further €2.59 billion indirectly). Almost 1,000 suppliers have been contracted by data centres, with 77 percent domestically based, benefitting from 90 percent of the total expenditure.

A number of Irish-owned construction enterprises have developed capabilities in areas such as large-scale construction, electrical and mechanical engineering and project management as a result of data centre investment here. They now export their specialist services constructing large-scale data centre, manufacturing and clean room properties abroad. It is estimated that Irish-owned companies have secured contracts with a capital value of over €2.2 billion directly employing 6,600 people⁹ that they may not otherwise have had success in, were it not for the expertise developed to deliver on high-specification construction projects in Ireland.

A plan-led approach to investments in data centres aims to contribute to enterprise and regional policy objectives and is a strategically important element of Ireland's future economic prospects.

The development of data centres contributes to enterprise and regional policy objectives and is strategically important element of Ireland's future economic prospects:

- data centre technology supports a wide range of sectors in Ireland;
- data centres, as a form of inward investment, tend to have long life spans;
- data centres of scale are another demonstration of Ireland's position as an attractive place to invest, live and work;
- data centre activities and services employ highly skilled individuals. Ireland's focus on ensuring we develop and attract the talent needed by 21st Century enterprise underpins our reputation and attractiveness as a location with a highly-skilled workforce¹⁰;
- data centre development in Ireland signals our ability to provide and support world class infrastructures and data management/protection;
- data centres deliver efficient services to SMEs which improve firm-level productivity and cost competitiveness, and thus enhance our overall national competitiveness; and

⁹ Survey undertaken by Construction Industry Federation, based on Full Time Equivalents employed overseas on data centre projects at the time of survey conducted in 2016

¹⁰ During 2018, the EGFSN will publish an updated report on ICT Skills Action Plan 2014-2018 to cover the period to 2026

- data centres facilitate the demands from all consumers in the age of data-rich content and customised digital services (including mobile apps, location based services, video streaming and on-line games).

Project Ireland 2040, National Planning Framework, notes that the data centre sector underpins Ireland's international position as a location for ICT and creates added benefits by establishing 'a threshold of demand for sustained development of renewable energy sources'¹¹.

Data centres can provide benefits to the electricity system due to their typically consistent, as opposed to 'peaky' demand profile which can provide system support at night. In addition, data centres are a potential provider of system services and demand response which is beneficial to Ireland's energy system.

Communications Infrastructure

Data centres require significant communications infrastructure, international cable capacity, and local fibre connectivity. Ireland has been well served in this regard. Ireland's attractiveness as a location for data centres will be enhanced with the completion of planned direct cable connection to the EU. Such international telecom connections may take on added importance in light of the United Kingdom's decision to leave the European Union (EU), as data centre operations located outside the EU are not subject to relevant EU regulation or legislation (e.g. General Data Protection Regulation (GDPR) or the EU-US Privacy Shield).

It is important that investments in communications infrastructures are made that leverage the advantage of a number of regional locations in terms of energy supply. Availability of dedicated and resilient communications infrastructure in regional locations where renewable energy resources are developed would facilitate increased development of data centres outside of the Dublin area.

Electricity Infrastructure

While investments in a range of sectors are utility intensive and will increase demand, it is important to acknowledge that data centres pose considerable challenges to the future planning and operation of Ireland's power system. Such challenges arise in terms of renewable energy policy/objectives, generation adequacy including maintaining local and regional security of electricity supply, community acceptance and electricity customer costs. By recognising these challenges, the Government can take steps to mitigate them so that Ireland optimises the benefits that these strategically important investments bring.

¹¹ Project Ireland 2040, National Planning Framework, Government of Ireland, Department of Housing, Planning and Local Government, February 2018, Page 145

In terms of renewables, Ireland has a legally binding target to meet 16 per cent of its energy requirements from renewable sources by 2020¹² and additional renewable generation will be required. The National Mitigation Plan provides a framework to guide investment decisions to reduce greenhouse gas emissions. Renewable electricity support schemes (in place and under development) aim to incentivise the growth of renewable electricity technologies, recognising the cost differential between fossil and renewable energy resources. The proposed new Renewable Electricity Support Scheme will have at its core policies that will increase the participation in, and ownership of, renewable electricity projects by local communities. It is welcome that developers of data centres place an emphasis on how energy requirements can be met from renewable sources, and data centres will likely play a role in creating a market for renewable energy development.

Currently, a large portion of existing and planned data centres that are due to connect to the electricity system are expected to be in the Dublin area. Based on existing data centres, committed expansion and expected growth, total demand could treble within the next ten years. A consistent and supportive whole of government approach will be brought to the realisation of the transmission and distribution assets required to support the level of data centre ambition that we adopt.

The cost of safely building out, operating and maintaining the electricity transmission and distribution networks is ultimately borne by energy users and is reflected in customer's electricity bills. The Public Service Obligation (PSO) levy is designed to support electricity generation plant to meet national policy objectives including the use of renewable energy sources in electricity generation. While intensified data centre activity will likely play a key role in stimulating demand for increased renewable electricity generation, it is also likely that it would result in higher network charges and PSO levies for consumers unless mitigating measures are taken to minimise such charges.

For example, it is the case that large energy users such as data centres contribute to network charges and the PSO levy, and that increasing levels of renewables place downward pressure on wholesale prices thereby potentially mitigating the impact of PSO cost increases. Corporate Power Purchase Agreements (PPAs) could also play a role in reducing the costs of public support for renewables¹³.

Furthermore, data centres desire for 'green' electricity supply could stimulate supply and technology innovation in the renewable energy sector that attracts investment in Ireland and increases the pace of transition to low carbon technologies. Given the pace of

¹² It is expected that the level of renewable ambition will also increase as part of an EU wide renewable energy target of at least 27 per cent by 2030, currently being finalised as part of the recast Renewable Energy Directive

¹³ A Corporate Power Purchase Agreement (PPA) is a long-term contract under which a business agrees to purchase electricity directly from an energy generator. Such structured agreements (which are well accepted in the US) provide financial certainty for the utility companies and the developers, which removes a significant roadblock to financing and building new renewable facilities

technological advances, it is also possible that innovative solutions will enable further energy efficiencies and network utilisation over coming years.

The potential cost benefits which could be provided by data centres are dependent on location, existing network capacity and the infrastructure required to supply the site. The situation involves a number of complex factors, and the Government aims to ensure the best outcome for Ireland's future economic and sustainable growth as the complementary strands of the Strategic Policy Framework are progressed.

The Planning System

Ireland has a robust set of laws and regulations which govern planning and environmental considerations, encourages consultation and allows for appeal. Data centre developers and others operate within this regime which has strong credibility locally, and performs well against international benchmarks.

The planning process works most effectively where the national and strategic policy context is clear, where strategic effects and policy implications are well understood and where the development consent process for individual development proposals is grounded in that context. Data centre development has encountered recent difficulties as a result of delays due to planning appeals and subsequent judicial reviews of planning permissions.

The Government recognises that there is a balance to be struck between the need to take account of community and public concerns around individual projects and ensuring timely decision making in the planning process.

To ensure a streamlined decision making process for planning, the Government is amending the planning process for data centres over certain size thresholds to reclassify them as strategic infrastructure development, as well as reviewing judicial review timelines on planning decisions, while emphasising the continuing importance of public and community consultation processes.

Policy Enablers

Ireland's temperate climate, access to the European Single Market, robust regulatory environment and excellent track record for investment are strong attractors for data centre investment and related activities. Ireland's policies are supportive of business investment, job creation and growth, and Ireland's reputation as a great place to do business serves to attract investment and encourage data centre development. The cross-government approach ensures that the business environment continues to be enhanced as business needs evolve.

Enterprise policy support

- The Department of Business, Enterprise, and Innovation (DBEI) works across government to ensure the operating environment for all enterprises supports their success. DBEI, through the activities of IDA Ireland, ensures that enterprises including data centre developers can benefit from engagement and support.

- In line with enterprise policy, IDA Ireland will continue to prioritise data centre investments that deliver economic impact, contribute to productivity and value added in terms of the global ICT sector in Ireland, while minimising external costs.
- Ireland offers incentives for capital investment in energy efficient equipment, research and development and has a competitive and transparent corporation tax regime. Ireland's supportive environment for the development and management of intellectual property (IP) has also served to help attract technology companies here.
- Ireland has a robust national data protection and data privacy regime, including a Minister with specific responsibility for Data Protection.
- Ireland has access to a strong pool of highly skilled workers and is producing increasing numbers of skilled technicians and computer scientists. The education system is internationally respected and produces top level graduates.
- Ireland's track record as a home to leading technology and IT companies helps to attract more such businesses to Ireland. Investors are justifiably confident that they will benefit from operating in a jurisdiction that has extensive experience of building large industrial projects and partnering with multinational companies.
- In line with *Enterprise 2025 Renewed*, *Project Ireland 2040* and IDA's *Winning: Foreign Direct Investment 2015-2019* strategies to stimulate regional development, IDA Ireland is intensifying its activities to promote a range of regional options for data centre investment, having regard to the success of Dublin in attracting data centre investment to date and capacity for future growth. IDA Ireland has recently identified specific sites in regions throughout Ireland that are potentially suitable for accommodating the sustainable development of large scale data centre projects in terms of proximity to necessary energy and other appropriate infrastructures.

Supportive energy, telecoms, and data policy

Regarding the challenges that data centres bring to the future planning and operation of Ireland's power system, a consistent and supportive whole of government approach will be brought to the realisation of the transmission and distribution assets required to support the level of data centre ambition that we adopt in the context of wider economic growth and regional development.

A balance will need to be maintained between the distributional impacts of higher energy costs on the economy and the longer term economic impacts of utility intensive enterprise investment.

- EirGrid is currently undertaking an extensive consultation on a series of possible energy scenarios having regard to energy and climate change policies, economic developments, technology evolution and adoption, and national and international policies. In this context, the planning and development of the electricity transmission system, including network investment needs and long-term scenario planning, should be guided by the objective for more balanced regional development set out in Project Ireland 2040, National Planning Framework.

- EirGrid and ESB Networks work closely and innovatively with data centre developers to maximise the capability of the network to support timely connection and operation of data centres.
- The Commission for the Regulation of Utilities (the independent energy and water regulator) plans to work with EirGrid to develop a range of measures, potentially including locational signals, to ensure that local and regional security of electricity supply is maintained and to facilitate demand growth associated with data centres.
- DCCAE will progress the Renewable Electricity Policy and Development Framework (REPDF), the primary objective of which will be to maximise the sustainable use of renewable electricity resources in Ireland. The development of the REPDF will be shaped by the current energy landscape in Ireland, including the development of the new Renewable Electricity Support Scheme (RESS), falling costs across a range of renewable technologies, an ambition to increase community and citizen participation in renewable energy projects, the draft Wind Energy Development Guidelines, Brexit and the growing renewable electricity demand linked to energy intensive investments including increased data centre activity.
- The National Broadband Plan (NBP) will deliver high speed broadband to every single premises in Ireland which will particularly assist rural Ireland. For those areas where commercial investment will not materialise, the Government has committed to step in. Availability of competitively priced telecommunications infrastructure in regional locations where renewable energy resources are developed would facilitate increased development of data centres outside of the Dublin area.
- Finally, DCCAE, through the National Cyber Security Centre, is developing a series of measures on the cyber security of data centres and the infrastructure they rely on.

Project Ireland 2040

- Project Ireland 2040 (National Planning Framework and National Development Plan 2018-2027) includes an objective for the promotion of Ireland as a sustainable international destination for ICT infrastructures such as data centres and associated economic activities.
- The strategic importance of data centres is reflected in the thematic infrastructure priorities in Project Ireland 2040, which embeds policy support for data centres into the planning policy hierarchy.
- Regional level plans (Regional Spatial and Economic Strategies) must be consistent with Project Ireland 2040 and, in turn, local development plans must be consistent with regional plans.

Development consent & streamlined strategic infrastructure process

- Legislative proposals will be brought forward for the inclusion of data centres above a minimum threshold in the Seventh Schedule to the Planning and Development Act 2000, at the earliest possible legislative opportunity.

- This will have the advantage of moving the development consent process for such developments from the current two to a more streamlined one stage process, while continuing to have regard for community and public consultation.

Efficient decision review system

- Government has approved a package of measures to streamline judicial review of strategic infrastructure projects. The measures aim to provide greater certainty on the timeframe for decisions on planning and other consent processes. The measures will build on the accelerated, one-stage planning process for strategic infrastructure projects which is already operated by An Bord Pleanála.
- The President of the High Court has also decided to include strategic infrastructure projects within the scope of a new accelerated judicial review procedure effective from 26 February 2018.
- Government has agreed to prepare legislation to streamline judicial review of strategic infrastructure projects and detailed heads of legislation to give effect to these measures will be prepared by the Minister for Housing, Planning and Local Government.

Conclusion

Ireland continues to enhance the business environment to ensure its attractiveness as business needs evolve. The Government reaffirms support for the development of enabling technology and infrastructure to meet enterprise, economic and social policy goals.

We acknowledge the need for social acceptance of large data centre developments. The planning process provides the necessary framework for ensuring that all necessary standards are met and that comprehensive statutory and non-statutory consultation is built into the process.

The Government endorses, supports and promotes the appropriate and timely delivery of data centres across the regions. It reaffirms that it is Government policy and in the national interest, that these developments are delivered in the most efficient and timely way possible, based on the best available knowledge and informed engagement on their impacts.

The policy responses summarised above will help ensure that Ireland continues to achieve its national enterprise policy objectives, mindful of the strategic issues that come with developments in the area, while ensuring that our sustainability goals are also reached.

Appendix

Steering Group Membership

Department of Taoiseach (Chair)

Department of Business, Enterprise and Innovation

Department of Communications, Climate Action and Environment

Department of Housing, Planning and Local Government

Department of Public Expenditure and Reform

IDA Ireland

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