

Our Ref: PQ 5805/24

15 February 2024

Ms. Louise O'Reilly T.D.

Dáil Éireann

Leinster House

Kildare Street

Dublin 2

Dear Louise,

I refer to Parliamentary Question 5805/24 for answer on 08 February 2024 where I indicated that additional time would be needed to obtain the requested information, which is set out below, with the relevant expenditure details attached in a separate table.

“To ask the Minister for Enterprise; Trade and Employment the funding allocated to areas of expenditure (details supplied) in each of the years 2018 to 2023; if an underspend existed, by year; and the funding allocated for 2024, in tabular form.”

Details Supplied

The National Digital Strategy, · The National AI Strategy, The Digital Transition Fund · European Digital Innovation Hubs · Trading Online Voucher · Digital for Business · The Online Retail Scheme · Digitalisation Voucher · Digital Marketing Capacity Scheme · Disruptive Technologies Innovation Fund

The National AI Strategy published in 2021 serves as a roadmap for how Ireland can leverage the potential of AI for unlocking productivity, for addressing societal challenges, and for delivering public services. It envisions a future for Ireland as an international leader in using AI to the benefit of business, public services, and - most importantly - for people, through a people-centered, ethical approach to AI development, adoption and use.

The National Digital Strategy, Harnessing Digital – The Digital Ireland Framework, published early in 2022, sets out a roadmap to drive the digital transition across the economy and society, with progress envisaged across enterprise, skills, infrastructure, and public

services. Targets and related workstreams and deliverables are included across each of these four dimensions.

Government has committed to driving a step change in the digitalisation of enterprise in Ireland. Growing the use of digital technologies by businesses will help to build the resilience of our enterprise base as we look to future-proof our economy. For businesses, investment in digitalisation brings increased efficiencies, easier access to and better services for customers, and greater cybersecurity and scalability.

A strong whole-of-Government approach is central to effective management of cross-cutting digital policies and a Senior Officials Group on Digital Issues meets regularly and reports to the Cabinet Committee on Economic Affairs. A second Progress Report on the implementation of the Strategy was published in January 2024.

The Digital Transition Fund is a key tool in driving the digitalisation of enterprise in line with the targets under the National Digital Strategy. This €85m fund under the National Recovery and Resilience Plan (NRRP), running from 2022-2026, is funded by the EU's Recovery and Resilience Facility (RRF). The fund is administered by EI, IDA Ireland and Údarás na Gaeltachta through a range of schemes to boost uptake of digital technology. This funding is in place to help companies at all stages of their digital journey – from the early days of going online to digitalisation of products and business processes, to facilitating exporting and to use digital technologies to develop new markets and business models.

Ireland's European Digital Innovation Hubs (EDIHs) are part-funded under the RRF and by the Digital Europe Programme. EDIHs are an EU-wide network providing digitalisation advice at low or no cost to SMEs and public sector organisations to support uptake of technologies such as AI and data analytics and to enhance cybersecurity and digital skills.

All four of Ireland's designated EDIHs have passed the Commission threshold and are eligible to become part of the EDIH network. These EDIHs are: FactoryxChange (FxC), CeADAR, ENTIRE, and DATA2SUSTAIN. Two EDIHs (FxC and CeADAR) are funded jointly through the Digital Europe Programme and the Recovery and Resilience Facility (RRF). The remaining two hubs (ENTIRE and DATA2SUSTAIN) have been awarded a 'Seal of Excellence', which permits them to become full EDIH network members subject to national funding being made available. These hubs are funded solely under the RRF.

The Digitalisation Voucher and Digital Marketing Capability Schemes administered by my Department are schemes relevant to IDA Ireland clients and fall under the Digital Transition Fund. It is important to note that some schemes have multiannual budgets and not all schemes commenced in 2018.

The Trading Online Voucher scheme, available through the Local Enterprise Offices, is designed to encourage microenterprises, with little or no online presence, to trade more online, boost sales and reach new markets. The scheme offers financial assistance of up to €2,500 with co-funding of 50% from the business along with training and advice to help them trade online. The Trading Online Voucher scheme cuts the cost of developing an online trading capacity and makes this investment very affordable for many small businesses.

The Online Retail Scheme administered since 2019 supports Irish retailers in developing a more competitive online offer, increase their customer base and build a more resilient business in the domestic and global marketplace both online and offline. Future funding under this scheme is currently under review.

The Disruptive Technologies Innovation Fund (DTIF), **established** in 2018, is one of four National Development Plan (NDP) 2018-2027 funds, and is aimed at encouraging collaboration and innovation in the development and deployment of disruptive technologies on a commercial basis, in order to tackle national and global challenges. There is a particular focus on SMEs, with SME participation a mandatory requirement for each collaborative project.

I trust this is of assistance to you.

Yours sincerely,



Simon Coveney T.D.
Minister for Enterprise, Trade and Employment