

PRESS RELEASE

SCIENCE COUNCIL SAYS R&D IS A PRIORITY FOR NEW ROUND OF STRUCTURAL FUNDS

In a statement published today (Thursday, 4th March) the Irish Council for Science, Technology and Innovation (ICSTI) argues that R&D should be an investment priority for the Government in the next National Development Plan and EU Structural Funds package over the period 2000 to 2006.

The high-tech and R&D-based sectors of industry, such as electronics, software and pharmaceuticals, have been at the heart of Ireland's strong economic performance in recent years. Output, exports and employment in these sectors have contributed substantially to our overall economic performance since the beginning of the decade.

For example, a study by Forfás has shown that over the period 1986 to 1995 foreign-owned firms which engaged in R&D saw employment increase by 16% against a drop of 25% by non-R&D firms.

According to ICSTI Chairman, Dr. Edward M. Walsh, Ireland must look to support the development and attraction of technology-based firms in order to sustain its economic growth over the medium to long term. This points to the need for the public and private sectors to invest even more heavily in R&D over the period of the next National Development Plan. ICSTI urges the Government to set ambitious targets for R&D investment in line with the ambitions of

leading R&D investors and emerging economies which spend in the region of 2.5% to 3% of GDP on R&D. Ireland currently invests in the region of 1.5%.

ICSTI recommends that all R&D supports in a new National Development Plan should be brought together under a single programme focusing on the following four areas:

- **R&D for Industry**; this would include in-company R&D, innovation management, technology intelligence and venture capital for technology-based firms
- **R&D Collaboration Networks** involving industry, third-level and State research institutions
- **R&D Infrastructure**, including a fund for investment in national strategic R&D priorities, particularly to support the findings of ICSTI's Technology Foresight initiative which will be published shortly
- **R&D for Natural Resource-based Enterprises** to promote greater innovation and match the technological competitiveness of market leaders.

ENDS.

4th March, 1999.

For further information please contact :

Tom O'Dwyer, Manager,

Forfás Press and Communications.

Telephone : 01 - 607 3085