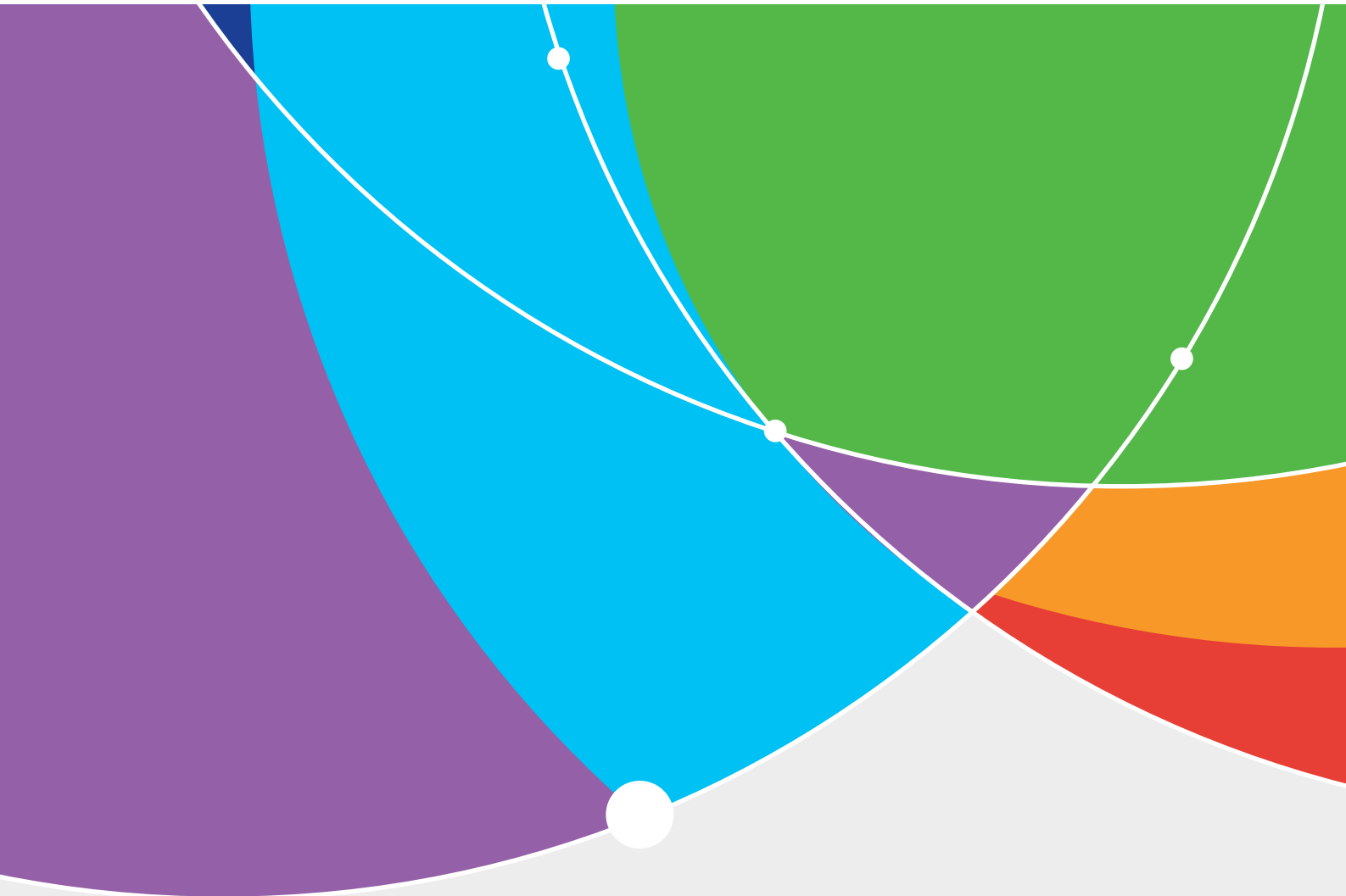




Department of Communications, Marine and Natural Resources



ANNUAL REPORT
2003

MISSION STATEMENT

“To promote the sustainable development, management and regulation of the communications, energy, marine and natural resources sectors in support of national economic and social policy objectives”

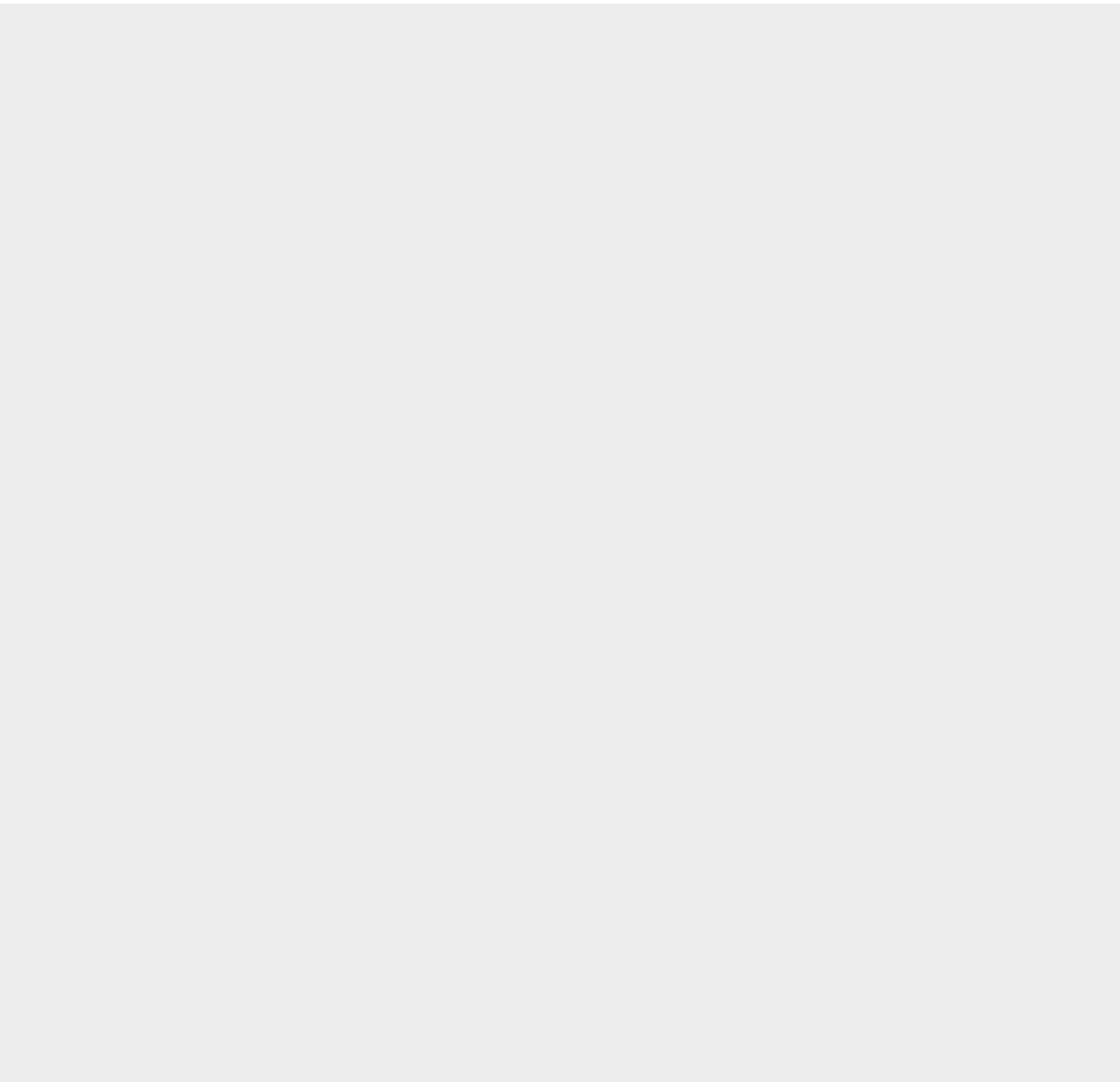


Department of Communications, Marine and Natural Resources



ANNUAL REPORT
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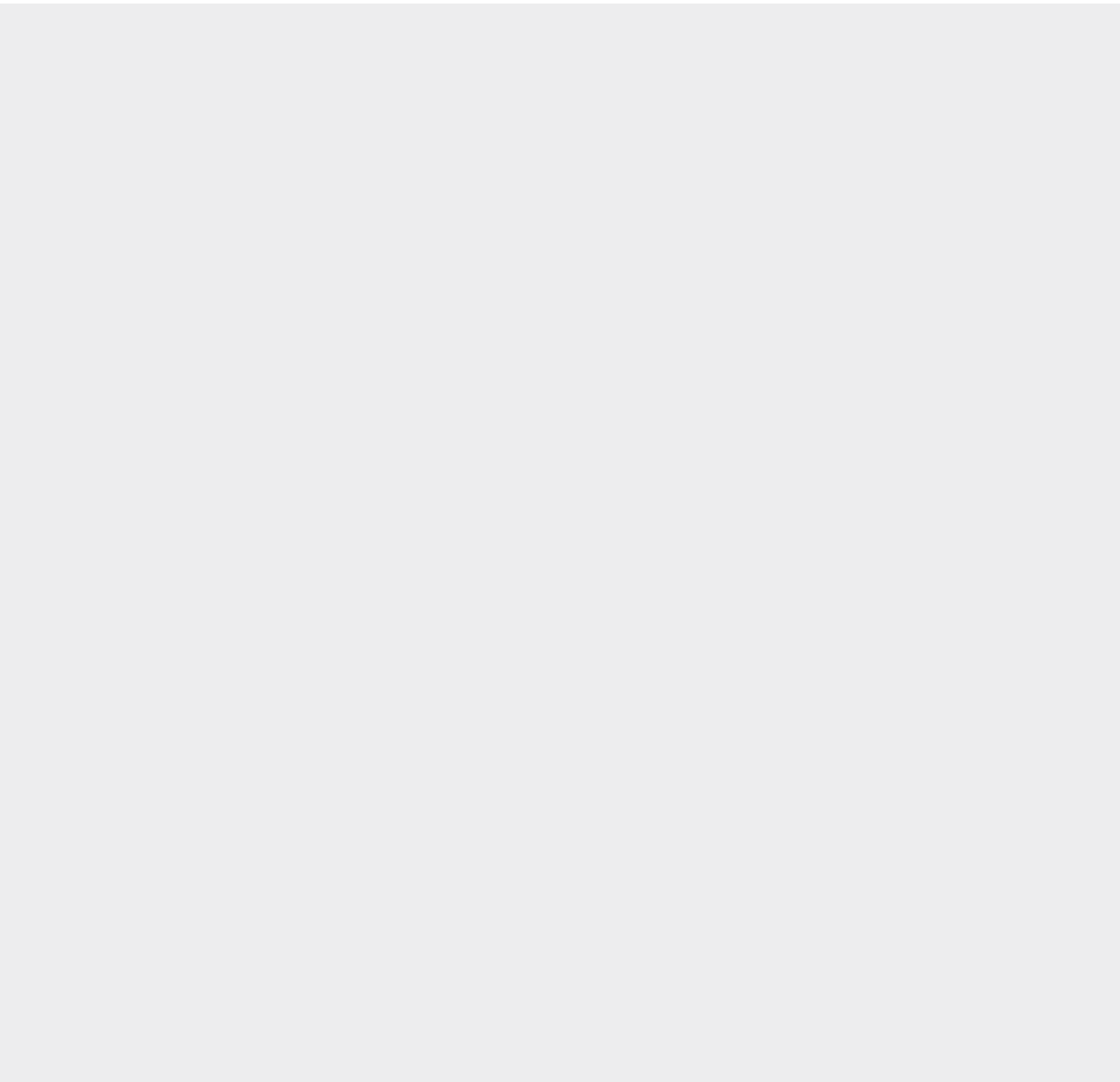
Annual Progress Report to the Minister for Communications, Marine and Natural Resources under the Public Service Management Act 1997 on the implementation of the Department's Statement of Strategy.



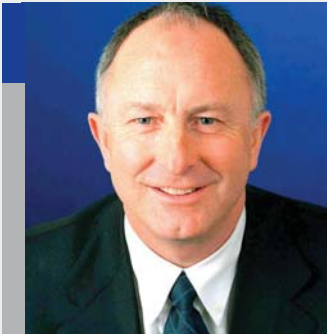
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foreword
BY THE MINISTER



2003 was a year of significant achievement for the Department of Communications, Marine and Natural Resources in delivering on the goals and objectives set out in its Statement of Strategy 2003 – 2005.

This comprehensive report details the Department's activities and initiatives during the year across its wide range of responsibilities. Although we faced many challenges in the economy generally, I am pleased to say that the contribution of the Department to national economic and social progress has been excellent.

I am pleased to acknowledge the valuable contribution made by management and staff of the Department in implementing the "Agreed Programme for Government", "Sustaining Progress, the Social Partnership Agreement 2003 – 2005" and the Department's Statement of Strategy 2003 – 2005. I am grateful to all those who work in the Department and those in our associated agencies for their commitment to the Government's ambitious agenda. I also want to thank the representatives of the various industries and all our stakeholders for their support and assistance during 2003.

With my colleague, Minister of State, John Browne, T.D., I look ahead with confidence to the challenges and opportunities we will encounter in delivering our social and economic remits in the communications, energy, marine and natural resources sectors. Our record in 2003 is one of achievement and rapid progress in vital areas and we will continue to deliver on the Government's agenda and on our Statement of Strategy.

A handwritten signature in black ink, appearing to read "Dermot Ahern". The signature is fluid and cursive, written over a white background.

DERMOT AHERN, T.D.

Minister for Communications, Marine and Natural Resources

July 2004

introduction

BY SECRETARY GENERAL



This is the first annual progress report on the implementation of the Department's Statement of Strategy 2003 – 2005. The Statement of Strategy, which was published in June 2003, sets challenging policy and organisational goals and objectives across the range of the Department's responsibilities and operations.

This report summarises progress made in 2003 in delivering on those goals and objectives. Part 1 of the report details progress made in the sectoral areas of communications, broadcasting, energy, marine and natural resources. I am pleased to report that substantial progress has been made on many fronts. Achievements

in the **communications** sector included the transposition of the EU Electronic Regulatory Package, the rollout of broadband telecommunications infrastructure in the regions, the enactment of the Digital Hub Development Agency Act, the Broadcasting (Funding) Act and the Designation of Sporting Events Act.

In the **energy** sector, provision was made for the further liberalisation of the electricity and gas markets. The ESB continued to rollout its accelerated upgrading programme for the electricity grid, and the gas pipeline to the west of Ireland was completed. The pipeline has opened up the midlands and the west of the country to natural gas and has reinforced the network to the south. A consultation document on future renewable energy policy, which will map out a future for renewable energy technologies, was launched in December 2003.

On the **marine and natural resources** side, preparatory work commenced on the establishment of the Maritime Safety Directorate, the high level review of the State commercial ports was published, recovery plans for over exploited fish stocks in the waters around Ireland were agreed, a new open and transparent sea-fishing boat licensing policy was introduced in November 2003 and the fishery harbour and coast protection investment programmes continued. A high level review of the inland fisheries sector also commenced.

On the **organisational** front the Department continued to implement the civil service modernisation agenda. Achievements included the publication of the human resource and information and communication technology strategies, the establishment of a Law Division, progress to schedule on the Management Information Framework project, devolution to divisional managers of a range of Administrative Budget responsibilities and an allocation of 4% of payroll to staff training and development. In addition, the Department complied with all relevant commitments in the Social Partnership Agreement Sustaining Progress. I am pleased to report that the Civil Service Performance Verification Group established under Sustaining Progress commented very favourably on the delivery by the Department of its change management agenda.

Planning for Ireland's Presidency of the EU was stepped up by the Department in 2003. Our Presidency responsibilities were wide-ranging covering five different Councils and reflect the broad economic remit of the Department. Personnel and structures were put in place to ensure efficient and effective delivery of the Department's Presidency responsibilities.

Work on the preparation of a Decentralisation Implementation Plan commenced in December 2003 following the announcement that the Department's headquarters will be moving to Cavan as part of the Government's decentralisation plan. Plans are also underway for the relocation of the marine policy functions to Clonakilty, Co Cork and the Maritime Safety Directorate to Drogheda, Co Louth.

On 1 January 2004, our colleagues in the Forest Service transferred to the Department of Agriculture and Food. I would like to take this opportunity to wish them well in their new Department. It was a pleasure to work with them and I am confident that the Forest Service will continue to have a significant impact on Ireland's economic progress in the future and that the staff will give of their best in the new Department.

Finally, I would like to pay tribute to my colleagues in the Department of Communications, Marine and Natural Resources. Since the formation of the Department in June 2002, I have been consistently impressed by the high standard of professionalism of staff and the keen commitment to providing a high quality public service. In addition, the enthusiasm and commitment of staff has been tangible.

I look forward to working with staff in partnership, under the guidance of the Minister, Dermot Ahern, T.D., and Minister of State, John Browne, T.D., in advancing the challenging agenda before us.



BRENDAN TUOHY

Secretary General

July 2004



01



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communications COMMUNICATIONS

CORE POLICY GOAL

To contribute to sustained macro-economic growth and competitiveness and to ensure that Ireland is best placed to avail of the emerging opportunities provided by the information and knowledge society, by promoting investment in state-of-art infrastructures, by providing a supportive legislative and regulatory environment, and by developing a leading edge research and development reputation in the information, communications and digital technologies sectors.

01 STRATEGIC OBJECTIVE

To place Ireland on a competitive par with key comparator OECD economies in terms of key Internet and communications benchmarks, including price, quality and choice.

02 STRATEGIC OBJECTIVE

To create a legislative framework that provides for light handed, competitive and commercially-aware regulation of the communications sectors and a flexible legal environment to meet business and public service requirements.

EU ELECTRONIC COMMUNICATIONS REGULATORY PACKAGE

Five Directives establishing the EU Electronic Communications Regulatory package were transposed in 2003. The regulatory package consisted of a Framework Directive, a Directive on Authorisation, Access and Interconnection, Universal Service and User Rights, and Data Protection respectively and a Decision on Radio Spectrum (which does not have to be transposed).

The above Regulatory package was designed:

- to bring current Community legislation on electronic communications into line with the far-reaching changes, including technological convergences, taking place in the telecommunications, media and information technologies sectors
- to change the way the communications sector is licensed across the EU, to strengthen competition in the electronic communications markets in the EU and to simplify and clarify the current complex regulatory framework by reducing the number of specific legal measures therein

- to provide for a lighter regulatory touch in those cases where markets have become more competitive while attempting to ensure that a minimum of services are available to all users at an affordable price and that the basic rights of consumers continue to be protected
- to provide for the establishment of three-person Appeal Panels to hear and decide on appeals against ComReg decisions. Currently, appeals against decisions by ComReg are heard in the courts. The new approach is expected to provide a more efficient and cost effective alternative to the courts process. The necessary details for the formal establishment of such a panel are being actively progressed
- to harmonise provisions to ensure an equivalent level of protection of fundamental rights and freedoms and in particular the right to privacy, with respect to the processing of personal data in the electronic communications sector and to ensure the free movement of such data and of electronic communication equipment and services.

In February 2003, following a consultation process, the Minister issued policy directions to the Commission for Communications Regulation, focusing on a number of key policy priorities. One example of progress, following these policy directions, was the introduction of flat rate Internet access nationwide. Lower prices and the resultant increase in demand for services are driving the expansion of the areas in which broadband coverage is offered.

A new Chairperson of the Commission for Communications Regulation was appointed for a one-year term in December 2003. Mr. John Doherty, Commissioner, replaced Ms Etain Doyle, the first Chair and former Director of the Office of Telecommunications Regulation.

03 STRATEGIC OBJECTIVE

Promote increased Information Society inclusion at both the regional and community-based levels.

A key element of the Government's Information Society strategy, as outlined in New Connections, is the development of advanced telecommunications infrastructure throughout all regions of Ireland.

Under the Regional Broadband Programme of the NDP 2000-2006, ten grant contracts were signed with telecommunications operators for development of broadband telecommunications infrastructure in the regions. These contracts were completed in 2003 and included:

- the development of a new national fibre-backbone by ESB Telecoms. The ESB's network is in the form of a southern and a northern loop, using the main electricity transmission lines as a carrier for the fibre-optic cables
- the rollout of DSL services by Eircom and ESAT BT. One hundred and forty-five telephone exchanges had been DSL-enabled by July 2003
- telephone exchanges, connected to or serving approximately 900,000 lines, have been DSL-enabled, with 24,000 consumers now using DSL services.

In addition to these projects, construction commenced in 2003 on the development by local/regional authorities of 19 open access Metropolitan Area Networks (MANs).

These networks are located in Athlone, Ballina, Cork, Galway, Limerick, Mullingar, Portlaoise, Roscommon, Tullamore, Gweedore, Carrick-on-Shannon, Manorhamilton, Carlow, Clonmel, Dungarvan, Kilkenny, Letterkenny, Wexford and Waterford and are expected to be completed in 2004.

Funding of €65 million has been committed to the MAN programme over the period 2003 and 2004.

The National Broadband Strategy 2002 envisaged the procurement of a Management Services Entity (MSE) to manage, maintain, market and operate the 19 MANs to be constructed on an open access, wholesale, operator neutral basis.

A call for tenders for the position of MSE opened in June 2003 and closed in August. An MSE Project Board has been established to oversee the evaluation process and a multidisciplinary team of consultants has evaluated the bids received. It is intended to conclude contract negotiations in 2004.

The announcements in December 2003, from both ESAT BT and ESB Telecoms, of a reduction in the price of their regional backhaul services, which will enable the regional areas to compete more effectively, were welcomed by the Minister.

The Broadband Action Plan, announced in December 2003, committed a further €105 million to the rollout of the Regional Broadband Programme for the years 2005-2007. This investment will see the MAN programme extended to cover a further 90 towns, with populations over 1,500.

Also included in this investment is the development of a Group Broadband Scheme. Similar to the group water scheme, this investment will fund partnerships between local community groups and telecommunications providers to deliver broadband services to smaller rural communities.

04 STRATEGIC OBJECTIVE

To support the creation of a world class research entity at Media Lab Europe and a vibrant digital media content industry based around DMDL (Digital Media District Ltd.).

DIGITAL HUB DEVELOPMENT AGENCY (DHDA) AND MEDIA LAB EUROPE (MLE)

The Digital Hub Development Act was passed into law in 2003 and puts the DHDA on a statutory basis, charged with development of the Hub in the Liberties/Coombe area of Dublin. Twenty firms employing about 200 people are now located in the Hub. The 'Digital Depot' building was renovated and made available for tenants in 2003. Significant commercial, residential and community development across a seven-acre site is planned for 2004 with a tender process underway.

MLE is a third level research and development institute established as a partnership

between the Government and the Massachusetts Institute of Technology. It is based in the Digital Hub. Research activities continued in 2003 with approximately 70 researchers now placed in MLE. During the year, the Department provided funding of €1.27 million to the Higher Education Authority to support collaborative research between MLE and other universities.

communications BROADCASTING

CORE POLICY GOALS

To create an environment that encourages the maintenance of high quality Irish radio and television services by both independent broadcasters and RTÉ.

To secure a viable future for high quality public service broadcasting in the Irish market.

To seek to retain access to a range of quality programming in analogue and digital form, on a universal and free-to-air basis.

01 STRATEGIC OBJECTIVE

To develop a regulatory framework appropriate to the establishment and maintenance of high quality Irish radio and television services.

BROADCASTING (FUNDING) ACT 2003

The Broadcasting (Funding) Act 2003 was enacted on 23 December 2003. The Act establishes a new Broadcasting Funding Scheme for television and radio programmes, to be funded by 5% of the net television licence fee receipts, and to be prepared and administered by the Broadcasting Commission of Ireland (BCI).

The scheme will fund:

- new radio and television programmes on Irish culture, heritage and experience, including such programmes in the Irish language
- new radio and television programmes to improve adult literacy
- the development of archiving of radio and television programme material.

BROADCASTING AUTHORITY BILL

Work on the preparation of a Broadcasting Authority Bill began during the year. The Bill will set up a single content regulator for public sector and private broadcasters.

RADIO LICENSING REVIEW

Independent advisers were appointed in October to undertake a review of radio licensing in Ireland. This review is examining, inter alia, the processes through which radio licences are awarded in Ireland, having regard to comparative international experience, and will make recommendations on the licensing of services in the future.

RELIGIOUS ADVERTISING

In March, a public consultation process was initiated as part of the Minister's review of the legislative provisions that impose a ban on religious advertising on Irish radio and television services. Over 150 submissions were received. Having considered the submissions received the Minister decided to retain the existing ban.

Copies of the submissions received, along with a comprehensive report on the public consultation including analysis of legislative options and recommendations are available on the Department's website (www.dcmnr.gov.ie).

02 STRATEGIC OBJECTIVE

To ensure continued access to a comprehensive range of programming, in the English and Irish languages, on a universal and free-to-air basis.

FUNDING OF RTÉ

A key implementation strategy is the provision of adequate funding to RTÉ to enable it meet its statutory mandate. To that end, the Government decided to increase the television licence fee to €150 from 1 January 2003. The increase was linked to a range of accountability and transparency measures for RTÉ which were implemented as follows:

- the Minister prepared a draft Public Service Broadcasting Charter which was noted by Government and then published to facilitate a detailed public consultation
- RTÉ published a Statement of Commitments, specifying the outputs to be delivered by it in 2003
- RTÉ appointed an Audience Council to act as an advisory group to the Authority
- RTÉ published a Code of Fair Trading Practice.

It was also decided by Government that the level of the licence fee would be subject to an annual adjustment after an independent evaluation of RTÉ's performance for the year in question. Consultants were appointed by the Minister in October to review RTÉ's performance in 2003. On foot of this review, the Minister decided to increase the licence fee by €2 with effect from 1 January 2004.

RTÉ's Annual Report for 2003 and future years will include more detailed financial information in relation to the various services delivered by RTÉ.

VALUE FOR MONEY REPORT

The Comptroller and Auditor General conducted a Value for Money report on the television licence fee collection process during 2003. The final report was received in February 2004.

DESIGNATION OF SPORTING EVENTS

In 2003, the Minister designated a list of events that should remain available to the Irish public on a free television service on the basis that these events are events of major importance to society. The Minister signed the Order giving effect to this decision on 13 March 2003.

Amending legislation was also introduced to address issues that arose during the public consultation process that preceded the listing of events. The Broadcasting (Major Events Television Coverage) (Amendment) Act 2003 was enacted on 22 April 2003.

LISTED EVENTS

Live Coverage

- The Summer Olympics
- The All-Ireland Senior Inter-County Football and Hurling Finals
- Ireland's home and away qualifying games in the European Football Championship and the FIFA World Cup Tournaments
- Ireland's games in the European Football Championship Finals Tournament and the FIFA World Cup Finals Tournament
- The opening games, the semi-finals and final of the European Football Championship Finals and the FIFA World Cup Finals Tournament
- Ireland's games in the Rugby World Cup Finals Tournament
- The Irish Grand National and the Irish Derby
- The Nations Cup at the Dublin Horse Show

Deferred Coverage

- Ireland's games in the Six Nations Rugby Football Championship.

03 STRATEGIC OBJECTIVE

To oversee the introduction of digital broadcasting in Ireland.

DIGITAL TERRESTRIAL TELEVISION AND DIGITAL RADIO

The Department continued to review policy with regard to digital television and digital radio. National Economic Research Associates provided an external report on options for Digital Terrestrial Television and extensive discussions were held with various stakeholders. A document on Ireland's intentions with regard to a digital switchover was prepared in line with the eEurope 2005 Action Plan and provided to the European Commission for publication. A copy of this document is available on the Department's website (www.dcmnr.gov.ie). The Department continues to examine options with regard to digital broadcasting and it is planned to bring forward new proposals in 2004.

04 STRATEGIC OBJECTIVE

To ensure that Ireland's position in relation to the development of European broadcasting policy is clearly and actively articulated.

EUROPEAN BROADCASTING POLICY

Ireland was represented and Ireland's position was articulated at all meetings of the Audiovisual Working Party of the Education, Youth and Culture Council, the Contact Committee established under the Television Without Frontiers Directive and the Standing Committee for the Council of Europe's Convention on Transfrontier Television.

In relation to the review of the Television Without Frontiers Directive, following the completion of a consultation process in June 2003 with key players in the Irish audiovisual sector, the Department made a comprehensive submission to the European Commission in July 2003. A copy of the submission is available on the Department's website (www.dcmnr.gov.ie).

Work on the ratification of the Council of Europe's Convention on Transfrontier Television was progressed.

communications POSTAL

CORE POLICY GOALS

To ensure Irish industry and domestic customers enjoy competitively priced, high-quality postal services on a par with the highest quality standards in key comparator economies elsewhere in the EU: to maintain the nation-wide postal services and network, with uniform tariffs applying throughout the State, where required by regulation, and to develop the Irish postal sector in such a way that it will underpin the key economic objective of Ireland becoming a knowledge economy.

STRATEGIC OBJECTIVES

To develop an effective policy for the Irish postal sector based on open market principles and in conjunction with EU initiatives.

To exercise effective corporate governance functions in relation to An Post.

DEREGULATION OF POSTAL MARKET

In accordance with the European Communities (Postal Services) Regulations 2002 the postal market was further opened to competition from 1 January 2003.

CORPORATE GOVERNANCE

An Post experienced a difficult trading year in 2003 primarily due to the slowdown in the economy and delays in achieving the necessary restructuring of its business to improve competitiveness. The Department, in fulfilling its corporate governance role, focused on ensuring that the Board and management of An Post addressed the serious financial challenges facing the company and the need to formulate plans to facilitate company turnaround.

POST OFFICE NETWORK

Two major initiatives are still underway in the restructuring of the post office network. The first is the conversion of non-automated sub-post offices to postal agencies and the second initiative is the conversion of the least busy branch offices to sub-offices. These initiatives will continue throughout 2004.

APPOINTMENT OF DIRECTORS IN AN POST

In 2003, the Minister appointed Ms. Margaret McGinley as chairperson to the Board of An Post. There were six other appointments/reappointments as Directors to the Board during 2003.

energy ENERGY

CORE POLICY GOALS

The development of competitive, efficient and properly regulated energy markets, which provide customers with a choice of energy services and support sustainable economic growth.

The protection of security of energy supply.

Ensuring that energy supply and use are environmentally sustainable.

01 STRATEGIC OBJECTIVE

Ensure that the needs of customers and industry are better met through the promotion of market liberalisation and the development of effective independent economic regulation.

FURTHER LIBERALISATION OF THE ELECTRICITY MARKET

On 21 November 2003, the Minister made the Electricity Regulation Act 1999 (Eligible Customer) (Consumption of Electricity) Order 2003 (SI No. 632 of 2003). The Order provides:

- for an increase in the current level of electricity market opening from 40% to 56% with effect from 19 February 2004
- to all intents and purposes, for full market opening of the electricity market on 19 February 2005.

This 2005 date for full market opening brings forward the 2007 deadline set down in the EU Electricity Directive adopted in June 2003.

The making of this Order at an early date gives effect to the Government's commitment to full market opening in February 2005 and provides assurance and certainty to the market going forward.

FURTHER LIBERALISATION OF THE GAS MARKET

In November 2002, the Minister signed an Order, which increased the level of total market opening to 85% with effect from 1 January 2003, making the Irish natural gas market the fifth most liberalised in the EU. In terms of the industrial/commercial sector, the Order had the effect of increasing the level of opening for this market segment from 62% to 75%, bringing the total number of industrial and commercial sites eligible to avail of Third Party Access rights from about 100 to 250.

It is intended to have full market opening by 2005, with full market opening for the industrial/commercial sector planned for 2004.

NATURAL GAS REGULATION

Work was carried out on the proposed Gas Regulation Bill. This Bill will replace all existing gas sector legislation (some of which dates back to the 19th century) with one comprehensive, up-to-date and accessible piece of legislation suitable to a fully liberalised and competitive market. It is proposed to have the Bill in place prior to full market opening in 2005.

COMMISSION FOR ENERGY REGULATION (CER)

The CER continues to discharge its statutory duties as prescribed by the Electricity Regulation Act 1999, the European Communities (Internal Market in Electricity) Regulations 2000 and the Gas (Interim) Regulation Act 2002, in relation to electricity and gas.

02 STRATEGIC OBJECTIVE

Ensure effective corporate governance of the energy State bodies so as to protect shareholder interest and contribute to national economic development.

CER

In accordance with effective corporate governance procedures, the CER submitted its Annual Report and Accounts to the Department on 1 April and 26 June 2003 respectively.

EIRGRID PLC

EirGrid Plc submitted its Annual Report and Accounts on 26 May 2003.

CONVERSION OF ELECTRICITY SUPPLY BOARD (ESB) INTO PUBLIC LIMITED COMPANY

The drafting of the Heads of a Bill continued.

CONVERSION OF BORD GÁIS ÉIREANN (BGÉ) INTO PUBLIC LIMITED COMPANY

The drafting of the Heads of a Bill continued.

COMPLIANCE BY BGÉ WITH CORPORATE GOVERNANCE REQUIREMENTS

BGÉ continues to comply with these requirements. The company's 2002 Annual Report and Accounts were presented to the Department in April 2003 and the six-monthly accounts were presented in September 2003, together with the Chairman's Report.

COMPLETION OF A STRATEGIC REVIEW OF BGÉ'S BUSINESS PLAN

The company's five-year Corporate Plan (2003-2007) was presented to the Department in 2003, together with the company's Future Strategy document. Discussions in relation to the documents are ongoing with the company.

COMPLIANCE BY BORD NA MÓNA PLC WITH CORPORATE GOVERNANCE REQUIREMENTS

Bord na Móna plc continues to comply with these requirements. The company's Annual Report and Accounts for the year-ended March 2003 were presented to the Department in July 2003. The Chairman presented the interim six-monthly accounts in December 2003.

The Annual Report was short listed for the Chartered Accountants Published Accounts Awards and won the design award. The company's Report on Corporate Social Responsibility also won a category award and was commended in the ACCA Ireland Environmental Reporting Awards.

COMPLETION OF A STRATEGIC REVIEW OF BORD NA MÓNA'S FUTURE STRATEGY PROPOSALS

An analysis of Bord na Móna proposals on future strategy was completed in 2003 and discussions with the company in relation to the document are ongoing.

03 STRATEGIC OBJECTIVE

Ensure that measures are in place so that the nation's energy infrastructure better meets customer and industry needs, that the electricity grid does not act as a constraint on economic development and that the energy sector contributes to the Government's objectives of promoting regional development and enhancing social inclusion.

TRANSMISSION AND DISTRIBUTION

ESB is currently undertaking an investment programme, of some €4 billion up to 2007, to bring the transmission and distribution systems up to required international standards and to meet projected capacity demand requirements. ESB Networks completed network renewal of 16,000 kms of medium voltage in 2003. 2003 also saw the connection of more than 71,000 customers to the electricity network (63,000 in 2002). The programme is being delivered within the planned timeframe and budget.

PEAT STATIONS

Agreement was reached on the closure of the old peat fired generating stations at Rhode, Lanesboro, Shannonbridge, Bellacorrick and Caherciveen. The construction of two new state-of-the-art ESB peat stations at Lanesboro (West Offaly Power) and Shannonbridge

(Lough Ree Power) is well underway and they are expected to be in commercial operation by late 2004/early 2005.

ELECTRICITY SUPPLY DEVELOPMENTS

In 2003, the CER continued to monitor security of supply and initiated a number of positive actions to redress postulated generation capacity shortfalls in the short-term and in the medium to longer term. Measures to meet these requirements in the short-term include increased imports of electricity from Northern Ireland, managing demand and the use of temporary stand-by generation.

As to the capacity deficit in the medium to longer term, the CER conducted a competition for the award of contracts with ESB Public Electricity Supplier for up to 531 MW of generation capacity so as to facilitate the entry to the market of additional capacity at the earliest date achievable. The CER announced, on 24 December 2003, the two successful bidders in this competition. The combined installed generating capacity of these two new independent generating plants is over 500 MW.

GAS SUPPLY DEVELOPMENTS

BGE's 2nd Interconnector (Ireland-Scotland) project was completed in 2002. The Pipeline to the West was completed in early 2003. Interconnector 2 (IC2) ensures security of gas supply to 2025 and beyond by bringing Ireland's security of supply status on par with countries such as France, Italy, Sweden and Denmark, all of whom have duplicated sub-sea pipelines to ensure the availability of alternative sources of natural gas supply. The Pipeline to the West runs from Dublin to Galway and on to Limerick, connecting with the existing grid at Goat Island, Co Limerick, thereby completing a national ringmain. The Pipeline has opened up the midlands and the west of the country to natural gas and has reinforced the network in the south. It provides access to the gas network for Corrib gas.

EXTENSION OF THE NATURAL GAS NETWORK

In May, the CER conferred the rights to build and operate natural gas pipelines in certain areas upon BGE by means of a Section 2(1) Order. The Gas (Amendment) Act 1987 (Section 2) (Distribution) Order 2003, effective from 20 May, will allow for the distribution of natural gas in Galway, Oranmore, Ballinasloe, Tullamore, Clara, Mullingar and Athlone.

GAS TO THE NORTH WEST

In February 2001, the Government decided in principle to extend the gas network to Letterkenny from the proposed Belfast to Derry pipeline and to Sligo via Ballina from the proposed Mayo to Galway gas pipeline but that both proposals should be considered further on foot of studies to include detailed costings. No action is underway in relation to Sligo pending developments in relation to Corrib. Ministerial approval was given in July 2003 to proceed with a feasibility study for the proposed Derry to Letterkenny pipeline and this was approved for Interreg funding in October 2003.

GAS CAPACITY STATEMENT

On 21 August 2003 the CER published its Gas Capacity Statement 2003, which forecasts customer demand for gas and related capacity requirements on the Irish natural gas system for the next seven years. This concluded that there is sufficient capacity in the current transmission system to allow reasonable expectations of demand to be met. The CER recognises that there will be, in the future, a need for duplicating the onshore pipeline in Scotland from Cluden to Brighthouse Bay.

ENERGY INFRASTRUCTURE DEVELOPMENT PLANS IMPLEMENTED

The two gas transmission pipeline projects, the Pipeline to the West and the 2nd Interconnector, were largely completed in 2002 and became operational in 2003.

Shannon, Clarecastle and Ennis, Co Clare; Longwood and Enfield, Co Meath; Rathdrum, Co Wicklow and Watergrasshill and Charleville, Co Cork were all supplied with gas in 2003. Construction of distribution pipelines to Ballinasloe, Galway City, Mullingar, Tullamore and Athlone progressed in 2003 with an expected gas supply date of 2004.

OIL REFINING AND TERMINALLING FACILITIES

The country's only oil refinery and major terminalling facilities continued to be operated at the Whitegate refinery and the Bantry oil terminal respectively, by ConocoPhillips Ireland. During the year the company announced an investment of almost €70 million in the refinery, which will allow an annual production of 1 million tonnes of zero sulphur road diesel. This development, together with the refinery's existing plant, will mean that the company will be in a position to produce transport fuels to meet more stringent EU specifications, which are scheduled to come into effect on 1 January 2005.

STRATEGIC OIL RESERVES

In 2003, the aggregate demand for petroleum and middle distillates increased by 1.67%. During the year the average level of national oil reserves, including the dedicated emergency stocks held by the National Oil Reserves Agency (NORA), stood at 112 days, well in excess of the minimum requirement of 90 days imposed by Ireland's membership of the EU and the International Energy Agency (IEA).

In the period leading up to and during the initial phase of the conflict in Iraq, the Department maintained close and on-going contact with NORA, the Irish oil industry, the EU and the IEA. In particular, the Department liaised closely with the IEA having regard to the Agency's formal emergency regime. As events transpired no oil supply disruptions were experienced during the year.

IEA REVIEW OF IRELAND'S OIL EMERGENCY RESPONSE ARRANGEMENTS

A review of Ireland's emergency response arrangements for dealing with oil supply disruptions was carried out by the IEA on 1 – 2 December 2003. The review covered oil market structures, emergency procedures, procedures relating to draw down of oil stock emergency reserves and bilateral oil stock arrangements including Bilateral Agreements with certain EU Member States. It is expected that the Report of the Review will be published by the IEA in 2004.

04 STRATEGIC OBJECTIVE

Ensure that effective measures to protect security of energy supply are in place.

SECURITY OF ELECTRICITY AND GAS SUPPLY

Appropriate provisions in relation to security of supply have been drafted for inclusion in the forthcoming Electricity Bill. The draft legislation places responsibility for monitoring security of supply on both the CER and the Transmission System Operator (TSO). The TSO has a duty to report to the CER in this regard, and on foot of such reports the CER, if it deems necessary, can take steps to ensure that there is adequate capacity in the system. Such steps may include instituting, with the consent of the Minister, a competitive tender to secure the provision of additional generating capacity.

05 STRATEGIC OBJECTIVE

Capture the opportunities opened up by the peace process for greater competitiveness and efficiency through North/South economic cooperation.

Fresh impetus was given to the process of North/South cooperation in the energy sector when Minister Ahern met his counterpart the NIO Minister for Enterprise, Trade and Investment, Mr. Ian Pearson, M.P., in July in Dublin. The Ministers agreed upon six areas for increased cooperation and established a Joint Steering Group (JSG) to advance work in these areas. A subgroup was also established to promote cooperation in relation to the complex area of sustainable and renewable energy policies. The JSG met on a number of occasions and agreed a joint progress report, which was submitted to Ministers at their meeting on 8 December.

At their December meeting, the two Ministers requested the Energy Regulators, working with the Transmission System Operators, to report back in three months with a timetable and specific work programme designed to achieve the objective of joint transmission planning in the electricity sector. In addition, the two Regulators were invited, within three months, to report on the costs, benefits and any constraints that may exist in relation to the harmonisation of gas transmission tariff structures. Ministers also decided that a joint information seminar should be held and that Ministers should review progress in 2004.

NORTH/SOUTH ENERGY ISSUES

The Belfast-Derry pipeline, for which the Government approved €12.7 million, is now under construction. The development of the Northern Ireland Gas network will also include a South-North gas Interconnector adding to the development of an all-island energy market.

BGÉ has also made progress on pipelines from the Belfast-Derry Pipeline to Ballymena and Coleraine.

06 STRATEGIC OBJECTIVE

Ensure that the Energy Sector meets the environmental obligations associated with its energy production and use and contributes towards sustainable development.

RENEWABLE ENERGY

A Consultation Document "Options for Future Renewable Energy Policy, Targets and Programmes" was launched in December 2003. The document, and responses to it, will be used to map out a future strategy for renewable energy technologies in the coming years.

AER PROGRAMME

In February 2003, the Minister launched the AER VI competition. There were a total of one hundred and sixty seven applications. The results were announced in July - forty-eight projects with a total capacity of 370 MW were successful in all technologies and received conditional offers of Power Purchase Agreements. The Minister also announced that he intends to offer support for an additional 140 MW in the large wind, small-scale wind and biomass categories subject to state aids clearance.

ENERGY EFFICIENCY

During the year, the Department continued to work in a range of fora to promote energy efficiency throughout the Irish economy. It also continued to provide input to international energy policy and the interface between energy and the environment. The main focus continued to be working with and through Sustainable Energy Ireland (SEI) to design and implement programmes and measures identified in the Economic and Social Infrastructure Operational Programme (ESIOP) under the framework of the National Development Plan 2000 - 2006 (NDP). Other initiatives in the energy efficiency area were processed through the Department's participation in the Inter-Departmental Implementation Group on the National Climate Change Strategy and through negotiation and implementation of EU Directives.

The Department continued to work closely with SEI, developing its corporate function and ensuring strict financial reporting across its range of functions.

NDP/ESIOP 2000-2006

SEI, as the main conduit for the delivery of the Energy Priority of the NDP, spent €13.36m in 2003. Specifically, it designed and implemented the following programmes:

- Home Energy Rating
- Consumer Awareness
- Low Income Housing
- Industry and Public Sector
- Industry Agreements - Large Industry Energy Network

- Technology Promotion
- House of Tomorrow R&D
- Industry and Commercial R&D
- Renewable Energy R&D
- Renewable Energy Information Office
- Grid Reinforcement
- CHP/District Heating.

INTERREG PROGRAMME AND IEI FUNDING

The Department participates in the Interreg cross-border initiative, across a range of fora including sustainable and renewable energy and a number of projects were approved for funding in 2003. The European Commission issued a first call for research proposals under the Intelligent Energy for Europe initiative in which this Department and Sustainable Energy Ireland will participate.

BIO-ENERGY STRATEGY GROUP

The Department in conjunction with SEI established a Bio-Energy Strategy Group to consider policy options and support mechanisms available to Government to stimulate increased use of biomass as an energy source. The group is representative of Government, research and industry interests and will make specific recommendations for action to increase the penetration of biomass energy in Ireland.

CHP STRATEGY GROUP

Initial preparations were made for the establishment of a strategy group, similar to the Bio-Energy Strategy Group, focusing on the mechanisms required to promote the use of Combined Heat and Power in Ireland. This strategy group will be formed in 2004.

THE 2003 "ENERGY POLICIES OF IEA COUNTRIES – IRELAND 2003 REVIEW"

The review was launched in July by the Minister and the Executive Director of the International Energy Agency (IEA). The review was undertaken by a team of energy policy specialists drawn from the member countries of the IEA. The review process occurs every four years and comprises a critical assessment of the country's performance against the IEA's "Shared Goals" evaluation criteria, which include energy efficiency, flexibility, open markets and environmental sustainability.

The Review points to a number of significant developments that have taken place in the Irish energy sector since the last review four years ago, particularly in the area of market reform in both the electricity and natural gas markets. The review commends the considerable progress that has already been achieved to date.

EUROPEAN UNION LEGISLATIVE PROPOSALS – SUMMARY OF DEVELOPMENTS IN 2003

EU DIRECTIVE 2001/77 ON THE PROMOTION OF RENEWABLE ENERGY SOURCES IN THE INTERNAL ELECTRICITY MARKET

This Directive requires Member States to increase, by 2010, the contribution of renewable based electricity consumption in line with the thresholds outlined in the annex to the document. The target for Ireland is 13.2%. Reporting requirements under the Directive were met with the publication in Q4 2003 of a report on national indicative targets and the measures planned or taken to deliver the target.

COMBINED HEAT AND POWER (CHP) – PROPOSED EU DIRECTIVE ON THE PROMOTION OF COGENERATION (BASED ON A USEFUL HEAT DEMAND IN THE INTERNAL ENERGY MARKET)

This proposal progressed to 2nd reading stage by end 2003. The proposal, building on the dual objectives of contributing both to security of energy supply and to climate change policies, arises from the need for reinforced efforts to promote high-efficiency cogeneration (combined heat and power (CHP)) in the internal market. The proposal is a key component of the European Union's strategy for energy efficiency and energy savings and contributing to the reduction in CO₂ emissions.

DIRECTIVE ON THE PROMOTION OF THE USE OF BIOFUELS OR OTHER RENEWABLE FUELS FOR TRANSPORT

This Directive, which came into force in May 2003, requires Member States to set indicative targets by 1 July 2004 for a minimum proportion of biofuels and other renewable fuels placed on their markets.

DIRECTIVE ON THE ENERGY PERFORMANCE OF BUILDINGS

This Directive must be transposed into Irish Law and implemented by January 2006. It requires Member States to set energy efficiency standards for all new buildings and major renovations to existing buildings. It also requires that an energy-rating certificate be available for all buildings. A Steering Group was set up in 2003 comprising of representatives of this Department, the Department of Environment, Heritage and Local Government and Sustainable Energy Ireland, to oversee implementation of the Directive.

PROPOSED EU DIRECTIVE ON ENERGY END-USE EFFICIENCY AND ENERGY SERVICES

This proposal, presented in December 2003, aims to save an additional fixed amount of energy every year equal to at least 1% of previous consumption in each Member State, and 1.5% in the case of the public service, leading in 2012 to an annual improvement in energy efficiency of around 6%. The main mechanism to achieve this objective will be to improve the operation of the Union's internal energy market by removing barriers hampering the development of a well functioning, commercially viable and competitive market for cost-effective energy efficiency measures on the end-use side.

marine MARITIME SAFETY

CORE POLICY GOAL

To establish, promote and enforce safety and security standards, and by doing so, prevent, as far as possible, the loss of life at sea and on inland waters and other areas, and to provide effective emergency response services.

01 STRATEGIC OBJECTIVE

To put in place appropriate organisation structures and arrangements to deliver coordinated and cost-effective marine safety services.

During 2003, work to create an efficient, effective and fully coordinated maritime safety service to ensure safety of life received a high priority. In July 2003, the Minister announced his proposal to further streamline the safety services provided by the Irish Coast Guard and the Maritime Safety Directorate (MSD) through the creation of a new Maritime Safety Agency. Preparatory work on legislation to establish the Agency commenced in 2003.

The Marine Casualty Investigation Board (MCIB) continued its work of independent investigations into marine casualties and published reports on incidents investigated. The MSD progressively implemented the recommendations of the Board, contributing to an enhanced maritime safety regime.

Work commenced on the development of a new organisational structure to amalgamate existing safety services and deliver integrated business outputs.

Additional staff were appointed to the Directorate to address new maritime security obligations that must be in place by 2004.

To further enhance customer services provision, the regionalisation of maritime safety services commenced with the appointment of five marine surveyors to the Cork Marine Survey Office. Progress was also made to establish a North West Office to enhance the overall coordination and efficiency of safety services being provided.

02 STRATEGIC OBJECTIVE

To continuously improve marine safety culture and awareness.

REVIEW OF SAFETY MEASURES ON SMALL WATERCRAFT

The introduction of new regulations was announced which will strengthen the current provisions on the carrying and wearing of lifejackets. This followed from a review initiated in 2002 and a subsequent public consultation process during the year. In addition, a new Code of Practice for recreational craft was proposed and substantial progress was made in drafting the Code. The Code will specify the circumstances in which lifejackets should be worn and other important safety features and practices, which should be observed. The Code aims to improve safety on recreational craft and improve the safety awareness of users of such craft.

ISSUE OF MARINE NOTICES

A total of 43 Marine Notices issued from the Department during 2003. Marine Notices are circulated to organisations and individuals ranging from State agencies, the fishing industry, international shipping and water based recreational interests. A comprehensive review of the circulation of Notices during the year resulted in enhanced procedures being put in place, with emphasis being placed on the use of electronic communications (email, Department's website etc).

MARINE CASUALTY INVESTIGATION BOARD

The Marine Casualty Investigation Board (MCIB), which is independent of the Minister, published 24 reports with recommendations for action during 2003 (see www.mcib.ie).

SAFETY AWARENESS

As part of the annual safety awareness programme, an intensive public safety campaign was undertaken during the summer months of 2003, on radio and through other media, focusing on the wearing of lifejackets for all water based activities. Search and Rescue demonstrations were held at Kilkee, Enniscrone, Greystones and Castletownsend. A "Safety on the Water" painting/drawing competition for primary school children was run in conjunction with the Search and Rescue demonstration at Kilkee and over 300 entries were received. Coast Guard Area Officers visited coastal primary schools to deliver advice to teachers and children on safety on the water. Publications as follows were issued during 2003:

- safety guidelines and contingency planning for divers
- new style guidelines for sailing, dinghy sailing and motor boating.

The Marine Safety Working Group website www.safetyonthewater.ie was launched in May 2003.

COMMISSIONERS OF IRISH LIGHTS

The Commissioners of Irish Lights are responsible for providing and maintaining aids to navigation around the island of Ireland. An Exchequer grant of €2.57 million was paid to the Commissioners in 2003. Cooperation with the Commissioners, the UK Department of Transport and European states on issues relating to aids to navigation (including radio navigation policy) continued to take place.

03 STRATEGIC OBJECTIVE

To develop and implement international and domestic safety standards.

STATUTORY REGULATORY REGIME

The Directorate continued to introduce new legislation and to strengthen existing secondary legislation to improve the marine safety standards and the operation of vessels. This included the transposition into Irish law of EU Directives governing a diverse range of safety related measures. A list of the legislation introduced in 2003 is provided in Appendix D.

INTERNATIONAL ORGANISATIONS

The Directorate represented Ireland in negotiations on maritime safety issues at a number of international fora, including the International Maritime Organisation (IMO) and at EU level. It supported measures to improve maritime safety in the wake of recent maritime disasters such as the "Prestige" incident off the coast of Spain in November 2002 and the "Erika" incident off France in 1999.

MARITIME SECURITY

The Maritime Safety Directorate commenced work on establishing a comprehensive maritime security regime in accordance with IMO and EU requirements. Recognised security organisations were appointed for ships and a panel of recognised security organisations was also established for Port Security.

Work commenced on the drafting of new maritime security legislation to enable Ireland to accede to two international agreements relating to terrorism: the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation and the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf.

RECREATIONAL CRAFT

The Department reviewed and gave formal recognition to courses run by the Irish Sailing Association (ISA) and International Yachtmaster Training (IYT), to enhance the standard of yachtmaster and powerboat handling in Ireland. The Directorate also appointed the ISA and IYT as approved bodies to issue International Certificates for Operators of Pleasure

Craft (ICC) on behalf of the Department. The issue of the ICC by the approved bodies is subject to, amongst other things, the operator undergoing a training programme and demonstrating competency in specified safety requirements.

During the course of the year a Marine Notice was issued giving recreational craft users guidance on how to comply with new IMO requirements for passage planning by craft at sea.

The Department modernised the examination system for short-range radio operator certificates. A panel of approved course providers and examiners has been established. As a result fishermen and recreational craft users will no longer experience delays or difficulties in arranging courses or examinations both during normal working hours or at the weekends.

PORT STATE CONTROL

The EU Court of Justice withdrew legal proceedings initiated in 2002 with regard to Ireland's alleged failure to meet its 25% inspection ratio for Port State Control inspections in 1999 and 2000. During 2003, Ireland carried out 430 ship inspections representing an inspection rate of over 30% thereby exceeding our obligations.

SURVEYING AND INSPECTION PROGRAMME

The Marine Survey Office continued its comprehensive survey and inspection programme aimed at ensuring that the statutory requirements for maritime safety were met.

PASSENGER VESSELS

Up to 130 domestic passenger ships were surveyed and issued with passenger vessel certificates and were also subject to operational control during the year. A comprehensive review of the legislative requirements for domestic passenger ships was also carried out during the year.

A new regime for domestic passenger boats was introduced in January 2003. 200 passenger boats were licensed during the year and over 450 declarations were completed for boats in an exempted category.

FISHING VESSELS

A fishing vessel safety regime was organised in 2003 with three categories within the fleet identified for the purposes of safety regulation. One of these categories, vessels over 24 metres, requires a Certificate of Compliance and a survey programme for this category of vessel commenced during the year.

SHIPS REGISTER

The ship's register grew by over 60% during 2003 as a result of Irish owners ordering and taking delivery of new tonnage in the year and the flagging-in of tonnage from other registers.

EU MANDATORY INSPECTIONS

All Ro-Ro passenger ships were subjected to EU mandatory inspections in cooperation with the flag state and port states in each case, as required, during 2003.

EXAMINATIONS OF DECK AND ENGINEER OFFICERS

Examinations for deck and engineer officers continued during 2003 with 151 Certificates of Competency and 61 Certificates of Equivalent Competency being issued.

MARINE RADIO AFFAIRS UNIT (MRAU) CERTIFICATE EXAMINATIONS

In 2003, over 800 candidates were examined for Certificates of Competency at exams conducted on behalf of the Commission for Communications Regulation (ComReg).

04 STRATEGIC OBJECTIVE

To provide efficient and effective emergency Search and Rescue services in the marine environment and on mountains and caves and lakes and inland waters.

COAST GUARD NATIONAL MARINE COMMUNICATIONS NETWORK

Irish Coast Guard engineering maintains 17 VHF voice and DSC radio sites at Carlingford, Howth, Wicklow Head, Forth Mt. Wexford, Mine Head, Cork, Mizen Head, Bantry, Valentia, Shannon, Galway Bay, Clifden, Belmullet, Cashelgarran, Glencolumkill, Malin Head and Lough Ree; three VHF repeater test sites – two coastal at Barnesmore, Co. Donegal and Galley Head, Co. Cork and one for inland waters at Derrybrien; four MF radio sites at Rosslare Harbour, Valentia, Belmullet and Malin Head and two NAVTEX transmitter sites at Mizen Head and Malin Head. These resources are wireline connected through to manned control centres located in Dublin, Malin Head and Valentia. Responsibility is also extended to the communications equipment in use by the Coast Guard volunteers around the Irish coastline.

NEW VHF INSTALLATIONS

New VHF and DSC radio systems were installed and commissioned at Tonabrucky, Co. Galway. This was essentially a transfer of services from a nearby temporary location to a purpose built radio site better positioned to serve the geographical coverage requirements of the area.

A new combined VHF and DSC radio site was developed, installed and commissioned at Cashelgarran, Grange, Co. Sligo. This site provides excellent VHF radio coverage within Donegal Bay where signal strength had been weak and in some parts non-existent. The coastline along the run from Slieve League in southwest Donegal to Killybegs, Donegal Town, Sligo, and Killala are now well served via the Marine Rescue Centre Malin Head.

A new VHF radio site was commissioned at Knockcroghery, Co. Roscommon, to serve Lough Ree and the River Shannon north of Athlone. This is the first site specifically

developed for inland waters coverage and was placed under the control of Malin Head MRSC. A second radio site to provide coverage south of Athlone to Lough Derg and Limerick is currently under development and expected to begin operations in 2004.

A new Paging Repeater was commissioned at Minaun Heights, Achill, Co Mayo to provide wide area paging coverage to the local IRCG volunteer teams of Achill and Ballyglass.

STRUCTURES

An inspection of all Coast Guard owned mast and tower structures was undertaken during the year. The inspection revealed that one structure required replacement and most other structures were in relatively good condition requiring only minor remedial works. A remedial works priority programme was drawn up.

CALL OUT AND COMMUNICATIONS SYSTEM (COACS)

Throughout the year the RNLI installed a new team alerting system around the coastline. This system is to be used when alerting their teams to an incident. After detailed joint evaluation, the user interface and call routing methods were streamlined, and resilient communications links employed. Close cooperation between both the RNLI and IRCG resulted in agreement to system adoption. Both organisations then proceeded to complete system rollout during 2003.

VOICE RECORDING

Enhancements to radio and telephone voice recording equipment in all three IRCG manned operational centres were completed. These systems allow for easy identification of distress calls received together with almost instant playback facilities.

BACK-UP POWER

An automatic switchover back-up power system was purchased for the remote radio site of Belmullet. This equipment will ensure that the MHF radio system in Belmullet will have a minimum of 12 hours back-up power should the mains supply fail. This is in line with IRCG policy for unmanned remote sites.

MF RADIO SYSTEM REPLACEMENT

Tender action commenced in January 2003 for the replacement of the Medium Frequency (MF) transmitter networks for both Marine Rescue Centres at Malin Head and Valentia. Seamless remote control capability, combining of transmitter and receiver systems and the integration to existing Digital Selective Calling (DSC) networks and VHF Radio Switch systems are key features. During acceptance testing it was discovered that the systems supplied were not compliant with the suppliers tender response. Remedial work was commenced by the supplier. This in turn has introduced delays to installation and commissioning. Currently the Valentia system has been successfully installed (not yet commissioned) with Malin Head to follow in 2004.

VOLUNTEERS

The programme of replacement and upgrading of communications equipment in use by the 52 IRCG volunteer units around the coastline continues. During the year new radios and pagers were distributed.

MAINTENANCE

Throughout the year Engineering Staff completed preventative maintenance inspections on radio equipment at many of the Volunteer station houses and at all IRCG unmanned radio sites.

MARINE SEARCH AND RESCUE PREPAREDNESS, RESPONSE AND COOPERATION

The consultative, advisory and liaison groups involved in Marine Search and Rescue, Preparedness, Response and Cooperation met regularly throughout the year.

COAST GUARD MARINE RESCUE COORDINATION CENTRE/SUB-CENTRE (MRCC/MRSC) ACTIVITIES

Vessels continue to transmit sailing and arrival messages.

A daily broadcast to shipping was initiated requiring vessels anchored outside port and harbour areas of responsibilities to comply with the statutory requirement to report. A new service for the broadcast of small craft warnings issued by Met Éireann commenced in April.

During 2003, 51,792 Maritime Safety Information Items were handled. 1,866 HAZMAT (hazardous material) reports were received and 1,792 incidents were handled – an increase of 20 over 2002. The response to all was reviewed at Divisional and Regional level to ensure efficient and effective handling.

AUDITS

Operational readiness audits were carried out at Malin Head and Valentia MRSCs and MRCC Dublin with positive results, five Community Inshore Rescue Services were audited. Technical, operational and helicopter role equipment audits were carried out at the three IRCG bases.

MAJOR EMERGENCY EXERCISES

A UK/Ireland joint SAR exercise was held involving the Lough Foyle Ferry on 16 September 2003. International meetings were held to consider mass rescue involving large passenger ships and planning for a major exercise to take place in 2004.

COASTAL UNIT STATIONHOUSES OPENED

The Coastal Unit Stationhouse was opened at Oysterhaven on 17 May 2003. The extension to the Stationhouse in Greencastle was opened on 29 June 2003. The Joint IRCG/Community Inshore Rescue Service Station House at Ballybunion was opened on 7 September.

COASTAL UNIT VEHICLES AND OTHER EQUIPMENT

Vehicle numbers were increased to give a fleet level of 42 four-wheel drives, 35 vans, 41 all terrain vehicles and 1 unimog. A 7.9m Delta rescue boat is awaiting commissioning for Dingle. Considerable enhancements took place in the provision of first aid and search equipment to Coastal Units. The location of salvage pumps was expanded around the coast. Eight such pumps are now operated by the IRCG in major fishery ports.

MARINE EMERGENCY RESPONSE SUPPORT/EQUIPMENT PROVIDED

The SEAREM database was further developed to produce detailed statistics on marine emergency incidents.

STUDIES AND REPORTS

The Minister announced that IRCG and MSD were to become an Agency. The Minister also announced the closure of MRCC Dublin. An operational/technical plan is being prepared to transfer the functions from Dublin to the Marine Rescue Centres at Malin Head and Valentia.

HELICOPTER CONTRACTS

A new two-year contract with an option to extend for a total of five years was awarded to CHCI for the Dublin Helicopter commencing 1 July 2003. Night Sun equipment was tested and accepted for service on the Dublin Helicopter. The Waterford Helicopter went on 24 hours service on 10 June 2003. New defibrillators and monitors were placed on the helicopters.

PERFORMANCE INDICATORS

Indicator	2003 Position
Number of incidents	There were 1,792 incidents – up 20 over 2002. Incidents with fishing vessels and recreational craft were significantly up. Taskings of IRCG Coastal Units and helicopters were up. False alarms were down and hoaxes remained the same. See table below
Satisfaction of callers	All incidents reviewed. Issues were followed up with callers. On-going consultation with users and providers both directly and through IMSARC.

IRISH COAST GUARD: STATISTICS 2001 – 2003

	2001	2002	2003
Incidents	1,759	1,772	1,792
Persons saved/assisted	5,135	8,389	5,973
Pleasure Craft	360	346	427
Merchant Craft	76	77	68
Fishing Craft	231	282	322
Pollution Reports	51	40	53
IRCG Coastal Units Tasked	412	646	658
IRCG Helicopters Tasked	235	268	310
Air Corps Helicopters Tasked	140	163	134
RNLI Lifeboats Tasked	575	654	703
Community Inshore Boats Tasked	34	80	76
Gardaí Tasked	94	73	66
False Alarms	130	146	112
Hoax	28	30	30

marine

MARINE ENVIRONMENT

CORE POLICY GOAL

To safeguard the quality of the marine environment.

01 STRATEGIC OBJECTIVE

To safeguard the quality of the marine environment through the provision of an efficient and effective response to casualty, salvage and wreck, and marine pollution incidents from vessels and off-shore platforms in the Irish Pollution Responsibility Zone.

ACHIEVEMENTS

- Effective and efficient response to incidents in accordance with the standards set out in the provisions of agreed national and local emergency response plans
- the drafting of the National Pollution Plan continued
- the IRCG Incident Command System was activated and Incident Managers deployed in the following incidents where there was a significant threat of pollution:
 - M/V Sea Hamex in Rosslare Harbour in January
 - M/V Princess Eva in Donegal Bay in January – March
- 6 Fishing Vessels sank during the year
- wreck removal orders were issued for 5 with IRCG Personnel attending at all 5
- the preparation and submission for IRCG approval of 10 harbour and port authority plans for the prevention and minimisation of damage arising out of an oil pollution incident continued
- 3 offshore installation pollution response plans were submitted and accepted
- provision of emergency towing capability was progressed through meetings with national and international towing and salvage companies and harbour authorities
- tenders for the award of an Aerial Surveillance Contract assessed.

MAJOR INTERNATIONAL POLLUTION AND SALVAGE EXERCISES

A major pollution and salvage exercise was carried out in Lough Foyle on 16 & 17 September 2003. The aim of the exercise was to test and exercise a joint United Kingdom/Irish cooperative response to Search and Rescue, Salvage and Marine Pollution.

The exercise involved establishing a Shoreline Response Centre in Donegal under the direction of the Irish Coast Guard, which coordinated the shoreline response to a major oil spill and cooperated with the UK Maritime Coastguard Agency in the at sea response and salvage response.

TRAINING COURSES/WORKSHOPS

Three five day International Maritime Organisation level 1 and level 2 pollution courses were provided at Sligo for 55 personnel from Harbour and Local Authorities, Oil Terminals, Pollution Response Companies and Naval Service.

The EU Management Committee on Marine Pollution sponsored various workshops and courses during 2003. IRCG attended EU workshops for marine pollution in France, Greece and Italy and an EU training course held in Germany. The IRCG arranged the attendance of Harbour and Local Authority personnel who also availed of EU Courses and Workshops, which afforded the opportunity to network with personnel working in similar organisations within Europe.

Three IRCG staff attended a Salvage Management Training Course in Rotterdam.

IRCG attended meetings of the IMO Oil Pollution Preparedness, Response and Co-operation (OPRC) sub-committee of the Marine Environment Protection Committee (MEPC).

During 2003, staff received additional training in notification, monitoring and responding to incidents at the three manned centres. Training was also given on the computer-based risk assessment, decision support and response models.

EQUIPMENT, STORES AND CONTRACTS

Inshore/Onshore Coastal Pollution response equipment was purchased and commissioned.

02 STRATEGIC OBJECTIVE

To develop and implement domestic, EU and international marine environmental standards.

LEGISLATION

The adoption of marine pollution prevention legislation and measures, in accordance with accepted international conventions and national requirements, continued throughout 2003 to strengthen and improve the protection of the marine environment.

The Oil Pollution of the Sea (Civil Liability and Compensation) (Amendment) Act 2003, signed in October 2003, amends the Oil Pollution of the Sea (Civil Liability and Compensation) Acts 1988 – 1998 to give effect to two internationally agreed instruments which taken together increase almost six-fold the limits of compensation payable to victims of pollution resulting from spills of persistent oil from tankers.

The Sea Pollution (Miscellaneous Provisions) Bill 2003 which gives effect to a number of international instruments relating to the marine environment was initiated in the Seanad in July 2003 where it passed all stages.

PRESTIGE DISASTER

The incident off the Spanish, Portuguese and French coastlines in November 2002 involving the "Prestige" oil tanker underlines the importance of ensuring that internationally agreed comprehensive vessel construction and safety regulations are in place. In the wake of the Prestige incident the EU announced, in January 2003, that new measures would be implemented to accelerate the phasing out of single hull tankers, to ban the transport of heavy grade oil in single hulled tankers, restrictions would be introduced on the operation of such tankers in European waters and the EU's Port State Control regime, which is implemented by all Member States, would be strengthened across the board.

The Department attended relevant EU Working Group and Ministerial Council meetings to advise on and to coordinate the Irish position on these proposals. A number of extensive conclusions made by the EU Council of Ministers resulted in EU Directives and Regulations being progressed in 2003. A significant element of this work will continue in 2004 with the proposal for the introduction of a new ERICA III package of measures during 2004.

INTERNATIONAL FORA

During 2003, Ireland maintained its representation and involvement in EU and international meetings dealing with the marine environment issues including the Marine Environment Protection Committee and the International Oil Pollution Compensation Fund (IOPCF) of the International Maritime Organisation (IMO).

OSPAR

The Department is the joint lead Department at the OSPAR Commission on the Convention for the Protection of the Marine Environment of the North East Atlantic and represented Ireland at Heads of Delegation meetings. Effective cross departmental/agency responses are essential to identify the key issues and new procedures were put in place in 2003 to hold advance meetings and to coordinate responses on marine environment issues.

The Department hosted the OSPAR Biodiversity meeting in Dublin Castle in January 2003.

The first joint ministerial meeting of the OSPAR and HELCOM Commissions for the protection of the marine environment was held in Germany in June 2003.

NUCLEAR SAFETY

The Department continued to ensure that the shipment of nuclear materials by sea to the MOX Sellafield Plant in the UK was conducted in accordance with international rules and best available practice. The Department monitored the situation and cooperated closely with other Departments and Agencies on this matter during 2003.

PERFORMANCE INDICATORS

Indicator	2003 Position
Number and scale of marine pollution incidents	There were 53 reports of pollution; a decrease of 13 over 2002. All incidents were investigated; 3 incidents were classified as posing a significant threat of pollution.
Effectiveness of the response to pollution incidents.	8 incidents required on-scene response, 4 sinkings, 1 grounding and cargo transfer from Princess Eva. 2 successfully raised.

marine

MARITIME TRANSPORT

CORE POLICY GOALS

PORTS To provide a framework for the provision by port companies operating within the national transport chain of port services which are efficient, effective and adequate for the needs of our trading economy.

HARBOUR AUTHORITIES As provided for in the Harbours Act 1996, to oversee the transfer to alternative uses under local control, of those remaining regional ports and harbours which do not form part of the national maritime transport system for trade and travel while maintaining, in transition, an appropriate corporate governance regime.

SHIPPING SECTOR To expand Irish based ship ownership and ship management and to increase Irish seafarer employment.

PORTS

01 STRATEGIC OBJECTIVE

To facilitate the availability of commercial port services which are effective, competitive and cost efficient.

CORPORATE GOVERNANCE

The strategy of setting, through a challenging corporate governance process, rigorous performance and efficiency targets for ports was advanced by the completion of an independent and comprehensive statutory audit in 2001. While the publication of aggregated results has been constrained by litigation, the results of the searching audit on the first three years trading activity have been made available to each Port Company Board and deficiencies identified and addressed.

The Code of Practice for the Governance of State Bodies, which replaced the Guidelines for State Bodies promulgated in 1992, was issued to all port companies in November 2001. Adherence to the Code is mandatory for all commercial and non-commercial State bodies. The Code of Practice sets out principles of corporate governance which State bodies are required to adopt. The requirements are supplementary to existing statutory requirements.

QUALITY OF PORTAL AND SHIPPING SERVICES

The Department sought to advance during the year proposals for ensuring, through corporate governance mechanisms, delivery of quality customer service at ports, and putting in place liaison structures to allow port users' views to feed into policy/corporate governance.

The Department is currently considering the best way forward for structured dialogue between the port companies and the port users in the context of the comprehensive policy statement on ports.

HIGH LEVEL REVIEW OF THE STATE COMMERCIAL PORTS OPERATING UNDER THE HARBOURS ACTS 1996 - 2000

In 2002, a comprehensive review of ports policy was initiated in partnership with the industry, the purpose of which was to critically review the current model for the governance of the port companies which are State-owned companies operating to a commercial mandate laid down by the Harbours Acts 1996 and 2000.

The final report was published in May 2003 along with a detailed consultation foreword by the Minister. A full public consultation process was initiated inviting comments from interested parties on the findings of the review.

The review took place against a backdrop of moderating port throughputs and sea passenger numbers. The profitability of ports is being challenged and they face into a future where they will be required to make significant long-term capital investment decisions without Exchequer or EU support. The Report suggests that the ports which will survive in the environment of intense global competition will be customer focused and market-driven, will operate with flexibility 24 hours a day, seven days a week and will be competitive from price, facilities and services perspectives.

02 STRATEGIC OBJECTIVE

To ensure adequate infrastructure at ports to cope with growing throughput and facilitate competitive shipping services in line with assessments of national seaport capacity to 2007.

NATIONAL DEVELOPMENT PLAN (NDP)

Since 2000, €10.577 million grant aid has been paid under the Seaports Measure of the National Development Plan 2000-2006.

Project Sponsor	Project	Grant Aid paid to date €m
Port of Cork Company	Tivoli A&B Project	1.029
Dublin Port Company	Berth 26–New two tier Ro-Ro Ramp	3.136
Dublin Port Company	Berth 51 – Refurbishment	1.500
Drogheda Port Company	Tom Roes Point Phase 1 completion	1.664
Dundalk Port Company	Port Development Project	0.058
Galway Harbour Company	Reclamation Project	0.142
Port of Waterford Company	Provision of Lo-Lo facilities and gantry crane	3.048
TOTAL		10.577

TASK FORCE ON THE DEVELOPMENT OF PORT ESTATES

The final report of the Ministerial Task Force on Port Estates was published in May 2003. The purpose of the Task Force was to advise on the potential for the development of port estates at commercial harbours operating under the Harbours Act 1946 and the Harbours Acts 1996 and 2000. The Task Force sought to achieve three aims:

- to provide an audit of property holdings in the ports
- to identify issues of most significance in developing port estates and to point to inhibiting features
- to provide recommendations and action points.

Based on information provided by the ports, the Task Force found that the total land area in the ports is some 2,210 acres, of which 1,055 acres is used in core trading activity, and of the remainder, 538 acres is potentially available for development of new revenue. The Task Force recommended, however, that a much more extensive audit of port estates and the uses to which they are put should be undertaken.

03 STRATEGIC OBJECTIVE

To facilitate the coordination and integration of maritime transport within the total transport chain.

COOPERATION WITH THE DEPARTMENT OF TRANSPORT AND OTHER GOVERNMENT DEPARTMENTS

In June 2002, the Department of Transport was established. While responsibility for the ports (excluding Rosslare) remained with the Department of Communications, Marine and Natural Resources, inter-Departmental liaison arrangements continue, on issues of common interest relating to transport policy.

In this regard, the Department is represented on a cross departmental team on integrated transport policy, which was established by the Department of Transport during 2003.

It is intended to continue the active participation with other key Departments in the work of the Cross-Departmental Group on Infrastructure and PPPs and the Cabinet Committee to which it reports, to ensure cost effective and integrated provision of transport infrastructure in the context of national infrastructure priorities.

HARBOUR AUTHORITIES

01 STRATEGIC OBJECTIVE

To implement the general strategic development framework for State regional ports and harbours through transfer of ownership to port companies or local authorities.

In 2003, a total of 12 regional ports and harbours continued to operate under the 1946 Harbours Act governed by Harbour Commissioners. They range from ports with commercial business to harbours where commercial activity ceased long ago. It remains Departmental policy to transfer small harbours to local control.

SHIPPING SECTOR

01 STRATEGIC OBJECTIVE

To maintain and increase the Irish registered/managed fleet.

FISCAL REFORM

The Irish tonnage tax regime was formally approved by the European Commission in December 2002 and was officially activated as a fiscal measure in the Finance Act in 2003. The introduction of the new tax regime will enhance the future competitiveness of the Irish Merchant Fleet and also maximise Ireland's opportunity to secure added value international inward investment into the sector.

STRATEGIC MARKETING

In June 2003, the Irish Maritime Development Office (IMDO) undertook a high intensity international marketing campaign outlining the ambitions of Ireland to establish itself as an international shipping and shipping services centre. The campaign was launched in June 2003 by the Minister in Oslo.

02 STRATEGIC OBJECTIVE

To sustainably increase Irish seafarer and onshore maritime sector employment.

NATIONAL MARITIME COLLEGE

The new National Maritime College, Ringaskiddy, is expected to be completed in 2004 and will have facilities to train 750 full-time students for service in either the merchant marine or Irish Naval Service.

NATIONAL COLLEGE OF IRELAND

September 2004 will see the commencement of a Bachelor Degree in Maritime Management and a National Certificate in Maritime Studies. A partnership with Copenhagen Business School has been established for the delivery of a MBA in Shipping and Logistics.

SEAFARERS TRAINING GRANT SCHEME

The Department continued funding shipboard training for seafarers through its payment of grants through the Nautical Studies Department of the Cork Institute of Technology. The €134,000 grant payments made in 2003 helped 109 students secure placements on ships as part of their formal training.

BUSINESS CLIMATE FOR SHIPPING AND SHIPPING SERVICES SECTOR

There has been a significant increase in seafarers employed to add to the expanding Irish merchant fleet.

PERFORMANCE INDICATORS

	2002	2003
Number of Commercial Ships (operating within the Irish Shipping Sector)	42	47
Combined Gross Tonnage	221,461	407,605
Income from Mercantile Marine Office	€633,038	€643,489
Seafarers on Irish Flagged Ships	1,332	1,373

marine

MARINE TOURISM, LEISURE AND RESEARCH

CORE POLICY GOALS

MARINE TOURISM AND LEISURE To help secure the sustainable development of the marine tourism and leisure sector in the context of overall tourism development.

MARINE RESEARCH To ensure that the national research effort achieves the potential of the marine resource sector.

MARINE TOURISM AND LEISURE

01 STRATEGIC OBJECTIVE

To align the promotion and development of the marine tourism sector within the national strategy for tourism development.

REVIEW OF TOURISM POLICY

The Department undertook a review of marine tourism and leisure following the suspension of the Marine Tourism Grant Scheme. This coincided with the review of tourism policy undertaken by the Department of Arts, Sport and Tourism which recommended that a more holistic policy approach needed to be adopted to address the broader issues that would impact on the future development of tourism in Ireland. This role will require new bilateral structural arrangements between the Department of Arts, Sport and Tourism and other Government Departments, including this Department. The Department's internal review concluded that the Department should continue to support the development of the marine leisure sector, mainly through the agreed programme of marine leisure research and development undertaken by the Marine Institute.

02 STRATEGIC OBJECTIVE

To complete the limited programme of non-NDP flagship marine access projects already underway.

FLAGSHIP MARINE ACCESS INFRASTRUCTURE PROJECTS

Four flagship projects were selected to receive grant aid following the December 2000 Budget Day announcement of an additional allocation of €5.7 million in respect of marine leisure projects. These projects are based at Caherciveen and Kenmare, Co. Kerry, Roundstone, Co. Galway and Rosses Point, Co. Sligo.

The Caherciveen marina became operational in 2003. The marina projects at Rosses Point and Roundstone were delayed due to technical difficulties. The Minister directed that, as an exceptional measure, funding for these projects could be provided for in 2004. In the meantime work on the Kenmare project ceased due to planning permission issues, and the Department has sought legal advice on this matter.

JEANIE JOHNSTON PROJECT

Construction of the Jeanie Johnston famine replica vessel was completed in June 2002. At the start of 2003, a consortium comprising Kerry County Council, Tralee Town Council, Shannon Development and Kerry Group plc took over ownership of the vessel. Under this ownership structure, the ship completed its successful maiden voyage to North America during 2003 and has now returned to Ireland.

The Department jointly commissioned with Kerry County Council a full review of the project in October 2002. The Report was published in June 2003.

MARINE RESEARCH

01 STRATEGIC OBJECTIVE

To ensure that research, technology, development and innovation (RTDI) in the marine area is supported by an adequate basic research programme.

MARINE RTDI MEASURE 2000-2006

The Marine RTDI Measure has an indicative budget of €53 million within the Productive Sector Operational Programme. The Marine Institute is implementing the Measure on behalf of the Department.

The primary objectives of the Marine RTDI measure are:

- the provision of enhanced research vessel capacity to cover outer Continental Shelf activities
- upgrading of key national marine laboratories and facilities to provide necessary

- capacity and infrastructure to support planned activities
- the establishment of a Marine RTDI Fund to support project-based RTDI in targeted areas.

PROGRESS IN 2003 UNDER THE MARINE RTDI MEASURE

A total of €3m was spent in 2003 on capital expenditure on NDP/RTDI schemes including a final payment of €1.185m for the new research vessel, Celtic Explorer. Projects funded under these schemes consisted of Post Doctoral Fellowships, PhD Fellowships, Desk Studies, Strategic Projects and Networking/Technology Transfer.

02 STRATEGIC OBJECTIVE

To ensure that the national marine and inland fisheries regulatory and development programmes are underpinned by high quality marine research services.

NEW NATIONAL MARINE RESEARCH STRATEGY

The Government approved strategy for marine research “A Marine Research, Technology, Development and Innovation Strategy for Ireland” which was published in 1998 is currently being revised by the Marine Institute, in consultation with the Department and other stakeholders. This will set the strategic direction for the national marine RTDI effort over the next five-year period.

MARINE INSTITUTE SERVICE LEVEL AGREEMENT

In June 2003, the Marine Institute entered into a Service Level Agreement with the Department. The purpose of the Agreement is to specify the level of services that the Marine Institute will provide to the Department within the agreed budget allocation.

NEW HEADQUARTERS AT ORANMORE, GALWAY

In October, the Minister participated in a sod turning ceremony for the new Marine Institute headquarters at Oranmore, Galway which is being funded through the OPW at a cost of €50m. The project is expected to be completed in November 2005.

03 STRATEGIC OBJECTIVE

To ensure that the marine RTDI effort is prioritised in accordance with an overall national perspective on the needs and potential of the marine sector, within the context of the national framework for science and innovation.

Exchequer funding of €19.747m was provided to the Marine Institute in 2003.

ARRAMARA TEORANTA

01 STRATEGIC OBJECTIVE

To effect the transfer of Arramara Teoranta to the Department of Community, Rural and Gaeltacht Affairs by end 2003.

The Minister agreed with the Minister for Community, Rural and Gaeltacht Affairs that the ownership of Arramara Teoranta should be transferred to Údaras na Gaeltachta in whose operational area it is situated and that for this purpose the Minister's functions under the Arramara Teoranta (Acquisition of Shares) Acts, 1949 to 2002 should be transferred to the Minister for Community, Rural and Gaeltacht Affairs together with his functions under the Memorandum and Articles of Association of the Company and his shareholding therein. The Transfer of Departmental Administration and Ministerial Functions Order was made on 23 July 2003 and briefing and all files relating to Arramara Teoranta were handed over to the Department of Community, Rural and Gaeltacht Affairs on 30 July 2003.

marine

MARINE COASTAL ZONE MANAGEMENT

CORE POLICY GOAL

To support and manage the sustainable use and development of Ireland's marine territory.

01 STRATEGIC OBJECTIVE (AQUACULTURE)

To ensure the efficient and effective regulation of aquaculture, so that the development of the sector is on a sustainable basis and in accordance with high standards of environmental protection.

23 aquaculture licences were granted during the year, and decisions (including 2 decisions to refuse the licences sought) were made on 24 further licence applications. 13 licences were renewed during the year, and 9 decisions to revoke licences were made.

The focus of the aquaculture licensing process continued to be on ensuring that the growth of the industry is on a sustainable basis, with developments taking place at appropriate locations and in accordance with high standards of environmental and ecological protection.

A review of the systems and procedures for post-licensing monitoring and control was initiated in the latter part of the year, to ensure the optimum effectiveness of these processes on an ongoing basis.

A comprehensive investigation by the Marine Institute of significant fish mortalities at salmon farms in Donegal Bay was initiated at the Minister's request in July, and was in progress at the end of the year. Subsequent to the initiation of this investigation, it came to light that significant mortality levels had also been experienced by certain other fish farms along the western seaboard. The Marine Institute was, therefore, asked to broaden the scope of its investigation to look also at what happened at other locations.

02 STRATEGIC OBJECTIVE (FORESHORE MANAGEMENT)

To ensure the efficient and effective regulation of foreshore in the interests of its sustainable development, and to secure a fair commercial return from the State's foreshore estate.

108 decisions were made during the year on applications for foreshore leases or licences. This included 48 decisions to grant licences for aquaculture purposes and also 2 decisions to refuse the lease or licence sought.

Priority attention continued to be given to the consideration of applications for foreshore

leases and licences for the development and upgrading of public infrastructure, including wastewater treatment plants and transport, energy and communications links. Projects in respect of which approval under the Foreshore Acts was granted in the course of the year included the National Maritime College, the N25 Waterford Bypass and sewage schemes in Cork, Donegal and Sligo.

Submissions were made to An Bord Pleanála in respect of three applications made by local authorities under Part XV of the Planning and Development Act 2000.

Work was undertaken during the year on the updating of the policy guidelines on the development of offshore energy installations.

Section 32 of the Fisheries (Amendment) Act 2003 empowered the Minister to make regulations prescribing charges for applications for foreshore leases and licences.

03 STRATEGIC OBJECTIVE (COASTAL ZONE MANAGEMENT)

To work with other relevant Departments and public bodies in bringing about more integrated and coordinated approaches to coastal zone management.

Work was undertaken during the year on proposals for streamlining and modernising the legislation governing the management of the foreshore. Preparations were in train during the year also in respect of the preparation of stocktaking of the laws, institutions and other bodies that influence the management of the coastal zone and the issues facing that area, in response to the EU Recommendation on Integrated Coastal Zone Management.

04 STRATEGIC OBJECTIVE (DUMPING AT SEA)

To ensure the effective regulation of dumping at sea.

7 permits for dumping at sea were granted during the year, and all related to the disposal of dredge spoil. Among these was a permit in respect of the disposal of material arising from the Port of Cork's five-year dredging plan.

The small number of permits issued in 2003 is in line with trends over recent years and reflects the ongoing focus on the use of options other than dumping at sea wherever possible.

An expert group on the issue of contaminated dredge spoil, charged with considering appropriate disposal/reuse options for such material, continued its work during the year, and is expected to report during 2004.

Dáil consideration of the Dumping at Sea (Amendment) Bill 2000, the main purpose of which is to effect certain procedural changes in respect of the consideration of applications for dumping at sea permits, commenced during the year.

05 STRATEGIC OBJECTIVE (COAST PROTECTION)

To identify and address priority coast protection requirements.

€52.01 million is provided under the Coast Protection Measure of the National Development Plan 2000 – 2006. The allocation is used to address priority coast protection works around the coast and also for research into the area of coastal erosion. In 2003, a total of €2.9 million was spent, with the Exchequer providing €1.98 million of this and the local authorities providing the balance. Full details in relation to 2003 expenditure are given in Table 2.

TABLE 1: LICENSING 2003

YEAR	FORESHORE (Decisions on Licences for Aquaculture purposes in brackets)		AQUACULTURE		DUMPING AT SEA	
	Decisions Made	Fees Received (€)*	Decisions Made	Fees Received (€)*	Permits Granted	Fees Received (€)
2003	108 (48)	927,068	69	321,650	7	698

*NOTE: FEES RECEIVED FOR FORESHORE LICENCES/LEASES AND AQUACULTURE LICENCES INCLUDE ANNUAL FEES FOR MULTI-ANNUAL LICENCES/LEASES GRANTED IN EARLIER YEARS AND, IN THE CASE OF AQUACULTURE, APPLICATION FEES.

TABLE 2: COAST PROTECTION WORKS 2003

Location	Project	Total Cost 2003 (€)	DCMNR 2003 (€)
MAYO			
Elly Bay	Installation of ECAB Units	92,244.00	69,183.00
Devlin Townland	Installation of rock armour, retaining wall	80,000.00	60,000.00
LOUTH			
Bellurgan	Embankment reinstatement	7,648.00	5,736.00
Salterstown	Repairs and protection of road verge	120,000.00	90,000.00
Carlingford Harbour	Damaged navigational light	3,004.00	2,253.00
Shore Road, Dundalk	Sea defence embankment	78,000.00	58,500.00
Blackrock	Rock armour	54,540.00	40,905.00
Annagassan	Protection works	8,942.00	6,706.50
Cruisetown	Extend coastal protection	80,984.00	60,738.00
Salterstown Pier	Protection works	30,037.00	22,527.75

TABLE 2: COAST PROTECTION WORKS 2003 continued

Location	Project	Total Cost 2003 (€)	DCMNR 2003 (€)
DONEGAL			
Drung, Quigleys Point	Road protection works	53,703.45	40,277.59
Meenacross	Rebuild portion of wall, repoint wall	20,000.00	15,000.00
Muckross	Rock armour revetment to protect public road	80,000.00	60,000.00
CLARE			
Carrigaholt Castle	Protection works to national monument	43,549.00	32,662.00
Cappagh	Road protection works	99,600.00	74,700.00
Carrigaholt	Reconstruction of rock revetment	29,004.00	21,753.00
Doonbeg	Rock armour	22,682.00	17,011.50
Liscannor	Rock armour	18,280.70	13,710.53
WEXFORD			
Rosslare Strand	Study	11,488.00	8,616.00
Rosslare Strand	Capital works	19,054.00	14,291.00
Rosslare Strand	Maintenance	7,957.00	7,957.00
Rosslare	New scheme	206.00	155.00
Cahore	Rock groynes, beach nourishment	57,715.22	43,286.42
Rosslare	Revetment works	37,094.68	27,821.01
Ballyconnigar	Rock revetment	29,652.00	22,239.00
CORK			
Warren Strand	Beach Groynes	160,000.00	120,000.00
Youghal	Coastal protection phase, prep. Contract doc.	30,250.00	22,687.50
Warren Strand	Complete Phase 2 groyne	55,497.74	41,623.31
WATERFORD			
Tramore	Promenade refurbishment	23,429.73	17,572.30
Cunnigar	Rock revetment	1,338.00	1,004.00
DUBLIN			
Dublin City Council	Contribution to risk assessment study	484,890.00	80,000.00
Burrow, Portrane	Repairs to embankment, etc	10,000.00	7,500.00
Portmarnock to Malahide	Repairs to coastal walkway	5,000.00	3,750.00

TABLE 2: COAST PROTECTION WORKS 2003 continued

Location	Project	Total Cost 2003 (€)	DCMNR 2003 (€)
KERRY			
Ballyheigue	Road protection works	200,000.00	150,000.00
Ballyheigue	Complete Phase 1	300,000.00	225,000.00
Ventry	Coastal protection works	29,047.31	21,785.48
Kenmare	Sea wall	15,026.36	11,269.77
WICKLOW			
Brittas Bay	Update study, extension of scheme	49,802.39	37,351.79
GENERAL			
	Coast Protection Strategy Study	370,471.00	370,471.00
GIS System	Maintenance and customisation	26,726.00	26,726.00
Bray	Beach monitoring	4,646.00	4,646.00
Basic Research	Tide gauge review statistical analyses	19,800.00	19,800.00
TOTAL		2,871,309.58	1,977,216.45

marine SEAFOOD

CORE POLICY GOAL

To maximise the long-term contribution of the seafood sector to the economies of coastal regions.

01 STRATEGIC OBJECTIVE

To implement national policies, negotiated within the CFP framework, which support a long term sustainable fishing industry for Ireland's coastal communities.

THE SECTOR

The seafood sector comprises the commercial sea fishing industry, the aquaculture industry and the seafood processing industry. Current annual sales of marine food are estimated to be of the order of €540 million of which some €384 million is exported, primarily to other EU Member States of which France is the largest market. The seafood sector is estimated to employ some 16,000 people directly, mostly in rural coastal communities.

THE IRISH BOX

In late 2002, the complete abolition of this fisheries conservation zone around Ireland was proposed by the European Commission, which was completely unacceptable to Ireland. During 2003, a major campaign was launched to emphasise to our EU partners the vital need to maintain a conservation zone around Ireland. Detailed scientific data was submitted to the European Commission in support of Ireland's case. After many months discussion at several Councils, a resolution was eventually agreed at the October Council which provides for the continuation of a special conservation zone of over 100,000 sq kilometres to the south and west of Ireland from Waterford Harbour to Slyne Head and also restricting fishing effort to current levels which will prevent a shift in fishing effort activity in northern waters.

IMPLEMENTATION OF THE FISHING EFFORT LIMITATION OFF THE NORTHWEST COAST AGREED AT THE DECEMBER 2002 FISHERIES COUNCIL

The details of this scheme required very careful analysis and the Department maintained close liaison with fishing industry representatives in ensuring that its implementation and application progressed in an effective and practical manner.

STOCK RECOVERY PROGRAMMES

The need to rebuild certain stocks such as cod and sole in the Irish Sea, cod off the northwest coast and hake in the Celtic Sea was advised by scientists and, accordingly, the development of appropriate plans received much attention during the year. Following a series of debates and analyses at several Councils, decisions were taken at the December Fisheries Council which satisfy the twin aims of assisting the recovery of the stocks under threat while at the same time allowing fishermen to continue to fish on other economically important species such as prawns in the Irish Sea which are in a satisfactory biological state.

02 STRATEGIC OBJECTIVE

To promote development of the seafood sector.

FLEET DEVELOPMENT MEASURE

This measure aims to enhance the safety, quality and competitiveness of the whitefish fleet and improve working conditions, product handling and quality. The Programme plans total investment of €95 million supported by Exchequer and EU grant aid of €25 million over the seven-year period of the NDP (2000-2006).

TABLE 1 PROPOSED FINANCIAL PROFILE OF NDP FLEET DEVELOPMENT MEASURE

Scheme	EU Grant €m	Exchequer Grant €m	Total Investment €m
Vessel Entrants*	10.5	4.6	54.6
Vessel Modernisations	6.6	1.7	33.0
Safety Equipment	2.6	0.4	7.6
TOTAL	19.7	6.7	95.2

* INCLUDING NEW, SECOND-HAND, YOUNG FISHERMEN

TABLE 2 FLEET PROJECTS APPROVED BY END OF 2003

Project Type	No. Approvals	Investment to end 2003 €m
New Vessels	36	55.3
Second-hand Vessels	3	2.4
Young Fishermen	6	2.3
Vessel Modernisation	25	4.3
Safety Equipment	103	1.1
TOTAL	173	65.40

In addition to the Fleet Development Measure of the NDP, Grant aid schemes for fishing vessels in relation to installation of mandatory Vessel Monitoring systems and to Tonnage remeasurement attract EU funding. Progress under these measures is set out in Table 2(a).

TABLE 2(a) NON NDP EU FUNDED FLEET INVESTMENT

Scheme	No. Approvals	Investment to end 2003 €m
Tonnage Remeasurement	111	0.29
Vessel Monitoring System (VMS)	79	0.34

FISHERIES INNOVATION AND SUSTAINABILITY MEASURE

This innovative measure, involving total investment of €32m for the duration of the NDP, continued in 2003 with the approval of 40 projects by the end of that year. Projects under the measure fall into three categories and qualify for different rates of funding as follows:

- Public Projects:** 100% EU & Exchequer funding
- Contributory Projects:** Up to 80% EU & Exchequer funding (+ at least 20% private funding)
- Private Projects:** Up to 60% EU & Exchequer funding (+ at least 40% private funding)

TABLE 3 FISHERIES INNOVATION AND SUSTAINABILITY MEASURE: PROJECTS APPROVED BY END 2003

Project Type	No. Approvals (cumulative i.e. 2000-2003)	Cumulative Investment to end 2003 €m
Promotion	1	2.2
Operation by members of trade	1	0.25
Innovative measures	37	10.85
Technical assistance	1	1.42
TOTAL	40	14.72

FISHERIES INSHORE DIVERSIFICATION AND SAFETY (FIDS) PROGRAMME

This programme continued into 2003 with the approval of 48 projects, at an investment cost of €1.84 million, by the end of that year. The programme, promoting diversification from the traditional sea fisheries sector into sea angling and marine tourism related activities, provides for the introduction of new and second-hand vessels and the purchase of safety equipment.

TABLE 4 FIDS PROGRAMME: PROJECTS APPROVED BY END 2003

Project Type	No. Approvals (cumulative i.e. 2000-2003)	Cumulative Investment to end 2003 €m
New Vessels	8	1.47
Second-hand Vessels	1	0.15
Safety Equipment	39	0.22
TOTAL	48	1.84

SEAFOOD PROCESSING MEASURE

This measure seeks to improve the efficiency and competitiveness of the seafood processing sector by creating a competitive value added capability of scale to the highest quality and technological standards. State grants of €32m were put in place to support a total investment of €86m. In 2003, a total of 22 projects were approved involving investment of €11.69m.

TABLE 5 PROJECTS APPROVED TO END 2003

Project Type	No. Approvals (cumulative i.e. 2000-2003)	Total Investment in respect of 2000-2003 €m
Increased Value Added	21	12.81
Increased Production	11	3.90
Increased Quality	4	2.71
Infrastructural	7	2.72
TOTAL	43	22.14

AQUACULTURE DEVELOPMENT

Aquaculture is the fastest growing food production industry in the world and currently accounts for a quarter of global fish production. Global farmed production stands at over 38 million tonnes.

In 2003, a third tranche of decisions was announced under the Aquaculture Development Measure of the NDP 2000 – 2006. Thirteen commercial projects involving FIFG and Exchequer aid of €3.792 million were approved in the BMW region while €2.109 million was approved towards five commercial projects in the S&E region. At the end of 2003, a total amount of €18.6 million in FIFG and Exchequer aid was approved under the Measure.

CLAMS (Coordinated Local Aquaculture Management Systems) programmes continued to operate around the coast. The CLAMS plans are assisting the Aquaculture industry by helping to keep a sound and sustainable management of the Irish coastal zones.

Similar to 2002, the improvements to the national biotoxin monitoring system for shellfish

produced tangible benefits in 2003. The shellfish farming sector enjoyed a year of good market demand and relatively few closures of harvesting areas due to biotoxins.

In 2003, the Department worked with the Irish salmon farming industry in their setting up and actioning of environmentally friendly methods of waste disposal.

The Irish Sea seed mussel fishery resource continued to be the principal source of seed for increasing seed demands of the bottom mussel sector. Seed mussels were also sourced from Carlingford Lough and Cromane. The seed fisheries were managed on the principles of rational exploitation and equitable distribution.

The National Sealice Monitoring Programme on marine fish farms continued. Ireland's approach to sealice management is internationally recognised as being based on best scientific advice and practice. In 2003, ovigerous lice levels were similar to 2002 with mobile lice levels showing a slight increase on the previous year.

In 2003, participation by farmed salmon companies in the Irish Quality Salmon Scheme reached almost 100% in the S&E region and 82% in the BMW region. Farmed salmon is the first Irish food product to win accreditation under the scheme.

The Irish Quality Trout scheme was fully approved in 2003 by the National Accreditation Board. It is an all island scheme and there are currently three certified members – one from the S&E region and the other two are located in Northern Ireland.

The National Accreditation Board fully approved the Irish Quality Mussel scheme in 2003. There are currently three fully certified members – one in the BMW region and two in the S&E region.

CORPORATE GOVERNANCE

In 2003, the Department discharged the necessary corporate governance requirements and ensured that An Bord Iascaigh Mhara (BIM) fully complied with the Code of Practice for the Governance of State Bodies.

An enhanced financial reporting structure was devised in 2003, which managed the paying out of the grant-in-aid to BIM (Current: €14.255m; Capital: € 11.018m.).

FISHERIES MARKET SUPPORT FRAMEWORK

The Department processed a total of 39 claims for assistance in 2003 involving payments of over €2.571 million to the three Producer Organisations in Ireland, as per the following Table:

TABLE 6 PAYMENTS UNDER EU MARKET SUPPORT FRAMEWORK 2003

Claim Type	No of Claims	Total Payment €m
Operational Programme (Production Plans)	3	0.06
Carry-over of Products	26	2.287
Withdrawal of Products	10	0.224
TOTAL	39	2.571

03 STRATEGIC OBJECTIVE

To contribute to efficient and effective conservation of fish stocks through appropriate fisheries management.

FISHERIES CONSERVATION AND MANAGEMENT

Quotas for the Irish catching sector in 2003 amounted to 189,500 tonnes consisting of 38,200 tonnes of whitefish species such as cod, haddock, whiting, hake and monkfish and 151,300 tonnes of pelagic species such as mackerel and herring. The available quotas provided Irish fishermen with a good range of fishing possibilities and by and large it was possible to keep most fisheries open throughout the year even though it was necessary to impose quite restrictive catch limits in respect of some whitefish stocks. Details of 2003 landings (provisional) by Irish vessels are in Table 10.

Conservation of fish stocks remained a key policy priority during 2003. In addition to contributing to the development of Stock Recovery programmes, the Department also managed and controlled fishing activities throughout the year to ensure the orderly uptake of national quotas. A total of 109 Statutory Instruments providing for catch limitations and seasonal management in particular fisheries were implemented during the year for this purpose.

ENFORCEMENT AND CONTROL

Sea Fishery Officers (enforcement and control) are deployed at the major ports of Howth, Dunmore East, Castletownbere, Dingle, Rossaveal and Killybegs. In addition there are Sea Fishery Officers based at Cork, Galway and at Leeson Lane, Dublin.

During 2003, with a view to making control more efficient, work commenced on the development of new, inter-agency control technologies. Joint inter-agency training modules on certain control aspects were also undertaken.

Seafood Control Division recruited 7 additional Sea Fishery Officers in 2003.

Seafood Control Division controlled and monitored a number of key managed fisheries and are engaged in enforcing a range of technical measures including minimum net mesh and minimum fish sizes.

The use of the Vessel Monitoring System (VMS) as an aid to fishery control continued to assist sea fisheries control and enforcement. The Irish Naval Service provided the Department with daily reports of VMS data both in table and graphic format.

TABLE 7 INSPECTION ACTIVITIES RELATED TO CONTROL AND ENFORCEMENT CARRIED OUT BY THE DEPARTMENT DURING 2003

Type of Inspection	Number
Albacore Tuna landings controlled	140
Pelagic landings (MAC, WHB, HER, HOM) controlled	1,200
Demersal landings controlled	5,000
Inspections at sea (inshore)	1,000
ESTIMATED TOTAL NUMBER OF INSPECTIONS	7,340

Arising from the inspection activities conducted by the Department and the Irish Naval Service a number of vessels were detained having allegedly been in breach of either EU or National legislation.

TABLE 8 DETENTIONS OF FISHING VESSELS DURING 2003

	Irish Registered	Non Irish Registered
DCMNR	8*	4
INS	27	8
TOTALS	35	12

*DOES NOT INCLUDE CASES BEING INVESTIGATED THAT DID NOT INVOLVE DETENTIONS

The Department cooperates with the Irish Naval Service and the Irish Air Corps to implement fisheries control legislation.

TABLE 9 IRISH AIR CORPS AND IRISH NAVAL SERVICE SUMMARY OF ACTIVITY DURING 2003

Activity	Air Corps	Irish Naval Service
Patrol Days	365	1,496
Sightings	4,676	2,974
Flying hours	1,832	-
Boardings	-	2,053
Warnings	-	119
TOTALS	6,873	6,642

Monthly catch statistics are used to ensure that Ireland complies with its Total Allowable Catches (TACs) for different species.

TABLE 10 LANDINGS BY IRISH VESSELS INTO IRISH PORTS FOR 2003 (PROVISIONAL DATA)

	Live Weight (mt)	Value €
Demersal	50,000	97,000,000
Pelagic	110,000	38,000,000
Shellfish	60,000	88,000,000
TOTALS	220,000	223,000,000

04 STRATEGIC OBJECTIVE

To ensure that relevant fish landings statistics are provided as required under EU legislation.

The Department provided required statistics on 2003 landings and other parameters to the European Commission and to other international organisations such as NEAFC (North-East Atlantic Fisheries Commission), ICCAT (International Convention for the Conservation of Atlantic Tunas), EUROSTAT, FAO and OECD. Statistical information was also provided to the general public, sectoral interests and researchers on request.

Progress was made in the development of new data management systems and the provision of links between regional offices and Departmental HQ.

05 STRATEGIC OBJECTIVE

To provide transparent, equitable and user-friendly licensing and registration arrangements for sea-fishing boats.

A total of 149 applications for sea-fishing boat licences were received during the year. 7 of these were subsequently withdrawn. By year-end, licence offers had been issued in respect of 39 of these applications and 12 had been licensed. 15 licence offers and 22 licences were also issued in respect of applications received in 2002.

The European Commission announced in March its intention to introduce new management arrangements for EU fishing fleets. The rules were adopted by the Commission in August 2003.

Under the Fisheries (Amendment) Act 2003 which entered into force on 1 July, the functions of the licensing authority for sea-fishing boats were transferred from the Minister to the Registrar General of Fishing Boats, an official of the Department. The Act specifies that the Licensing Authority shall be independent subject to the law for the time being in force, including EU law, and subject to policy directives issued by the Minister. Pending adoption of a new licensing policy by the Minister and clarification of the new EU fishing fleet management rules, licensing decisions had to be suspended. Following a public consultation process, the Minister adopted a new sea-fishing boat licensing policy in the form of a policy directive under the Fisheries (Amendment) Act 2003 issued to the Licensing Authority in November. Existing and new licensing applications were from that point assessed by the Licensing Authority on the basis of the new policy.

Approximately 1,200 applications were received by the closing date of 18 June for sea-fishing boat licences under the scheme for the licensing of traditional pot fishing boats in the Irish inshore fleet. BIM assisted the Licensing Authority in coordinating the processing of applications. Processing of the applications was still in progress at the end of the year.

06 STRATEGIC OBJECTIVE

To improve structures, operational efficiency and safety of the five Fishery Harbour Centres (Castletownbere, Dunmore East, Howth, Killybegs and Rossaveal) and other key fishery harbours (e.g. Clogherhead, Dingle, Greencastle and Kilmore Quay).

FISHERY HARBOUR CENTRES

The five Fishery Harbour Centres (Castletownbere, Dunmore East, Howth, Killybegs, and Rossaveal) are owned by the Minister and are directly managed by the Department under the Fishery Harbour Centres Acts 1968 to 1998. These arrangements are being reviewed.

FISHERY HARBOUR DEVELOPMENTS

The National Development Plan 2000 – 2006 provides for an investment of €84.35 million over the period of the Plan for the development and construction of fishery harbour infrastructure and related facilities at key strategic fishery harbours and the construction and improvement of berthage at smaller harbours and landing places. €41.58 million is provided in the BMW Region and €42.77 million is provided in the S&E Region.

In 2003, the total expenditure on the Department's Fishery Harbour Development Programme was €30 million. The Exchequer provided €29.3 million of this and the balance was provided by the relevant local authorities. A full list of the projects funded in 2003 is set out in Table 11.

07 STRATEGIC OBJECTIVE

To meet public health responsibilities arising from the Department's role in the regulation of food safety standards for fish and shellfish.

The Department continued to fulfil its role in marine food regulation and control. In particular, close collaboration was maintained with the Food Safety Authority of Ireland on all aspects concerned with the need to ensure adherence to food safety requirements.

Activities included the monitoring and sampling of shellfish production areas, the inspection of seafood processing establishments and seafood handling locations.

TABLE 11 FISHERY HARBOUR EXPENDITURE 2003

Location	Project	Total Cost 2003 (€)	DCMNR 2003 (€)
DONEGAL			
Killybegs FHC	Harbour development project	24,272,450.53	24,272,450.53
Killybegs FHC	Safety and maintenance	293,577.78	293,577.78
Killybegs FHC	Construction wages	601.69	601.69
Greencastle	Design work	185,908.31	139,431.23
Burtonport	Dredging	337,281.03	252,960.77
Buncrana	Pier improvements	28,966.60	21,724.95
Portaleen	Repairs to pier head	22,941.26	17,205.95
Portaleen	Purchase of crane	10,500.00	7,875.00
Portmore	Pier extension	60,000.00	45,000.00
Port Arthur	Strengthening of Pier	13,363.00	13,363.00
GALWAY			
Rossaveal FHC	Safety and maintenance	265,426.63	265,426.63
Rossaveal FHC	Development	20,390.13	20,390.13
Tir an Fhia	Pier repair works	267,815.32	200,861.49
Ceibh na gCasla	Widen pier access/extend pier	166,540.69	124,905.52
Inishboffin	Repair of pier fenders	2,518.88	1,889.16
Trá Bhán	Pier and slipway	8,882.89	6,662.17
Killary	Minor dredging works	2,171.64	1,628.73
Ceibh na hAirde	Quay repairs	34,000.00	34,000.00
Barna	Improvement works	15,000.00	15,000.00
Aughrismore, Claddaghduff	Pier improvements	162,000.00	162,000.00
Clifden Harbour	Improvement works	40,000.00	40,000.00
Cleggan	Install crane on pier	58,605.00	58,605.00
Cleggan	Minor Works	4,354.23	3,265.67
Derryinver	Interim repairs	16,000.00	11,000.00
LOUTH			
Clogherhead	Port Oriel design	255,523.00	191,642.25
Clogherhead	Replace crane, provide handrails	100,000.00	75,000.00
SLIGO			
Mullaghmore	Harbour breakwater works	899,436.00	674,577.00

TABLE 11 FISHERY HARBOUR EXPENDITURE 2003 (continued)

Location	Project	Total Cost 2003 (€)	DCMNR 2003 (€)
MAYO			
Killala	Slipway	152,524.00	114,393.00
CORK			
Castletownbere FHC	Safety and maintenance	286,126.15	286,126.15
Castletownbere FHC	Development Project/Dinish Wharf	87,449.99	87,449.99
Castletownbere FHC	Mainland Quay upgrading	648,898.52	648,898.52
Castletownbere FHC	Auction Hall upgrading	91,655.83	91,655.83
Schull	Pier wave wall repairs	82,695.53	62,021.65
Keelbeg	Dredging works (sediment sampling)	399.29	299.47
Cape Clear	Replace crane	16,335.00	16,335.00
Cape Clear	Subsidence of Duffy's Pier	24,264.00	24,264.00
Cape Clear	Harbour Development (Study)	6,105.00	6,105.00
WATERFORD			
Dunmore East FHC	Safety and maintenance	235,301.19	235,301.19
Dunmore East FHC	Cliff stabilisation: Dock Rd/Island Rd	60,066.76	60,066.76
Dunmore East FHC	Engage consultants	68,959.72	68,959.72
Dunmore East FHC	Security cameras	37,903.67	37,903.67
Dunmore East FHC	Road surfacing	200,009.03	200,009.03
WEXFORD			
Courtown	Purchase of plant equipment	40,000.00	30,000.00
KERRY			
Dingle	Fender repairs	4,390.89	4,390.89
Dingle	Navigation light, add. Pontoon	12,000.00	12,000.00
Dingle	Breakwater	8,738.45	8,738.45
Cromane	Pier development	2,420.00	1,815.00
Bunanear	Slipway	22,016.79	16,512.59
Dromatoor Ballyheigue	Pier improvement works	179,525.18	134,643.89
CLARE			
Kilkee	Slipway upgrading	27,447.39	20,585.54
Liscannor Pier	Safety works	6,407.00	4,805.00
DUBLIN			
Howth FHC	Safety and maintenance	106,197.64	106,197.64
GENERAL			
	Piers, lights and beacons	39,559.00	39,559.00
TOTAL		29,991,650.63	29,270,081.63

TABLE 12 IRISH FISHERIES QUOTA FOR 2003

Stock	ICES Area	Quota 2003
DEMERSAL		
Cod	I, Iia	245
Cod	VI	407
Cod	VIIa	1,284
Cod	VIIb-k	875
Haddock	VIA	1,214
Haddock	VIB	107
Haddock	VII	1,819
Haddock	VIIA	253
Saithe	VI	415
Saithe	VII	2,450
Pollock	VI	124
Pollock	VII	1,298
Whiting	VI	582
Whiting	VIIa	288
Whiting	VIIb-k	8,814
Plaice	VI	559
Plaice	VIIa	1,173
Plaice	VIIbc	128
Plaice	VIIfg	46
Plaice	VIIhjk	255
Sole	VI	85
Sole	VIIa	123
Sole	VIIbc	65
Sole	VIIfg	39
Sole	VIIhjk	176
Hake	VI, VII	1,114
Monk	VI	318
Monk	VII	1,198
Megrim	VI	565
Megrim	VII	2,373
Nephrop	VI	153
Nephrop	VII	6,561
Albacore Tuna	-	3,320

TABLE 12 IRISH FISHERIES QUOTA FOR 2003 (continued)

Stock	ICES Area	Quota 2003
PELAGIC		
Mackerel	VI,VII	67,807
Herring	I,II	4,377
Herring	ViaN	4,432
Herring	ViaS	12,727
Herring	VIIa Mx	1,250
Herring	VIIhjk	11,235
Horse Mackerel	IV	1,641
Horse Mackerel	VI,VII	30,693
Blue Whiting	V,VI,VII	17,165
OVERALL TOTAL		189,753

marine ENGINEERING

CORE POLICY GOAL

To facilitate and develop harbours and coastal infrastructure, to support coastal protection works, and the sustainable development of State foreshore.

01 STRATEGIC OBJECTIVE

To provide an advisory and project management, design and construction service relating to harbours, coastal infrastructure and coastal protection, and an advisory, inspectoral and reporting service on matters relating to foreshore developments.

HARBOUR WORKS

The Division carried out work to the value of €26.6 million to the Fishery Harbour Centres (FHCs) at Killybegs, Rossaveal, Castletownbere, Dunmore East and Howth, which are owned and managed by the Department. In addition to this, direct capital works and maintenance work were carried out at a number of Local Authority Piers to the value of €1.25 million.

The Engineering Division carried out maintenance works to the value of €0.25 million to a range of piers, lights and beacons on the west coast of Ireland in 2003.

HEALTH AND SAFETY

All construction sites were safety audited on a regular basis during 2003 by the Division's safety representative, or safety Consultants, to ensure compliance with the Divisional Safety Statement and local safety statements and safety plans.

TABLE 1 FISHERY HARBOUR WORKS UNDERTAKEN BY ENGINEERING DIVISION

Harbour	County	Work Details
Howth FHC	Dublin	Minor renewals, safety and maintenance works.
Dunmore East FHC	Waterford	Installed security camera system. Cliff stabilisation at Island Lane. Laid cobblelock paving at the auction hall and main quay areas. Installed quayside davit crane. Safety and maintenance works.
Castletownbere FHC	Cork	Mainland quay rehabilitation works. Dinish wharf extension and auction hall tender pre-qualification. Upgrade of existing auction hall.
Schull		Renewal of wave wall
Dingle	Kerry	Fender renewal
Cromane		Design review of pier development
Rossaveal FHC	Galway	Installed electric power points, maintenance works
Ceibh na gCasla		Pier extension completed
Tir an Fhia		Dredging, construct new pier and pier refurbishment
Derryinver		Pier repair
Killybegs FHC	Donegal	Major Harbour Development construction work. Maintenance and safety works.
Greencastle		Design work for Harbour development. Planning documents and EIS prepared.

TABLE 2 1902 ACT AND EX-CDB PIERS, LIGHTS AND BEACONS

Area	County	Work Details
Cape Clear Island (North Harbour)	Cork	Preliminary design for harbour development. Provision of new crane. Repairs to Main Pier
Cleggan	Galway	Installed new crane and relocated stoplogs

TABLE 3 SMALL PIER REFURBISHMENT

Location	County	Work Details
Ceibh na hAirde	Galway	Quay repairs and new roadway
Barna		Improvements to pier and slipway completed
Aughrusmore, Claddaghduff		Widened and extended pier
Spike Island	Cork	Deck soffit repairs
Mornington	Meath	Demolition, site clearance and contaminated land remedial works.

COASTAL PROTECTION WORKS

In 2003, the Engineering Division designed and supervised the construction of coastal protection works at Rosslare Strand, Co Wexford, and Elly Bay, Co Mayo. At Carrigaholt, Co Clare, the Division carried out cliff stabilisation to protect an ancient castle. The total cost of the work involved came to €0.35 million.

The National Coastal Protection Strategy Study was progressed by the Engineering Division. Phase I of the Study was substantially completed in 2003. This included an Aerial Photographic Survey of the Irish coastline. This was done by means of a low altitude helicopter oblique aerial photographic survey of the coastal zone.

As part of the EU EUROSION Project, the Engineering Division undertook a classification of the National Coastline. The coastline was classified by morphology, erosion/accretion, lithology and presence of coastal structures. The results were recorded in digital form for making available in the EUROSION website www.eurosion.org.

HARBOUR AND COASTAL PROTECTION

Engineering Division continued to provide an advisory and inspectorial service to the Department's Sea Fisheries Administration Division in relation to Fishery Harbours and Coast Protection. The nature of the service provided involved site visits and surveys, and consultation with fishermen's groups, local interest groups and Local Authorities. The Engineering Division advised on technical standards in connection with Fishery Harbour projects and Coast Protection work projects (carried out by the Engineering Division and by the Local Authorities). The Division also monitored works progress and expenditure in relation to these projects.

INLAND FISHERIES

The Division provided advice to Regional Fishery Boards, Local Authorities, Consulting Engineers and the public on measures to protect and promote the development of inland fisheries.

The Engineering Division represents the Department on two of the River Basin District Management Project Steering Groups set up under the Water Framework Directive.

Engineering Division designed and built a bypass channel at Portlaw weir and designed fish passes for weirs on the River Nore in Kilkenny City. Engineering Division designed

and supervised the construction of a fish pass at Owenaguppall falls, Ardgroom. Fish passage facilities were designed for proposed water abstraction schemes from the Bunmahon River and the Ferta River.

River improvement or rehabilitation works were prepared for the Kiln River (Cork), the Clonakilty River and the Nenagh River.

Engineering advice was given in relation to small hydro electric schemes at Emlagh River and the Roughty River.

Engineering advice was given in relation to the impact of road works on fisheries at Watergrasshill, Bandon, Latteragh Cross (Nenagh River) and River Groody (Limerick).

02 STRATEGIC OBJECTIVE

To provide technical advice to the Department in exercising stewardship over State foreshore.

AQUACULTURE AND FORESHORE DEVELOPMENTS

The Engineering Division provides an advisory and inspectorial service to the Department's Coastal Zone Management Division, which deals with matters relating to Foreshore, Aquaculture and the Environment.

In 2003, Engineering Division carried out 209 inspections on aquaculture installations. 49 further inspections were carried out at marine finfish farm sites and 37 at freshwater sites as part of Engineering Division's ongoing monitoring programme.

The Division provided an inspectorial and advisory service in connection with aquaculture licences and associated Foreshore Licences, which were assessed by the Department's Aquaculture Licence Advisory Committee (ALAC). In 2003, 50 decisions on licenses were made. 58 other Foreshore licences/leases were decided and the Engineering Division provided an advisory and inspectorial service in connection with this work. In addition, reports were submitted on applications that did not proceed to granting of licences/leases and enquiries were dealt with on an on-going basis from prospective developers of State Foreshore.

The Engineering Division worked closely with the Department's Marine Licence Vetting Committee (MLVC) in examining environmental matters. The Division assessed 15 applications for permits or amendments to permits under the Dumping at Sea Act, 1996.

Detailed examinations were made of all applications and follow-up site inspections and local consultations were also carried out in some cases.

The Engineering Division advised in relation to the remediation of the Irish ISPAT contaminated site in Cork.

natural resources

INLAND FISHERIES

CORE POLICY GOAL

To conserve the inland fisheries resource in its own right and its viability and economic and social contribution at national and local community level.

01 STRATEGIC OBJECTIVE

Ensure the effective conservation, primarily through the Fisheries Boards, of inland fish habitats and stocks.

The Department continued to promote the policy of quotas on commercial salmon fishing and bag limits on angling to achieve catch reductions as the best instrument available to secure the shared objective of restoration of salmon stocks. Specific conservation measures included; the Wild Salmon and Sea Trout Tagging Scheme Regulations 2003 (S.I. No. 174 of 2003) which set, among other things, the total allowable commercial catch of salmon on a fishery district basis; and the Salmon and Trout Conservation Bye-Law No. 789, 2003 which sets quotas on the recreational catch of salmon and sea trout over 40 cms.

Regulations were also introduced increasing (i) the commercial salmon licence fees in line with inflation since they were last set in 1988, and (ii) the salmon rod ordinary licence fees. The Inland Fisheries (Payment in Lieu of Prosecution) Regulations 2003 provide for a system of on-the-spot fines in the area of inland fisheries. These regulatory measures were introduced on the advice of the National Salmon Commission, which continued its work throughout the year.

The Department continued to improve liaison arrangements with relevant State agencies and the Regional Fisheries Boards and Loughs Agency to facilitate a greater appreciation of the environmental pollution problems.

02 STRATEGIC OBJECTIVE

Deliver effective and value for money management of the inland fisheries services.

In November 2003, following a tender competition, the Minister appointed a consortium comprising FGS (Farrell Grant Sparks) Consulting, CEFAS (the Centre for Environment, Fisheries and Aquaculture Science) and NIRSA (the National Institute for Regional and Spatial Analysis) Maynooth NUI, to undertake a high level review of the Inland Fisheries

sector in Ireland. The aim is to have in place, by end 2005, a newly defined relationship between Government and management structure that contributes to the optimum development of the inland fisheries resource in Ireland, incorporating management and organisational practices, which guarantee cost effectiveness and value for money in the delivery of high quality services to stakeholders.

The work towards the adoption of a Service Level Agreement between the Department and the Fisheries Boards has further contributed towards the effectiveness of the governance of the sector. Improved corporate governance resulted from regular structured meetings with the management of the Fisheries Boards and Loughs Agency. The total Exchequer funding provided to the Central and Regional Fisheries Boards in 2003 was €18.49 million. The Boards also generated revenue of their own amounting to €3.43 million through sales of licences and permits and income from fines on illegal fishing and from management of fisheries etc.

The total Exchequer funding provided to the Loughs Agency in 2003 was €0.954 million.

03 STRATEGIC OBJECTIVE

Ensure effective legislative and regulatory framework for inland fisheries.

The revisions introduced to the Salmon Tagging regulations constitute demonstrable progress towards conservation, primarily through the Fisheries Boards, of fish stocks. The revisions to the tagging scheme for wild salmon and sea trout including district quotas for commercial fishing and a total allowable catch for anglers, were implemented for the purpose of conserving stocks and collecting data on catches with a view to enabling management plans for the conservation of stocks to be developed. The Eel Review Group, which was established to examine the potential for the development of the resource, continued its work and delivered recommendations for a regulatory framework to the Minister at the end of the year. These will inform the national response to the EU Commission's Communication on the development of a community action plan for the management of European eel.

04 STRATEGIC OBJECTIVE

Encourage sustainable development of the commercial and recreational fishing resource.

Due to budgetary constraints, there was no funding allocation under the Tourism and Recreational Angling Measure of the NDP in 2003. The Central and Regional Fisheries Boards continued to work towards developing the inland fisheries resource, including the tourism angling product, within their overall budgetary allocations.

BIM continued its integrated marketing programme, which is aimed at increasing the market price of Irish wild salmon and promoting the availability of traceable wild salmon focusing in particular on hotels and restaurants wishing to provide a high quality food product.

natural resources FORESTRY¹

CORE POLICY GOALS

The development of forestry to a scale and in a manner which maximises its contribution to national economic and social well-being on a sustainable basis and which is compatible with the protection of the environment.

The promotion of research and development focused on the strengths of the Irish forestry sector, with particular emphasis on market demands, industrial needs, environmental concerns and cost efficiency.

01 STRATEGIC OBJECTIVE

Undertake a value-for-money strategic analysis of the afforestation programme in the light of the budgetary situation and other developments since publication of the Strategic Plan "Growing for the Future" in 1996.

This objective has been overtaken by the Government decision to transfer the Forestry function to the Department of Agriculture and Food.

02 STRATEGIC OBJECTIVE

Continue to support forestry development by meeting annual planting targets, in line with available resources, through efficient approval and payment processes.

PLANTING

In 2003, the Government made difficult decisions in relation to funding across a broad range of functions. The Forest Service has focused its reduced funding on maintaining a viable planting programme. This has led to an inevitable reduction or suspension of financial support for a number of supporting programmes and measures. It is estimated that between 9,500 and 10,000 hectares were planted in 2003.

¹ RESPONSIBILITY FOR FORESTRY WAS TRANSFERRED TO D/AGRICULTURE AND FOOD ON 1 JANUARY 2004.

TABLE 1 OTHER OUTPUTS FOR 2003 ARE AS FOLLOWS

Measure / Sub-Measure	Grant Scheme	Payments €m	Area ha	Applicants
Regional Operational Programmes 2000-2006.	Woodland Improvement	0.251	579.44	30
	High Pruning	0.015	19.26	5
Woodland Improvement Sub-Measure	Reconstitution	0.421	594.95	101
	Shaping Broadleaves	0.143	606.53	94

AMENITY/URBAN GRANT SCHEMES

There were 13 payments, totalling €208,276 made under the NeighbourWood Scheme.

Work is ongoing on an improved information system (IFORIS). Cross Compliance procedures were agreed with the Department of Agriculture and Food and a Cross Compliance team established.

03 STRATEGIC OBJECTIVE

Ensure effective corporate governance of Coillte Teoranta.

At mid-year, Coillte projected a profit after tax of approximately €25.54 million for the year ended 31 December 2003, a positive variance of €6.51 million on budgeted profit and an increase of €6.8 million on the previous year’s result. The 100% Coillte-owned Smartply OSB Plant expects to record a profit of circa. €2.5 million as against a budgeted loss of €4 million. The company undertook a strategic review of all of its activities.

04 STRATEGIC OBJECTIVE

Update Forestry legislation to take account of current practices.

Work is ongoing on Draft Heads of Bill. This work needs to take account of the implications of the strategy review.

05 STRATEGIC OBJECTIVE

Maintain the health of the national forest estate and ensure that the forestry programme is implemented in line with Sustainable Forest Management principles.

There was ongoing implementation during 2003 of the forestry aspects of Council Directive 2000/29/EC on protective measures against the introduction into the Community of organisms harmful to plants and plant products and against their spread within the Community.

Pest and disease survey reports were submitted to the European Commission.

Thirty six national observation points were established incorporating insect pheromone traps. Three hundred and fifty Phytosanitary certificates were issued to Irish companies for wood packing associated with exports to China.

It is the aim of the Forest Service that all forestry activities are carried out in accordance with the principles of Sustainable Forest Management (SFM) and Code of Best Forest Practice. To achieve this, the Forest Service offers supports to forest owner associations involved in the collective management and marketing of forest products and services. In addition, direct supports are available towards forest management under the Woodland Improvement Scheme and the Forest Roads Grant Scheme. In 2003, the Forest Service, in association with Teagasc, commenced a series of workshops around the country to highlight the importance of ongoing management, particularly thinning operations, in the development of forest plantations. These workshops are primarily aimed at farmers and other landowners who planted in the 1980's.

Control of Felling is an important aspect of Sustainable Forest Management.

FELLING LICENCES

The Forestry Act 1946 requires landowners to give notice of intention to fell trees, following which Prohibition Orders are normally served. These remain in force until a Limited Felling Licence is granted. Such licences may be subject to conditions, including a specified level of replanting. General Felling Licences are normally granted, on application, to larger estates where a management programme is in place. Where a General Felling Licence is in place a Felling Notice is not required. The following gives details of the control of felling of trees during 2003.

Felling Licences	Number		
	2003	(2002)	(2001)
Felling Notices lodged	807	(476)	(377)
Prohibition Orders issued	785	(460)	(338)
Not prohibited	22	(16)	(37)
Limited Felling Licences issued	523	(296)	(225)
General Felling Licence applications received	51	(21)	(65)
General Felling Licences issued	38	(45)	(22)

ILLEGAL FELLING

Sixty two breaches of the Forestry Act 1946, in relation to the felling of trees, were logged and are currently being investigated. In 2003, four prosecutions were secured under the Forestry Act 1946.

06 STRATEGIC OBJECTIVE

Develop Indicative Forest Strategies for each county.

Consultations are ongoing with local authorities. Sixteen draft Indicative Forest Strategies were completed and agreement reached on one.

07 STRATEGIC OBJECTIVE

Develop and implement a forest research and development programme that will help to develop the full potential of the Irish forest and wood processing sector.

COFORD, the forestry research and development agency, continued its work during 2003.

08 STRATEGIC OBJECTIVE

Input to EU and international developments.

During 2003, officials from the Forest Service represented the Department at a number of relevant EU meetings, including the Working Party on Forestry, Standing Forestry Committee, EU Forestry Directors and Environment International Working Party. Forest Service officials also attended and participated in international and regional processes including the United Nations Forum on Forests (UNFF), the Ministerial Conference on the Protection of Forests in Europe (MCPFE), the United Nations Framework Convention on Climate Change (UNFCCC) and the Convention on Biological Diversity.

natural resources

MINERALS EXPLORATION AND MINING

CORE POLICY GOAL

To stimulate discovery of economic mineral deposits and to maximise the contribution of the mining sector to the national economy, with due regard to its environmental and social impact.

01 STRATEGIC OBJECTIVE

Maximise the level of exploration for minerals.

Exploration activity, especially for zinc, continued to be adversely affected by the historically low metal prices though there was some renewed interest in gold reflecting improved prices. The Exploration and Mining Division (EMD) continued to market Ireland as a location for minerals exploration and development. Measures taken included the further development of initiatives that provide industry with all available exploration data, taking stands at the major international trade shows for minerals exploration in Toronto and in Dublin, and targeting selected exploration companies both nationally and internationally. A wide range of brochures and publications were updated and circulated. Some flexibility was exercised in relation to minimum exploration expenditure requirements for the exploration sector. This was done through an Exploration Expenditure Moratorium, which acknowledged the historically difficult climate that the exploration sector has been experiencing for the past three years.

The MAPS (Minerals Administration Programme Support) Initiative is an ambitious project designed to provide industry globally with all the needed information and available background data to assess ground and handle the business requirements of exploration permitting through the Internet. Work continued on this project in 2003 for roll out in 2004.

Considerable progress was made on two complementary initiatives that provide exploration data free of charge and in digital format to industry clients. Under the Airborne Data Release Initiative, 70% of all such data lodged by the companies has now been released into the public domain. In addition, as part of the Exploration Data Release Initiative, exploration reports are being made available on CD-ROM and through the Internet. To date, historic data relating to 110 Prospecting Licences have been made available.

02 STRATEGIC OBJECTIVE

Equitable permitting regime for prospecting (Prospecting Licences) and mining (State Mining Facilities – leases and licences).

During the year applications for 34 Prospecting Licence (PL) areas were assessed, and 22 licences issued. Progress reports on 167 licences were assessed and 101 renewal applications evaluated and found satisfactory. This included the special moratorium reports, which were a condition of the relaxation of minimum exploration expenditure requirements. Field visits were made to 28 sites to monitor exploration activity.

Agreement was reached with Tara Mines Ltd. on a new State Mining Licence for a further extension to the existing Navan Mine, which will be executed in 2004.

Negotiations took place with Arcon Mines Ltd. on terms and conditions for a further State Mining Licence for Arcon Mines Ltd. to develop the newly discovered R-zone zinc and lead deposit adjacent to its existing underground works at Galmoy, Co. Kilkenny.

As a result of poor trading conditions, the three metal mines continued to experience financial problems, and proposals are under discussion for some variation of royalty terms to provide appropriate relief.

In addition, there are four State Mining Lease applications on hand with expected completion in 2004. Roadstone Provinces Ltd have applied for two of these and one each from Eurostone and Ormonde Brick.

03 STRATEGIC OBJECTIVE

To require and facilitate sustainable development in the minerals sector.

Planning applications were made for extensions to the Navan and Galmoy mines during the year and Irish Gypsum applied for permission to develop a new underground mine at Drummond, Co. Monaghan, to replace the existing open cast operations at Knocknacran once this is exhausted. Observations on these were made to the relevant planning authorities, using both in-house expertise and consultancy advice.

The Division continued to investigate legal aspects of the liability of Mogul of Ireland to carry out remediation work at Silvermines, Co. Tipperary, under a condition, Clause K, of their former mining lease. The Chief State Solicitors Office served notice of the remedial works that the Company is required to carry out in April 2003. The Division is engaged in discussions with Mogul regarding their plans. As Mogul is responsible for approximately 50% only of the mine sites at Silvermines, the Division is also investigating the legal powers and funding which will be necessary to undertake the balance of the required remedial works. The Division together with the Environmental Protection Agency (EPA) and North Tipperary County Council was involved in assessing test proposals from Mogul to determine whether defined organic wastes spread on the Gortmore TMF will provide a suitable growth medium for a sustainable vegetation cover for the TMF. The agreed tests will commence in 2004.

EMD is also represented on the Tynagh Old Mine-site Liaison Group. This group was established in October 2002 by Galway County Council in response to local health and environmental concerns at the historic Tynagh lead mine. The Group meets quarterly and has overseen a number of surveys of the site. In December 2003, the EPA, who were represented on the Group, published the "Report of the investigation into the presence of lead and other heavy metals in the Tynagh Mines area, Co. Galway". The report concluded that the site is heavily contaminated with heavy metals, in particular lead and zinc. In general, though, surface water quality is satisfactory, and is unlikely to represent a risk to livestock. The EPA recommends that access to the site by humans and livestock be prevented and that no unauthorised disturbance of mine wastes should take place. Where locals express concern in relation to their own or animal health, these concerns should be addressed by the relevant authorities through appropriate testing. Further surface water and groundwater studies are recommended. The EPA is no longer represented on the Liaison Group.

A report, commissioned by the Eastern Regional Fisheries Board from University of Newcastle on restoration of the Avoca River, was published in 2003. EMD had been consulted in the preparation of the report, which provided a preliminary assessment of options for restoration of the water quality of the river. Further work will need to be done in this area.

In June, the EU Commission published a proposal for a Directive on the Management of Extractive Industry Waste. This arose from a number of mining-related incidents, which could have caused serious, long-lasting environmental damage. The Department has primary responsibility for its consideration at Council. As part of the stakeholder discussions before the draft Directive's publication, a presentation was made at a workshop on Financial Guarantees and Securities in the Extractive Industry. This outlined the methods used in Ireland to ensure that mines can be properly closed.

In December, a presentation on the proposed Directive was made to the Oireachtas Joint Committee on Communications, Marine and Natural Resources.

The Division also engaged extensively with stakeholders on other EU initiatives such as the Directive on Environmental Liability, the proposed BREF note on the management of mine tailings and waste-rock. It was active at DG Enterprise's Raw Materials Supply Group and its working parties.

04 STRATEGIC OBJECTIVE

Well-informed policy- and decision-making process.

Market conditions for zinc continued to be difficult worldwide and the position was closely monitored through membership of the International Lead and Zinc Study Group, the Internet, and market analysts reports.

Owing to the pressure on resources caused by work on royalty relief discussions and other issues, the study on royalty and tax regimes was temporarily put into abeyance. This forms an essential input into the general policy review, which will lead to consolidated and updated mineral legislation. It is anticipated that both will resume in 2004.

INDUSTRY PERFORMANCE / TREND INDICATORS

Gross value of metal production (Lead & Zinc) in Ireland in 2002 was €191m. This compares with €218m in 2001. There were 1,328 personnel directly employed in the industry in 2003.

EXPLORATION ACTIVITY

	2001	2002	2003
Exploration in Ireland (in €m)	11.33	6.55	Awaited
Proportion of global expenditure	0.5%	0.3%	
Number of current prospecting licences (at year end)	428	348	284

MINING ACTIVITY (THOUSANDS OF TONNES OF METAL IN CONCENTRATES)

	2001	2002	2003
ZINC			
a) Output in Ireland	298	253	419
b) Proportion of global output	3.3%	2.8%	4.4%
LEAD			
a) Output in Ireland	45	32	50
b) Proportion of global output	1.5%	1.2%	1.6%

TABLE RECEIPTS

Item	2001 (€)	2002 (€)	2003(€)
Dead Rent and Royalties	1,029,247	846,894	1,142,355
Prospecting Licences	317,241	130,360	265,875
Other	576	386,669	69,554
TOTALS	1,347,064	1,363,923*	1,477,784*

*INCLUDED IN THESE FIGURES ARE REFUNDS OF €310,274.49 AND €22,331.60 RECEIVED FROM A MINING COMPANY FOR PAYMENT OF COMPENSATION BY THE MINISTER TO PRIVATE MINERAL OWNERS.

natural resources

PETROLEUM EXPLORATION DEVELOPMENT & PRODUCTION

CORE POLICY GOAL

To maximise the benefits to the national economy from exploration for, and production of, indigenous oil and gas resources, while ensuring that activities are conducted safely and with due regard to their impact on the environment and other land/sea users.

01 STRATEGIC OBJECTIVE

To maximise the level of petroleum exploration and production activities in Ireland.

CORRIB FIELD

The development of the Field has been delayed by planning issues around the gas terminal at Bellanaboy Bridge. Shell Exploration & Production submitted a new planning application to Mayo County Council for an onshore gas terminal at the Bellanaboy Bridge site in December 2003.

EXPLORATION

The Porcupine Licensing Initiative was announced in November 2002 to stimulate exploration interest in offshore Ireland. The entire Porcupine region, with the exception of one area already licensed, is being opened for applications in 4 tranches. The first 2 tranches, opened during 2003 and comprising much of the northern part of the basin, have so far not attracted any applications.

In September, the terms for Licensing Options were revised in terms of cost and duration. The cost of these authorisations was reduced in order to attract the industry, and reflects a similar policy in the UK. Arising from the revised terms 9 new licensing options were awarded in the North Celtic Sea area.

Access to data and samples was further facilitated by improvements to data formats, databases and by the fitting out and completion of the Department's state-of-the-art Core Store and viewing facilities at Sandyford, Co. Dublin. These measures were designed to promote more effective exploration and development activities.

SEVEN HEADS

A Petroleum Lease was signed with the Seven Heads licensees in November 2002. A Plan of Development for the Seven Heads Gas Field was submitted by Ramco Seven Heads Limited and approved by the Minister in March 2003. The Seven Heads development uses the nearby Kinsale Head infrastructure, pipelines and processing facilities, and first gas was achieved in December 2003.

SOUTHWEST KINSALE – GREENSAND

The Minister approved a Plan of Development for the Southwest Kinsale Greensand Project in March 2003. First gas was achieved in August 2003.

02 STRATEGIC OBJECTIVE

To optimise the returns to the State from exploration and production operations.

While the level of exploration activity in the Irish offshore has been in serious decline in recent years in line with other areas in north west Europe, this has been partially balanced by new production from Seven Heads Field and the Southwest Kinsale Gas Field, increased licensing in the Celtic Sea, and the fact that Shell E&P Ireland submitted, in December 2003, a revised planning application for its proposed onshore terminal for the development of the Corrib Gas Field.

Production from the new developments will have an impact on the local, regional and national economies and help to reduce levels of imported energy and strengthen security of supply, especially in relation to gas. They are also important to the development of regional and local energy supply infrastructure and in their contribution to accelerating economic growth in these regions. The joint industry PIP/PEPPS process, a part of the Petroleum Infrastructure Programme, was further consolidated during the year bringing benefits to Irish third level institutions.

03 STRATEGIC OBJECTIVE

To ensure that exploration, development and production operations are carried out both efficiently and effectively and in accordance with Good Industry Practice, including with regard to health, safety and the environment.

DOOISH

An exploration well drilled by Enterprise Energy Ireland/Shell in the Rockall Basin off Donegal in 2002 was re-entered and deepened during 2003, confirming the presence of a significant gas condensate accumulation. Much further work will be required, integrating well and seismic data, before the economic significance of the Dooish discovery can be determined. However, the presence of 'Dooish' together with other similar undrilled structures in the basin is very encouraging for the future exploration of the area.

Draft revised Rules and Procedures dealing with exploration were circulated to the Irish Offshore Operators Association for their observations in October 2003.

04 STRATEGIC OBJECTIVE

To maximise the area of Continental Shelf under Irish jurisdiction.

Ireland is working to submit its case for an extended Continental Shelf beyond 200 nautical miles to the UN Commission on the Limits of the Continental Shelf (UNCLCS) by 2006. At this stage it has collected, analysed and interpreted data in support of its claim, and is participating in discussions with neighbouring coastal states whose claims conflict with the proposed Irish submission.

05 STRATEGIC OBJECTIVE

To maximise knowledge of Ireland's petroleum resource and the environment in which the E&P industry operates.

Development of the 'Irish Shelf Petroleum Study Group' (ISPSG) and the 'Expanded Offshore Support Group' (EOSG) continued during the year. Both groups form part of the 'PEPPS' initiative, a sub-programme of the established Petroleum Infrastructure Programme. The ISPSG, a joint Government/Industry applied research group, was fully functional by the end of 2003. Project areas were defined under geological and geophysical, environmental and engineering strands, and a few projects were underway. The EOSG, which will concentrate on infrastructure support – including the provision of equipment, training, special studies, data processing, information systems etc. – is not yet fully operational. Further progress on both groups is expected during 2004.

natural resources

GEOLOGICAL SURVEY OF IRELAND

CORE POLICY GOALS

To provide easily accessible and accurate geological information.

To support sustainable development, environmental protection and the National Development Plan.

To map Ireland's earth resources.

To promote public understanding of the role of GSI and geology in Irish society.

To provide a stimulating, motivating and rewarding work environment for GSI staff.

GSI work is carried out through a number of Programmes, which are:

INFORMATION MANAGEMENT PROGRAMME

This programme ensures that all data is managed within an increasingly integrated and digital set of databases. It is recognised that in the future the public will increasingly use the Internet or email in their business with GSI and for the purchase of GSI products. In addition, the GSI website continues to record an increasing number of visitors. This website is updated on a regular basis to provide information to the public.

BEDROCK PROGRAMME

This programme provides geological maps for a wide variety of customers. During the year a significant achievement was completion of the 1:100,000 scale Bedrock Geology Map series which was started in 1992. Each sheet is available in full colour accompanied by an explanatory booklet.

Planning is underway on a 1:50,000 map series and is a long-term initiative. Initial map sheets will be selected on the basis of National Spatial Strategy needs and sustainable management of the environment.

MINERALS PROGRAMME

This programme focuses on providing information for infrastructural and land use planning. Aggregate potential mapping is the principal geological work carried out by Minerals Section. Minerals potential mapping is also carried out: currently work is being done in Co. Wicklow.

QUATERNARY/GEOTECHNICAL PROGRAMME

Quaternary geological maps for eastern Co. Westmeath and Co. Louth were advanced during the year. These maps will act as a basis for assessing sand and gravel resources in a project partly funded by Kilsaran Concrete Products Ltd. They will be completed in 2005. The National Development Plan, particularly in relation to large-scale infrastructural projects, has led to increased use of aggregates in recent years.

In respect of the Geotechnical Programme the creation of an extensive archive of site investigation records is a primary goal. Through this database an efficient and effective service to a range of sectors concerned with environmental development and conservation is carried out.

GROUNDWATER PROGRAMME

The GSI has participated in the implementation of the EU Water Framework Directive (WFD), which established a new integrated approach to the protection, improvement and sustainable use of Europe's water. During the year, GSI concentrated on River Basin District projects aiming at securing water quality supplies into the future. A total of 230 reports on groundwater bodies were completed during the year as well as many national products and advisory inputs to various WFD working groups at EU and national levels. Groundwater protection schemes for Kildare and Roscommon were delivered to the respective County Councils and 14 source protection reports were finalised for Counties Offaly and Donegal.

MARINE AND GEOPHYSICS PROGRAMME

During 2003, data acquisition continued in the Irish seabed area. The National Seabed Survey has been in progress for several years and is today changing its focus from data acquisition towards value-added products that are customised for the needs of its customer base.

Among the areas where the National Seabed Survey is creating added value are in relation to making fishing more efficient and environmentally friendly, supporting hydrocarbons exploration through deep seismics and related seabed surveys and promoting seabed heritage.

In addition, survey work was completed in Clew Bay, Killala Bay, Dundalk Bay and Dublin Bay in 2003, which will enhance shipping safety and the development of harbours and navigation. The GSI works in collaboration with the Marine Institute and Universities to promote better knowledge of our seas.

IRISH GEOLOGICAL HERITAGE/ARCHIVES PROGRAMME

During the year, work continued on developing the candidate lists for the remaining themes of Irish Geological Heritage. All expert panels have been convened and final candidate site lists will be completed in 2004 as the foundation for geological NHA site selection, and to support Local Authority Heritage Plans and Development Plans. GSI has also reached out to the public through Heritage Week and Science Week events, and panel exhibitions in County buildings and libraries. Major Interreg funding supported the start of the Breifne Project promoting development through geotourism, and two other

Interreg Geopark projects have been approved for 2004. An archive book collection and an Irish offprint series was also catalogued.

SUPPORT SERVICES

ADMINISTRATION DIVISION

During 2003, a new Customer Centre was successfully opened which combined a Public Office and Library. The Centre has a fully completed Document Management System (with 500,000 documents) and a fully operational digital store.

Work on the drafting of a new GSI Bill continued during the year and a fresh consultation process with stakeholders was undertaken. Health and safety and temporary staff terms and conditions were other major issues dealt with by Administration Division during the year.

CARTOGRAPHIC UNIT

This Unit supported the production of maps and reports digitally and in hard copy. Its primary task is to serve the needs of GSI but it also supported other sections of the Department.

INFORMATION TECHNOLOGY

During 2003, the section concentrated on systems development across the range of GSI activities.

CENTRAL TECHNICAL SERVICES

The drilling programme continued. This section is also responsible for laboratory work, maintenance of the vehicle fleet and management of the Core Store, which is based in Sandymount Industrial Estate, Co Dublin. The Lecture Theatre was in operation on 171 occasions last year. 2,250 boxes of core were collected from the mineral industry.

INTERNATIONAL COOPERATION

During the year, the GSI continued its cooperation with the Geological Survey of Northern Ireland, the British Geological Survey and the Geological Survey of Newfoundland and Labrador as well as organisations at European and international levels.

shareholder issues

SHAREHOLDER ISSUES

BORD GÁIS ÉIREANN (BGÉ)

Bord Gais Éireann is a corporate body set up in accordance with the provisions of Section 7, Gas Act 1976. The Board's core duty is to develop and maintain a system for the supply of natural gas that is both economical and efficient.

While from a financial perspective BGÉ continued the success of previous years with revenues up by 7.5%, profit before tax is down 9%. This is due to the significant capital investment programme in recent years, particularly the Pipeline to the West and the 2nd Interconnector, resulting in high depreciation and interest costs. Nevertheless, BGÉ paid a dividend of €10 million to the Exchequer in 2003.

BGÉ's current focus is predominantly on managing and adapting to the significant changes and challenges in the gas sector arising from the ongoing liberalisation of the energy markets. This focus includes ensuring that BGÉ is operationally ready for deregulation and in a position to compete with new market entrants.

BORD NA MÓNA PLC

Bord na Móna was established as a corporate body by Section 7, Turf Development Act 1946 with a core duty to produce and market turf and turf products and to foster the production and use of turf and turf products. Bord na Móna public limited company was formed in 1998 under Section 7, Turf Development Act 1998.

Bord na Móna plc continued to perform well through its established subsidiaries supplying peat to the peat-fired power stations, its fuels supply business in coal, briquettes and oil and its horticulture and environmental businesses. Turnover increased by 8% in 2002/03 while profit after tax was up by 13% on the previous year.

The company sees its future in solutions-driven environmental initiatives such as water and air purification, waste management and renewable energy such as wind and biomass. The company continues to develop its strategy in this regard.

ELECTRICITY SUPPLY BOARD (ESB)

Electricity Supply Board is a statutory corporation established under the Electricity (Supply) Act 1927. Following the enactment of the Electricity (Supply) (Amendment) Act 2001 a 5% employee shareholding scheme was put in place. ESB returned a profit of €159 million for year ended 2002 and declared a total dividend of €39.7 million.

IRISH NATIONAL PETROLEUM CORPORATION LIMITED (INPC)

The Irish National Petroleum Corporation has no operational capacity since the disposal of its business and commercial assets (Whitegate refinery, Bantry storage terminal) in July 2001. The company's current activities are limited to (i) finalising residual issues arising from the 2001 transaction (primarily environmental claims lodged against INPC), (ii) progressing an on-going legal dispute with a former INPC customer, and (iii) meeting

requirements arising from its role as parent company to its remaining subsidiary NORA, which did not form part of the 2001 transaction. In 2002, the INPC paid €20 million to the Exchequer. In November 2003, the Board of the INPC, cognisant of its obligations under the Companies Acts to retain sufficient assets to meet potential liabilities, determined that it would not be appropriate to make a further payment to the Exchequer at that particular point in time.

In the course of 2003 the INPC Annual Report and Accounts for 2002 were laid before the Houses of the Oireachtas. The company also produced interim unaudited accounts for the first six months of 2003.

PORT COMPANIES

In 2003, the tonnage throughput at the ten commercial port companies was an estimated 49.9 million tonnes, an increase of 8.37 million tonnes on the previous year. All ports are currently able to accommodate cargoes presented. An estimated 3.715 million passengers passed through the four key Ro-Ro ports at Dublin, Dun Laoghaire, Rosslare and Cork in 2003. This represents a slight decrease on the previous year of some 171,000 passengers.

Port capacity is currently assessed at 95.1 million tonnes and utilisation of available capacity stands at 47%. It is forecast that, by 2007, the overall capacity utilisation rate will be 70%. Six Ports (Cork, Dublin, Drogheda, New Ross, Waterford and Rosslare) are identified with capacity shortfalls by 2007 of some 14.6 million tonnes – depending on economic growth rates as forecast by the E.S.R.I.

Turnover in 2002 for all ten companies was €100.8m compared to €96.2m for the same period in 2001, an increase of just over 4.5%. Net profit retained is recorded as being €11.955m, which is 11.9% of turnover.

Total fixed assets for the ten companies at the end of 2002 were valued at €479m. Total net debt is €137.1m or 28.6% of assets. Shareholder's funds were valued at €193.9m in 2002.

The ports vary considerably in terms of their financial performance and the strength of their balance sheets. However, profitability is acknowledged to be low. The returns available underline the difficulty of attracting private investment into the core business.



02



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organisational issues

CHANGE MANAGEMENT & CORPORATE SERVICES PROVISION

CORE POLICY GOAL

To position the Department as a modern, inclusive and results-focused organisation, operating to the highest public service standard.

HUMAN RESOURCES

01 STRATEGIC OBJECTIVE

To create a modern, best practice Human Resource culture which supports, motivates and develops staff and underpins organisational performance and business delivery.

The core goal of the Department's HR Division is to strategically manage the Department's human resources by means of congruent HR policies and activities that support the motivation and wellbeing of staff and that underpin organisational performance. In 2003, the Department had authorised staffing numbers of 760 staff (administrative, professional, technical and industrial) based in locations around the country including Dublin, Wexford, Castlebar, Malin and Valentia.

During 2003 HR Division published its HR Strategy 2003-2005 which was developed through Partnership. Progress was made with regard to many of the key actions emerging from the strategy including the development, publication and phased implementation of the Department's internal mobility policy, the devolution of annual leave management to local managers, the phased rollout of a new devolved flexi-time system and the development of an e-working scheme. The devolution of HR functions is a key part of the HR Strategy of seeking to facilitate and support local management in actively dealing with HR issues at a local level insofar as possible, as the most effective means of managing people.

In 2003, HR Division strove to respond flexibly to meet the diverse needs of a recently merged Department through the provision of efficient and effective day-to-day HR administration services for serving and retired staff and through participation in Partnership and active industrial relations management. The HR section of the intranet was developed with a view to improving communication, making information more accessible and promoting the value of openness and transparency. Each month, staffing updates were made available to all staff outlining staff movement in the month including promotions, transfers, reassignments, retirements and resignations.

The Division began a comprehensive project in 2003 to map and review its activities and processes so as to develop and maintain Divisional knowledge management and improve customer service. In addition, the Division engaged independent consultants to undertake an online survey to gain an insight into views by staff of HR activities; 222 staff completed the survey, which was published and presented to staff along with an action plan of activities HRD will undertake in 2004 in response to the feedback.

HR Division strives to be progressive and inclusive and to be adaptable and capable of response to changing conditions as the Department evolves. We aim to make the Department an employer of choice for existing and new staff. A positive work environment, job satisfaction, opportunity and shared ethos will contribute to the goal of creating a motivated organisation with a clear vision of its own future.

STRATEGIC CHANGE & MODERNISATION

INTRODUCTION

The Strategic Change and Modernisation Division was established in July 2003. Its functions cover:

- The Civil Service Change and Modernisation Agenda
- Staff Training and Development
- Corporate Governance of the State Sponsored Bodies
- Oversight of EU and North/South issues.

01 STRATEGIC OBJECTIVE

To drive, support and develop the Department's change and modernisation agenda in order to facilitate efficient and effective delivery of high standard services to customers and to ensure achievement of the Department's business goals.

STATEMENT OF STRATEGY 2003 – 2005

The Department's Statement of Strategy 2003 – 2005 was approved by Government in April 2003 and published in July 2003. The Statement, which is a key element of the SMI process and sets challenging policy and organisational goals and objectives across the range of the Department's responsibilities and operations, is available on the Department's website (www.dcmnr.gov.ie).

DIVISIONAL BUSINESS PLANS

Business planning is an integral part of the strategic management process in the Department. Divisional Business Plans are detailed work programmes which spell out what Divisions are required to do in support of the policies and objectives set out in the Department's Statement of Strategy and for the effective discharge of the Department's overall responsibilities. Divisional Business Plans for 2003 in respect of each of the Department's business units were agreed and put in place at the beginning of the year. Progress was reported on a quarterly basis during the year.

CUSTOMER SERVICE ACTION PLAN AND CUSTOMER CHARTER

Preparation of the Department's Customer Service Action Plan 2004 – 2006 was overseen by the Department's Partnership Sub-group on Quality Customer Service. The Plan was finalised in late 2003 following widespread consultation with internal and external customers. The Plan sets out the general and specific standards of service that our

customers can expect from us and also sets out a range of performance indicators, together with specific actions and initiatives, to ensure the effective implementation by the Department of the Principles of Quality Customer Service. The Plan is available on the Department's website (www.dcmnr.gov.ie). Progress on implementation of the Plan will be reported on in future Annual Reports.

In tandem with preparation of the Customer Action Plan, and in accordance with a commitment in Sustaining Progress, we also finalised a Customer Charter, a short statement describing the levels of service our customers can expect from us.

SUSTAINING PROGRESS

Section 19.22 of the Sustaining Progress Social Partnership Agreement 2003 – 2005 provides that payment of the final two phases of the benchmarking increase and the general round increases is dependent, in the case of each sector, organisation and grade, on verification of cooperation with flexibility and ongoing change, satisfactory implementation of the agenda for modernisation, maintenance of stable industrial relations and absence of industrial action in respect of any matters covered by the Agreement.

The establishment of the Civil Service Performance Verification Group (CSPVG) was agreed by the social partners under Sustaining Progress. The role of the Group is to verify that the conditions for payment to the civil service of the final two phases of the benchmarking increases and the general round increases are met and to assess progress in implementing a wide range of commitments, which are contained in Sustaining Progress.

The Department's Sustaining Progress Action Plan was submitted to the CSPVG in June 2003 and a First Progress Report was submitted to the Group in October 2003. The CSPVG, having assessed our First Progress Report, decided that the progress achieved by the Department in relation to commitments in Sustaining Progress on stable industrial relations, cooperation with flexibility and ongoing change, as well as satisfactory implementation of the modernisation agenda, warranted payment of the pay increases due from 1 January 2004 to all grades of staff in the Department.

In accordance with the Sustaining Progress Social Partnership Agreement 2003 – 2005, the Secretary General is fulfilling the role of quality assuring Action Plans and the outcomes of these Plans insofar as the public service bodies under the aegis of the Department are concerned.

PARTNERSHIP

2003 saw the continued development of Partnership within the Department. The process is accepted by management, unions and staff as a key element in the advancement of the Department's modernisation agenda. The work of the Department's Central Partnership Committee was underpinned by Committees at the offices in Castlebar and Wexford and by groups established to address specific issues including the Performance Management and Development System, Quality Customer Service, Equality, the Department's website, Work Environment, Art in the Department, Communications and the Department's internal staff magazine.

CHANGE MANAGEMENT FUND

The Change Management Fund, which is administered by the Department of Finance, was established in 1999 with the aim of assisting Departments in implementing the SMI modernisation programme.

TABLE CHANGE MANAGEMENT FUND: FUNDING RECEIVED BY DEPARTMENT IN 2003

Project	Funding Received (€)
Staff Attitude Survey	2,662
PMDS (CFB and RFBs)	65,048
Management Information Framework	22,663

02 STRATEGIC OBJECTIVE

To develop and deliver training and development services in a manner that meets the skill, competency and personal development needs of staff and equips the Department to deliver on the modernisation programme and business objectives.

During 2003, the Staff Development Unit provided and facilitated quality training in a range of subjects in support of the Department's business objectives and the personal development of staff throughout the Department.

This included undergraduate and postgraduate courses in Public Management, Public Analysis, Economic Policy, Accounting and Finance, Corporate Governance and Human Resource Management. Training aimed at enhancing staff competencies and skills included Management Skills, Thinking Styles and Problem Solving, Financial Management, I.T., Interviewing Skills, Interviewee Skills, Assertiveness Training, Communications Skills, Writing Skills, Legislative Process, Corporate Governance, EU Training, Induction courses and Equality training.

Specialised training for technical staff included Aquaculture training, Technical I.T. training including Coldfusion MX and Oracle, Electrical Training, Marine Surveying (Small Craft), Excellence in Report Writing and Court Skills. More general training included I.T. skills, Induction, Interviewee skills, Middle Management Development and the Legislative Process.

All of the above training comprised a mix of internally delivered and outsourced courses. The training and development budget for the year represented 4% of the Department's salary costs which reflected an increased budget for 2003 of €1.3m of which the spend to the end of December 2003 totalled €1,233,000.

03 STRATEGIC OBJECTIVE

To progressively enhance corporate governance arrangements for all bodies under the Department's aegis through a Best Practice Corporate Governance Framework.

Following the establishment of the new Department the opportunity was taken to centralise the oversight of all matters relating to corporate governance in a new Corporate Governance Unit, which is part of the Strategic Change and Modernisation Division. This Unit works with Line management and with the State Bodies in ensuring that the Department meets the enhanced responsibilities under the 2001 "Code of Practice for the Governance of State Bodies".

Important milestones during 2003 for the ongoing development of best practice in corporate governance included:

- the initiation of a comprehensive review of systems in place within the Department with a view to establishing a regime that meets the Department's requirements in a consistent way, in compliance with the Code of Practice
- on 9 December 2003, in conjunction with the UCD/Institute of Directors School of Corporate Governance, a 1-day seminar was held for Board members of the State-sponsored Bodies under the Department's aegis.

The Unit also has an important role in overseeing the continuing education and development of Line Divisional staff members and during 2003 gave presentations in relation to corporate governance to training and induction courses.

04 STRATEGIC OBJECTIVE

To oversee/coordinate the delivery of the Department's EU and North/South responsibilities efficiently and effectively, including the EU Presidency in 2004.

Planning for Ireland's Presidency of the European Union (1 January – 30 June 2004) was stepped up by the Department in 2003. Our Presidency responsibilities are wide-ranging and reflect the broad economic remit of the Department. As well as finalising our legislative programme, personnel and structures were put in place in 2003 to ensure efficient and effective delivery of the Department's Presidency responsibilities.

LAW DIVISION

OVERALL GOAL

To secure identification and delivery of the Department's ongoing priority legislation programme.

The Law Division was established in September 2003 to support and assist Line Divisions in the identification and delivery of priority legislation. The Division's functions include necessary updating of existing legislation, with a primary focus on new legislation to underpin devolution proposals.

The Division's Business Plan and staffing resources are in place.

INFORMATION SYSTEMS

OVERALL GOAL

To provide high quality Information and Communications Technologies, in support of eGovernment and Departmental priorities.

INTRODUCTION

The IS Division is engaged in the development and maintenance of the Department's IT Infrastructure and office systems and the implementation of modern and efficient business information management solutions. An IT Strategy and Development plan is in place for the Department. Substantial work was undertaken in 2003 to enhance the IT infrastructure and to build reliable services on it. Highlights include the delivery of remote access capability, mobile solutions, and the inclusion of many of the Department's remote offices into the Wide Area Network (WAN). A number of Information Society projects are implementing eGovernment initiatives aimed at providing better public access to services as well as back office efficiencies. Significant work was advanced on four development projects, to deliver integrated systems for business Divisions in line with the strategy. The project to build and implement the Management Information Framework started in the last quarter.

01 STRATEGIC OBJECTIVE

To develop and maintain a secure, reliable and adaptable technical infrastructure using industry standard communications and office automation technologies to meet the diverse needs of the Department.

The IS Security strategy was developed and a disaster recovery plan is in development. anti-virus, anti-spam, content filtering, firewalls and enhanced IT security have been implemented. The WAN infrastructure has been upgraded, 14 remote offices were integrated to plan. GSI was integrated into the DCMNR Network.

02 STRATEGIC OBJECTIVE (INFORMATION SYSTEMS / EGOVERNMENT)

To develop and maintain Information Systems which deliver public services to citizens and businesses in line with the Department's eStrategy, the eGovernment initiative and the Department's Customer Action Plan. To provide internal information systems to support delivery of business strategies efficiently and effectively by reference to the wider modernisation programme and the Management Information Framework priority.

Key information society projects such as MAPS and IFIS progressed significantly during the year. The end-to-end Prospecting Licence Application process for Exploration and Mining Division was developed during 2003 and tested in December. The full implementation will go live across the Internet and as a back office business application in 2004.

A set of software (common components) was delivered to IS Division and was also used to initiate the development of the Integrated Fisheries application following tender evaluations in November 2003. Functional specification and user workshops for Integrated Fisheries started in Q4.

The Integrated Forestry project was transferred to Department of Agriculture and Food.

The FOI Tracking System commenced in Q4 with the specification of business requirements and system design. System build is due to be completed in 2004.

The MIF implementation is on target with the selection of the new Financial Management Information System. Contract negotiations commenced in Q4 and the project entered the implementation phase in Q1 2004.

A software asset register was implemented. IS Division provided ongoing maintenance and enhancement services to other business applications.

03 STRATEGIC OBJECTIVE (ICT CAPABILITY)

To maintain and enhance the internal and external capability needed to deliver ICT services. Establish relationships with Industry and strategic ICT partners to ensure that additional capability and capacity is available to deliver specific projects and services.

Draw down contracts were put in place for all core technical competencies needed to support delivery of ICT services. Fixed price contracts are in place for large projects.

Financial, administrative and procurement controls are in place to monitor effective use of contract resources.

CORPORATE PLANNING & FINANCE

OVERALL GOAL

To create, maintain and support a best practice financial management, planning and policy evaluation culture which delivers quality outcomes and accountability for results and ensures achievement of the Department's business goals.

01 STRATEGIC OBJECTIVE

To ensure over the next three years the most effective use of, and accountability for, financial resources through modernisation of financial management systems.

MANAGEMENT INFORMATION FRAMEWORK (MIF)

The Department is committed to installing a new Management Information System, known in the Civil Service generally as MIF, by 31 December 2004, the deadline specified for all Departments/Offices in the Government Decision of 11 February 2003 on MIF.

The MIF project was initiated by Government to enable financial management reform under the Strategic Management Initiative (SMI). In order to modernise the Department's accounting systems to meet with new financial management, costing and performance reporting requirements, a review of the existing financial management systems was undertaken during 2003. Having identified its specific requirements for a new financial management system, the Department tendered for, and selected, a new financial information system that will be rolled out during 2004. This new system will generate accounts and financial information, coupled with practical performance reporting, and will support effective decisions and strategic planning on the use of resources within the Department.

In addition to the accounting requirements, there are many non-financial elements in the Department's MIF project. During the year the Department adopted a new Asset Management Strategy, set up a Key Performance Indicators Coordinating Group, devolved to senior managers the responsibility for many administrative budget headings and drafted a training and communications plan to oversee the changes needed for the successful rollout of the financial elements of the project.

EXPENDITURE REVIEWS

The purpose of expenditure reviews is to evaluate the efficiency and effectiveness (value-for-money) of expenditure programmes, including examining the extent to which the current and future aims and objectives of programmes are being realised and the adequacy of existing performance indicators insofar as monitoring is concerned. They are currently carried out in the Irish Civil Service mainly under the aegis of the Department of Finance-sponsored Expenditure Review Initiative, although evaluation takes place within a broader framework, for example under the NDP/CSF evaluation process.

The Department is conducting its 2003 – 2005 programme of expenditure reviews on a team basis, with specialist support from the Central Evaluation Team in Finance Unit and progressively involving an enhanced role by Line Divisions. A new Expenditure Evaluation Unit has been established and its staff are receiving training over a two year period in the skills and knowledge necessary to carry out Expenditure Reviews. This training consists of a specialised academic-based two year Masters programme and on the job practical experience, the latter including completion of one of the Department's expenditure reviews.

As part of their training, the evaluation staff made progress on various expenditure reviews during 2003, dealing with afforestation, the forestry structural schemes and Marine RTDI. Work on the former was suspended after the Government decision to transfer the Forest Service to the Department of Agriculture and Food with effect from 1 January 2004.

An overarching Multi-Disciplinary Steering Group has been set up within the Department, comprising of representatives of the following internal areas within the Department: the relevant Line Divisions, Internal Audit and Finance Unit. In addition, there is an external representative from the Department of Finance.

PROMPT PAYMENT OF ACCOUNTS ACT 1997

In its dealings with suppliers of goods and services the Department endeavours to pay all invoices as soon as possible after the goods and services have been satisfactorily delivered.

Payments of this nature are governed by the provisions of the Prompt Payment of Accounts Act 1997 as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002.

The total amount of penalty interest paid in 2003 was €18,451 in 497 cases. This includes 488 cases involving invoices in excess of €317 where the average delay was 32 days in excess of the permitted period.

The value of invoices incurring interest (€2,645,567) was approximately 5.8% of the total payments made to suppliers in the year.

REGULATORY AGENDA

CORE POLICY GOAL

To progress the regulatory agenda through a number of crosscutting issues.

During 2003 the Department undertook a number of initiatives in the general regulatory area:

- the establishment of an internal Working Group on Regulation. The group contributed to the development of the national Policy Statement on Better Regulation via the Department's membership on the High Level Group on Regulation, chaired by the Department of the Taoiseach
- the establishment of an internal Working Group on Devolution. This group developed proposals for the devolution and reorganisation of the Department's functions in the seafood and marine coastal zone sectors. The principles of regulatory impact analysis (RIA) were applied to these proposals. Further progress in this area, through the Partnership process, will be achieved in 2004
- the Department held a joint workshop with the Department of Transport in October 2003 with a view to identifying the potential for cooperation between the two Departments in regulatory policy issues of common concern. It is planned to continue this collaboration in 2004.

CORPORATE SUPPORT

INTRODUCTION

The Headquarters of the Department is now located at Adelaide Road and the acquisition of office space at that location has facilitated the transfer of staff from premises in Clare Street, Mespil Road and Nassau Street. The Department has over 700 staff (administrative, technical and industrial) located in its Dublin offices in Adelaide Road, Leeson Lane, Beggars Bush and Eden Quay, as well as offices in Castlebar and coastal and regional offices around the country. Corporate Support (working with OPW) has a key role in the provision, management and maintenance of high standard cost effective accommodation and facilities for all staff of the Department. It also oversees the provision of office administration services, internal communications and coordination services as well as ensuring that the Department meets its reporting requirements both internally and externally.

OVERALL GOAL

A high quality safe working environment and the highest standards of service delivery for Ministers, Secretary General and staff.

01 STRATEGIC OBJECTIVE

To deliver high quality work environments and integrated accommodation facilities for all our staff.

The merger of the Department of the Marine and Natural Resources with the Communications and Energy functions of the former Department of Public Enterprise and the Broadcasting function of the former Department of Arts, Heritage, Gaeltacht and the Islands during 2002 added to the acute accommodation pressures in many offices particularly at the Department's headquarters in Leeson Lane. The planned refurbishment of Leeson Lane, designed in part to provide extra space, was delayed and the identification and removal of asbestos in the complex put further pressure on the Department's accommodation requirements. To meet these additional needs new office accommodation in Adelaide Road, Dublin 2, was acquired through the OPW and a number of staff were relocated to the premises during the year.

02 STRATEGIC OBJECTIVE

To deliver best practice health and safety policy and procedures through provision of health and safety management systems based on continued improvement and review.

Health and Safety matters and the implementation of a health and safety management system throughout the Department continued to be treated as areas of high importance. Training sessions were organised including sessions for fire marshals and talks were given as part of induction courses for newly appointed staff.

03 STRATEGIC OBJECTIVE

To ensure quality service delivery to Ministers, Secretary General and the Department and coordination of Department's external reporting requirements.

FREEDOM OF INFORMATION

During 2003, the Department received 234 requests for records under the Freedom of Information Acts 1997 and 2003. This represented a decrease of 19% on the previous year. 20 internal reviews took place, resulting in the upholding of 8 original decisions, reversal of the decisions made in 5 cases and the granting of additional information in 5 cases. One review request was withdrawn and one remains to be answered. 3 decisions were appealed to the Information Commissioner.

The Department introduced a policy of posting a summary of all non-personal requests and the subsequent reply on its website during 2003 (www.dcmnr.gov.ie).

STATEMENT OF ENERGY ACCOUNTS FOR 2003

It is the policy of the Department to use energy as efficiently as possible in order to keep costs to a minimum.

Total energy costs for the Department in 2003 amounted to €355,128 compared to €262,000 in 2002. The cost breakdown between the different energy usages was as follows:

Oil	€12,069
Electricity	€279,262
Gas	€63,797

The costs incurred reflect increases in unit costs as well as the impact of the amalgamation of the Communications, Energy and Broadcasting functions with the Marine and Natural Resources functions. It does not represent deterioration in the efficiency of energy usage. Energy consumption is reviewed periodically and further conservation measures may be introduced as appropriate.

INTERNAL AUDIT

OVERALL GOAL

To have in place best practice Internal Financial Control, Internal Audit and Risk Management strategies in support of the Department's objectives and of the Secretary General as Accounting Officer.

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. Internal Audit, as part of the overall governance and control environment in the Department, provides audit assurance that significant risks are identified, managed and controlled effectively throughout the Department. Where such assurance cannot be given for any reason the Audit Committee and the Secretary General are informed.

CLOSURE OF STRUCTURAL FUNDS

During 2003, assurance was provided to the European Commission in respect of the eligibility and legitimacy of the expenditure co-financed from the Financial Instrument for Fisheries Guidance (FIFG) for the structural fund round 1994-1999. This should allow the Department to drawdown the remaining funds allocated and incurred under the FIFG Ireland 1994-1999. In addition, reports and information were forwarded to the other fund auditors (ERDF, EAGGF and ESF) in respect of expenditure within the Department co-financed from these funds.

AUDIT PLAN

An Audit Plan based on a risk assessment of the activities of the Department was approved by the Audit Committee in January 2003. The majority of this plan was completed by the year-end.

An Information & Computer Technology (ICT) Security Strategy and ICT Security Audit Plan were approved by the Audit Committee in April 2003.

AUDIT COMMITTEE

The Audit Committee was strengthened during the year with the inclusion of two more external members namely Mr James Casey and Dr Ciarán Ó hÓgartaigh (DCU), the new chair of the committee. New charters setting out the roles and responsibilities for both the Internal Audit Unit and the Audit Committee were implemented during the year.

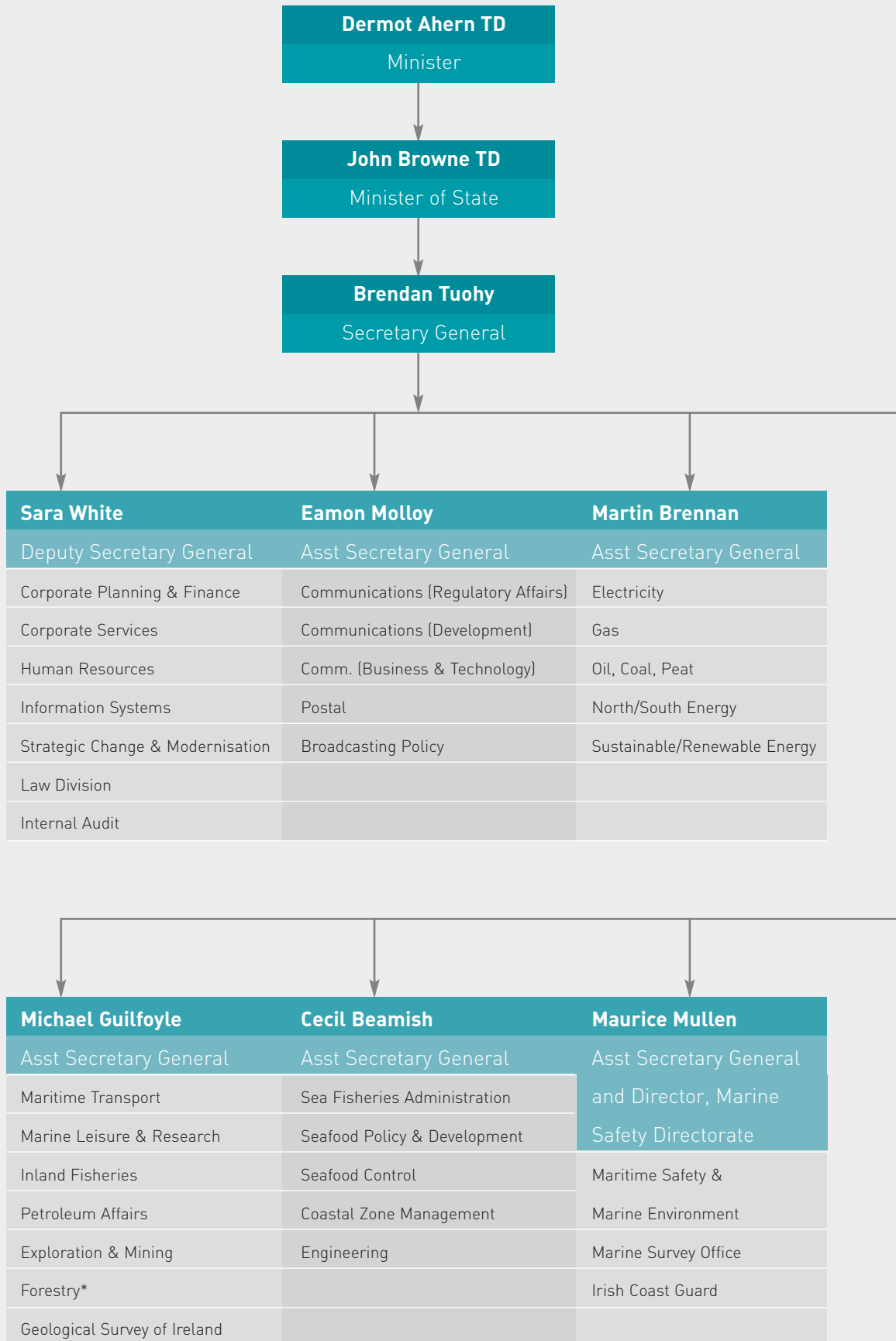
03

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appendix a

STRUCTURE OF THE DEPARTMENT



*RESPONSIBILITY FOR FORESTRY WAS TRANSFERRED TO DEPT. OF AGRICULTURE AND FOOD ON 1 JANUARY 2004.

appendix b

VOTE 30: COMMUNICATIONS, MARINE & NATURAL RESOURCES: 2003 ESTIMATES AND OUTTURN

Subhead	Estimate Provision	Outturn
	€000	€000
ADMINISTRATION		
A1 Salaries, Wages and Allowances	34,524	33,895
A2 Travel and Subsistence	2,406	2,816
A3 Incidental Expenses	2,437	3,385
A4 Postal and Telecommunications Services	735	1,268
A5 Office Machinery and other Office Supplies	5,893	6,880
A6 Office Premises Expenses	931	3,520
A7 Consultancy Services	3,870	2,669
A8 Equipment, Stores and Maintenance	196	158
A9 Agency Payments for Felling Licences	1	-
A10 Supplementary Measures to Protect EU Interests	27	4
A11 Information Society	1,500	1,898
A12 EU Presidency	1,600	563
SUB-TOTALS	54,120	57,056
PROGRAMME EXPENDITURE		
MARITIME SAFETY		
B1 Irish Coast Guard	26,040	22,687
B2 Maritime Safety and Marine Regulation	4,314	4,302
SUB-TOTALS	30,354	26,989
MARINE SAFETY, SHIPPING, HARBOURS AND TOURISM		
C1 Seaports and Shipping	3,140	473
C2 Development and Upgrading of Harbours for Fishery Purposes	30,000	29,116
C3 Fishery Harbour Centres Fund	102	102
C4 Coast Protection and Management	1,072	2,114
C5 Marine and Natural Resources Tourism Programme	3,033	531
C6 Foreshore Development	51	245
SUB-TOTALS	37,398	32,581

appendix b: (continued)

VOTE 30: COMMUNICATIONS, MARINE & NATURAL RESOURCES: 2003 ESTIMATES & OUTTURN

Subhead	Estimate Provision	Outturn
	€000	€000
MARINE RESEARCH AND DEVELOPMENT		
D1 Marine Institute (Grant-in-Aid)	19,726	19,492
D2 Salmon Research Agency (Grant-in-Aid)	250	250
D3 National Seabed Survey	5,200	5,442
SUB-TOTALS	25,176	25,184
SEAFOOD DEVELOPMENT		
E1 Bord Iascaigh Mhara (Grant-in-Aid)	25,273	25,273
E2 Fisheries Conservation and Management including Shellfish Monitoring Programme	2,300	1,982
E3 Fish Processing	1,500	1,331
E4 Aquaculture Development	4,347	3,620
E5 Aquaculture Licences Appeals Board	215	234
F Inland Fisheries	21,029	19,565
G Forestry	82,581	82,723
SUB-TOTALS	137,245	134,728
ENERGY		
H1 Petroleum Services	44	55
H2 Energy Conservation (Grant-in-Aid)	13,471	13,387
H3 Farm Electrification Scheme	145	114
SUB TOTALS	13,660	13,556
COMMUNICATIONS		
I1 Regional Broadband and Technology Demonstration Prog.	32,250	35,026
I2 Multimedia Developments	4,350	4,426
SUB-TOTALS	36,600	39,452

appendix b: (continued)

VOTE 30: COMMUNICATIONS, MARINE & NATURAL RESOURCES: 2003 ESTIMATES & OUTTURN

Subhead		Estimate Provision	Outturn
		€000	€000
BROADCASTING			
J1	Grant to RTÉ for Broadcasting Licence Fees (Grant-in-Aid)	167,062	158,512
J2	Payment to An Post for Collection of Broadcasting Licence Fees	10,578	10,486
J3	Broadcasting Commission of Ireland (Grant-in-Aid)	5,253	4,038
J4	RTÉ – Deontas i Leith Theilifis na Gaeilge (Deontas-i-gCabhair)	21,910	21,910
J5	Commissions and Special Enquiries	28	6
J6	Broadcasting Fund	1	8,343
SUB-TOTALS		204,832	203,295
MISCELLANEOUS			
K	Other Services	3,770	2,743
SUB-TOTALS		3,770	2,743
GROSS TOTALS		543,155	535,584
DEDUCT			
T	APPROPRIATIONS-IN-AID	241,390	235,117
NET TOTALS		301,765	300,467

appendix c

STATEMENT OF REMUNERATION OF SENIOR MANAGEMENT 2003

Details of the salary levels of the Secretary General, Deputy Secretary General and Assistant Secretaries are given below. Note that Assistant Secretaries are on a salary scale. The point at which they are on depends on their length of service in the grade.

Secretary General, Brendan Tuohy	€179,901
Deputy Secretary General, Sara White	€125,930
Assistant Secretary General*	€92,949 - €106,441

*The Department has five Assistant Secretaries General, Cecil Beamish, Martin Brennan, Michael Guilfoyle, Eamonn Molloy and Maurice Mullen.

In addition to their salary, the Deputy Secretary General and Assistant Secretaries General participate in a performance related bonus scheme. This can earn them up to an additional 10% of their combined gross salary.

LEGISLATION ENACTED IN 2003

ACTS

Broadcasting (Major Events Television Coverage) (Amendment) Act 2003 (No. 13 of 2003)

Fisheries (Amendment) Act 2003 (No. 21 of 2003)

Digital Hub Development Agency Act 2003 (No. 23 of 2003)

Oil Pollution of the Sea (Civil Liability and Compensation) (Amendment) Act 2003 (No. 33 of 2003)

Broadcasting (Funding) Act 2003 (No. 43 of 2003)

STATUTORY INSTRUMENTS

COMMUNICATIONS

S.I. No. 80 of 2003 – European Communities (Electronic Communications Networks and Services) (Market Definition and Analysis) Regulations 2003

S.I. No. 303 of 2003 – Digital Hub Development Agency Act 2003 (Establishment Day) Order 2003

S.I. No. 305 of 2003 – European Communities (Electronic Communications Networks and Services) (Access) Regulations 2003

S.I. No. 306 of 2003 – European Communities (Electronic Communications Networks and Services) (Authorisation) Regulations 2003

S.I. No. 307 of 2003 – European Communities (Electronic Communications Networks and Services) (Framework) Regulations 2003

S.I. No. 308 of 2003 – European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations 2003

S.I. No. 535 of 2003 – European Communities (Electronic Communications Networks and Services) (Data Protection and Privacy) Regulations 2003

ENERGY

S.I. No. 632 of 2003 – Electricity Regulation Act 1999 (Eligible Customer) (Consumption of Electricity) Order 2003

MARINE AND NATURAL RESOURCES

S.I. No. 1 of 2003 – Whiting (Fisheries Management and Conservation) Order 2003

S.I. No. 10 of 2003 – Sea Fisheries (Conservation and Rational Exploitation of Deep-Sea Species) Order 2003

S.I. No. 14 of 2003 – Cod (Fisheries Management and Conservation) Order 2003

S.I. No. 15 of 2003 – Cod (Fisheries Management and Conservation) (No. 2) Order 2003

S.I. No. 16 of 2003 – Haddock (Fisheries Management and Conservation) Order 2003

S.I. No. 17 of 2003 – Hake (Fisheries Management and Conservation) Order 2003

S.I. No. 18 of 2003 – Megrim (Fisheries Management and Conservation) Order 2003

appendix d (continued)

LEGISLATION ENACTED IN 2003

- S.I. No. 19 of 2003 – Monk (Fisheries Management and Conservation) Order 2003
- S.I. No. 20 of 2003 – Monk (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 21 of 2003 – Pollock (Fisheries Management and Conservation) Order 2003
- S.I. No. 22 of 2003 – Whiting (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 29 of 2003 – Fishing Effort and Additional Conditions for Monitoring, Inspection and Surveillance in the Context of Recovery of Certain Cod Stocks Order 2003
- S.I. No. 38 of 2003 – European Communities (Marine Equipment) Regulations 2003
- S.I. No. 54 of 2003 – Cod (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 55 of 2003 – Cod (Fisheries Management and Conservation) (No. 4) Order 2003
- S.I. No. 56 of 2003 – Whiting (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 57 of 2003 – Haddock (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 58 of 2003 – Monk (Fisheries Management and Conservation) (Amendment) Order 2003
- S.I. No. 72 of 2003 – European Communities (Safety of Fishing Vessels) (Amendment) Regulations 2003
- S.I. No. 100 of 2003 – Horse Mackerel (Fisheries Management and Conservation) Order 2003
- S.I. No. 101 of 2003 – Blue Whiting (Prohibition on Fishing) Order 2003
- S.I. No. 103 of 2003 – Cod (Fisheries Management and Conservation) (No. 5) Order 2003
- S.I. No. 104 of 2003 – Cod (Fisheries Management and Conservation) (No. 6) Order 2003
- S.I. No. 105 of 2003 – Haddock (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 106 of 2003 – Whiting (Fisheries Management and Conservation) (No. 4) Order 2003
- S.I. No. 107 of 2003 – Hake (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 108 of 2003 – Megrin (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 109 of 2003 – Monk (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 110 of 2003 – Monk (Fisheries Management and Conservation) (No. 4) Order 2003
- S.I. No. 117 of 2003 – European Communities (Port Reception Facilities for Ship-Generated Waste and Cargo Residues) Regulations 2003
- S.I. No. 124 of 2003 – Merchant Shipping (Investigation of Marine Casualties) Act 2000 (Remaining Provisions) (Commencement) Order 2003
- S.I. No. 125 of 2003 – Marine Casualty Investigation Board (Establishment Day) Order 2003
- S.I. No. 144 of 2003 – Cod (Fisheries Management and Conservation) (No. 7) Order 2003

appendix d (continued)

LEGISLATION ENACTED IN 2003

- S.I. No. 145 of 2003 – Cod (Fisheries Management and Conservation) (No. 8) Order 2003
- S.I. No. 146 of 2003 – Haddock (Fisheries Management and Conservation) (No. 4) Order 2003
- S.I. No. 147 of 2003 – Whiting (Fisheries Management and Conservation) (No. 5) Order 2003
- S.I. No. 148 of 2003 – Hake (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 149 of 2003 – Megrin (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 150 of 2003 – Monk (Fisheries Management and Conservation) (No. 5) Order 2003
- S.I. No. 151 of 2003 – Monk (Fisheries Management and Conservation) (No. 6) Order 2003
- S.I. No. 152 of 2003 – Blue Whiting (Prohibition on Fishing) (No. 2) Order 2003
- S.I. No. 165 of 2003 – Herring (Fisheries Management and Conservation) Order 2003
- S.I. No. 166 of 2003 – Fishing Effort and Additional Conditions for Monitoring, Inspection and Surveillance in the Context of Recovery of Certain Cod Stocks (No. 2) Order 2003
- S.I. No. 174 of 2003 – Wild Salmon and Sea Trout Tagging Scheme Regulations 2003
- S.I. No. 184 of 2003 – Mackerel (Fisheries Management and Conservation) Order 2003
- S.I. No. 190 of 2003 – Merchant Shipping (Load Lines) (Exemption) (Amendment) Order 2003
- S.I. No. 191 of 2003 – Sea Pollution (Prevention of Oil Pollution) (Amendment) Regulations 2003
- S.I. No. 198 of 2003 – Cod (Fisheries Management and Conservation) (No. 9) Order 2003
- S.I. No. 199 of 2003 – Haddock (Fisheries Management and Conservation) (No. 5) Order 2003
- S.I. No. 200 of 2003 – Whiting (Fisheries Management and Conservation) (No. 6) Order 2003
- S.I. No. 201 of 2003 – Hake (Fisheries Management and Conservation) (No. 4) Order 2003
- S.I. No. 202 of 2003 – Monk (Fisheries Management and Conservation) (No. 7) Order 2003
- S.I. No. 203 of 2003 – Monk (Fisheries Management and Conservation) (No. 8) Order 2003
- S.I. No. 231 of 2003 – Bass (Restriction on Sale) Order 2003
- S.I. No. 232 of 2003 – Shrimp (Fisheries Management and Conservation) Order 2003
- S.I. No. 241 of 2003 – Mussel Seed (Conservation and Rational Exploitation) Order 2003
- S.I. No. 243 of 2003 – European Communities Merchant Shipping (Port State Control) (Amendment) Regulations 2003
- S.I. No. 251 of 2003 – Cod (Fisheries Management and Conservation) (No. 10) Order 2003
- S.I. No. 252 of 2003 – Haddock (Fisheries Management and Conservation) (No. 6) Order 2003
- S.I. No. 253 of 2003 – Whiting (Fisheries Management and Conservation) (No. 7) Order 2003

appendix d (continued)

LEGISLATION ENACTED IN 2003

- S.I. No. 254 of 2003 – Hake (Fisheries Management and Conservation) (No. 5) Order 2003
- S.I. No. 255 of 2003 – Monk (Fisheries Management and Conservation) (No. 9) Order 2003
- S.I. No. 256 of 2003 – Monk (Fisheries Management and Conservation) (No. 10) Order 2003
- S.I. No. 301 of 2003 – European Communities (Ship Inspection and Survey Organisations) Regulations 2003
- S.I. No. 309 of 2003 – Sea-Fishing Boat Licensing Appeals (Fees) Regulations 2003
- S.I. No. 310 of 2003 – Cod (Fisheries Management and Conservation) (No. 11) Order 2003
- S.I. No. 311 of 2003 – Haddock (Fisheries Management and Conservation) (No. 8) Order 2003
- S.I. No. 312 of 2003 – Whiting (Fisheries Management and Conservation) (No.8) Order 2003
- S.I. No. 313 of 2003 – Hake (Fisheries Management and Conservation) (No. 6) Order 2003
- S.I. No. 314 of 2003 – Monk (Fisheries Management and Conservation) (No. 11) Order 2003
- S.I. No. 315 of 2003 – Monk (Fisheries Management and Conservation) (No. 12) Order 2003
- S.I. No. 316 of 2003 – Blue Ling (Fisheries Management and Conservation) Order 2003
- S.I. No. 337 of 2003 – Blue Whiting (Fisheries Management and Conservation) Order 2003
- S.I. No. 347 of 2003 – European Communities (Safe Loading and Unloading of Bulk Carriers) Regulations 2003
- S.I. No. 376 of 2003 – Haddock (Fisheries Management and Conservation) (No. 9) Order 2003
- S.I. No. 377 of 2003 – Whiting (Fisheries Management and Conservation) (No. 9) Order 2003
- S.I. No. 378 of 2003 – Hake (Fisheries Management and Conservation) (No. 7) Order 2003
- S.I. No. 379 of 2003 – Monk (Fisheries Management and Conservation) (No. 13) Order 2003
- S.I. No. 380 of 2003 – Monk (Fisheries Management and Conservation) (No. 14) Order 2003
- S.I. No. 381 of 2003 – Norway Lobster (Fisheries Management and Conservation) Order 2003
- S.I. No. 382 of 2003 – Horse Mackerel (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 383 of 2003 – Cod (Fisheries Management and Conservation) (No. 12) Order 2003
- S.I. No. 430 of 2003 – Cod (Fisheries Management and Conservation) (No. 13) Order 2003
- S.I. No. 431 of 2003 – Cod (Fisheries Management and Conservation) (No. 14) Order 2003
- S.I. No. 432 of 2003 – Hake (Fisheries Management and Conservation) (No. 8) Order 2003
- S.I. No. 433 of 2003 – Haddock (Fisheries Management and Conservation) (No. 10) Order 2003

appendix d (continued)

LEGISLATION ENACTED IN 2003

- S.I. No. 434 of 2003 – Whiting (Fisheries Management and Conservation) (No. 10) Order 2003
- S.I. No. 435 of 2003 – Monk (Fisheries Management and Conservation) (No. 15) Order 2003
- S.I. No. 436 of 2003 – Monk (Fisheries Management and Conservation) (No. 16) Order 2003
- S.I. No. 437 of 2003 – Norway Lobster (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 438 of 2003 – Blue Ling (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 467 of 2003 – Herring (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 468 of 2003 – Mackerel (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 473 of 2003 – Celtic Sea (Fisheries Management and Conservation) Order 2003
- S.I. No. 489 of 2003 – Cod (Fisheries Management and Conservation) (No. 14) Order 2003
- S.I. No. 490 of 2003 – Whiting (Fisheries Management and Conservation) (No. 11) Order 2003
- S.I. No. 491 of 2003 – Hake (Fisheries Management and Conservation) (No. 9) Order 2003
- S.I. No. 492 of 2003 – Norway Lobster (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 493 of 2003 – Haddock (Fisheries Management and Conservation) (No. 11) Order 2003
- S.I. No. 494 of 2003 – Monk (Fisheries Management and Conservation) (No. 17) Order 2003
- S.I. No. 495 of 2003 – Monk (Fisheries Management and Conservation) (No. 18) Order 2003
- S.I. No. 496 of 2003 – Celtic Sea (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 532 of 2003 – European Communities (Merchant Shipping) (Organisation of Working Time) Regulations 2003
- S.I. No. 534 of 2003 – Herring (Fisheries Management and Conservation) (No. 3) Order 2003
- S.I. No. 624 of 2003 – Cod (Fisheries Management and Conservation) (No. 16) Order 2003
- S.I. No. 625 of 2003 – Whiting (Fisheries Management and Conservation) (No. 12) Order 2003
- S.I. No. 626 of 2004 – Hake (Fisheries Management and Conservation) (No. 10) Order 2003
- S.I. No. 627 of 2003 – Haddock (Fisheries Management and Conservation) (No. 12) Order 2003
- S.I. No. 628 of 2003 – Monk (Fisheries Management and Conservation) (No. 19) Order 2003

appendix d (continued)

LEGISLATION ENACTED IN 2003

- S.I. No. 629 of 2003 – Common Sole (Fisheries Management and Conservation) Order 2003
- S.I. No. 633 of 2003 – European Communities (Safety of Fishing Vessels) (Amendment) (No. 2) Regulations 2003
- S.I. No. 634 of 2003 – Fishing Vessels (Safety Provisions) (Amendment) Regulations 2003
- S.I. No. 635 of 2003 – European Communities (A System of Mandatory Surveys for the Safe Operation of Regular Ro-Ro Ferries and High-Speed Passenger Craft Services) (Amendment) Regulations 2003
- S.I. No. 636 of 2003 – European Communities (Registration of Persons Sailing on Board Passenger Ships) (Amendment) Regulations 2003
- S.I. No. 637 of 2003 – European Communities (Passenger Ships) (Amendment) Regulations 2003
- S.I. No. 638 of 2003 – European Communities (Ship Inspection and Survey Organisations) (Amendment) Regulations 2003
- S.I. No. 639 of 2003 – European Communities (Minimum Requirements for Vessels Carrying Dangerous or Polluting Goods) (Amendment) Regulations 2003
- S.I. No. 640 of 2003 – European Communities Merchant Shipping (Port State Control) (Amendment) (No. 2) Regulations 2003
- S.I. No. 641 of 2003 – European Communities (Marine Equipment) (Amendment) (No. 2) Regulations 2003
- S.I. No. 648 of 2003 – Merchant Shipping (Passenger Boat) (Amendment) Regulations 2003
- S.I. No. 652 of 2003 – Ling (Fisheries Management and Conservation) Order 2003
- S.I. No. 659 of 2003 – European Communities (Port Reception Facilities for Ship-Generated Waste and Cargo Residues) (Amendment) Regulations 2003
- S.I. No. 664 of 2003 – Cod (Fisheries Management and Conservation) (No. 17) Order 2003
- S.I. No. 665 of 2003 – Monk (Fisheries Management and Conservation) (No. 20) Order 2003
- S.I. No. 666 of 2003 – Monk (Fisheries Management and Conservation) (No. 21) Order 2003
- S.I. No. 667 of 2003 – Hake (Fisheries Management and Conservation) (No. 11) Order 2003
- S.I. No. 668 of 2003 – Common Sole (Fisheries Management and Conservation) (No. 2) Order 2003
- S.I. No. 669 of 2003 – Plaice (Fisheries Management and Conservation) Order 2003
- S.I. No. 670 of 2003 – Haddock (Fisheries Management and Conservation) Order 2003
- S.I. No. 671 of 2003 – Cod (Fisheries Management and Conservation) (No. 18) Order 2003
- S.I. No. 672 of 2003 – Whiting (Fisheries Management and Conservation) (No. 13) Order 2003
- S.I. No. 709 of 2003 – European Communities (Workers on Board Sea-Going Fishing Vessels) (Organisation of Working Time) Regulations 2003

appendix e

BODIES UNDER THE AEGIS OF THE DEPARTMENT

The Department is responsible for 31 commercial, non commercial and regulatory State bodies, 10 Port Companies and 14 Harbour Authorities, as outlined below.

Body	Main Role
COMMUNICATIONS	
An Post	Ireland's national postal service provider.
Commission for Communications Regulation	Statutory body charged with the regulation of the communications market in Ireland. Its remit covers all kinds of transmission networks from the traditional telephone wire service through to operators providing TV services and from mobile phone networks to the postal service.
Digital Hub Development Agency	Established under the Digital Hub Development Act 2003 to oversee the development of the Digital Hub, Ireland's flagship in the digital media sector.
Media Lab Europe	A third level research facility set up by the Government in partnership with the Massachusetts Institute of Technology (MIT) its focus is primarily on high-tech research.
BROADCASTING	
Radio Telefís Éireann	The national public service broadcaster and a statutorily independent body. RTÉ operates three national television services (RTÉ 1, Network 2 and TG4 and four national radio services RTÉ 1, 2FM, Radio na Gaeltachta and Lyric FM).
Broadcasting Commission of Ireland	Responsible for the licensing and regulation of the independent television and radio sector. The Commission is also responsible for licensing certain new digital television services and for the development of codes of programming and advertising standards on television and radio.
Broadcasting Complaints Commission	Deals with complaints made relating to programme material and advertising on RTÉ and independent television and radio services.

appendix e (continued)

BODIES UNDER THE AEGIS OF THE DEPARTMENT

Body	Main Role
ENERGY	
Electricity Supply Board	ESB has generation, transmission and distribution assets and provides electricity services to 1.6 million customers throughout the country.
EirGrid plc	Licensed by the Commission of Electricity Regulation as the independent electricity transmission system operator.
Bord Gáis Éireann	Has grown from primarily a transmission pipeline business into a vast and extensive supplier of an efficient, economic and environmentally friendly fuel to over 400,000 customers.
Commission for Energy Regulation	Established on 14 July 1999 as the Commission for Electricity Regulation under the Electricity Regulation Act 1999 to underpin an open, transparent and accountable regulatory process for the electricity industry in Ireland. Commission's jurisdiction expanded under the Gas (Interim) (Regulation) Act 2002 to that of energy regulator, incorporating both gas and electricity. The Commission has been renamed as the Commission for Energy Regulation to reflect its increased role.
Bord na Móna plc	Supplier of products and services based principally on peat.
National Oil Reserves Agency	On 16 July 2001 the commercial assets and businesses of the INPC (i.e. the Company's two commercial subsidiaries – the Irish Refining Company and Bantry Terminals Ltd) were sold to Tosco Corporation, a major US oil refiner and marketer. The INPCs remaining non-commercial subsidiary – the National Oil Reserves Agency (NORA) – is the body responsible for maintaining Ireland's strategic oil reserves.
Sustainable Energy Ireland	Statutory body responsible for implementing Government policy on energy efficiency and renewable energy.

appendix e (continued)

BODIES UNDER THE AEGIS OF THE DEPARTMENT

Body	Main Role
MARINE AND NATURAL RESOURCES	
Central Fisheries Board	Promotion, support and coordination of inland fisheries and development, coordination and direction of the activities of the 7 Regional Fisheries Boards.
Regional Fisheries Boards (7)	Conservation, protection and development of inland fisheries.
National Salmon Commission	Advises the Minister on the management, protection and development of the inland fisheries resource.
Bord Iascaigh Mhara	Promotion and development of the sea fishing and aquaculture industries.
Marine Institute	Undertaking, coordinating and promoting marine research and development in Ireland.
Irish Maritime Development Office	Responsible for the promotion, assistance and development of the Irish Shipping and Shipping Services sectors.
Foyle Carlingford and Irish Lights Commission*	Responsible for fisheries and marine tourism and leisure in the Foyle and Carlingford area.
Port Companies (10)	Management and development of the main commercial ports, under Harbours Acts, 1996 to 2000.
Harbour Authorities (14)	Management and development of harbours under Harbours Acts, 1946 to 2000.
Commissioners of Irish Lights	Provision and maintenance of aids to navigation around the island of Ireland.
Marine Casualty Investigation Board	An independent Board established under the Merchant Shipping (Investigation of Marine Casualties) Act 2000. Its function is to investigate marine casualties.
Aquaculture Licences Appeals Board (ALAB)	An independent appellate body in respect of aquaculture licensing.
Mining Board	An independent board set up under the Minerals Development Act 1940. Its function is to determine compensation in various cases. It is also charged with deciding what minerals are to be excepted from the State's exclusive right to work minerals under that Act.

* IMPLEMENTATION BODY UNDER THE BRITISH-IRISH AGREEMENT ACT 1999.

appendix f

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

The Department's accounts do not consolidate the accounts of the State Sponsored Bodies under its aegis. However, the Minister, and through him the Department, has responsibility on behalf of the State for six commercial State Sponsored Bodies and 10 port companies and financial details in relation to these Bodies are summarised in the following pages. All information provided comes from the accounts produced by the bodies themselves. Different reporting periods have been applied when showing the financial results of some of the State Sponsored Bodies.

STATE SPONSORED BODIES

Information on the State Sponsored Bodies under the aegis of the Department is set out below.

State Sponsored Body	State Shareholding €000	Financial Year End	Enacting Legislation
COMMUNICATIONS			
An Post	56,418	31 December 2002	Postal & Telecommunications Services Act 1983
RTÉ	No share capital in issue	31 December 2002	Broadcasting Authority Act 1960
ENERGY			
Bord na Móna plc	78,663	31 March, 2002	Turf Development Act 1998
Bord Gáis Éireann	No share capital in issue	31 December 2002	Gas Act 1976
Electricity Supply Board	No share capital in issue	31 December 2002	Electricity (Supply) Act 1927
MARINE AND NATURAL RESOURCES			
Port Companies *	91,372	31 December 2002	Harbours Acts 1996 to 2000
Coillte **	795,060	31 December 2002	Forestry Act 1988

*The financial data on the following pages includes data on Port of Cork Company, Drogheda Port Company, Dublin Port Company, Dundalk Port Company (incorporated in April 2002), Dun Laoghaire Harbour Company, Foynes Port Company (dissolved in September 2000), Galway Harbour Company, New Ross Port Company, Shannon Estuary Ports Company (dissolved in September 2000), Shannon Foynes Port Company (incorporated in September 2000) and Port of Waterford Company.

**Under the aegis of the Department of Agriculture and Food since January 2004.

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(1) TURNOVER

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	683,716	624,924	572,908	538,634
RTÉ	276,356	258,238	263,646	250,973
Energy				
Bord na Móna plc	227,593	215,526	195,767	194,403
Bord Gáis Éireann	652,279	570,664	496,141	428,123
ESB	2,150,841	2,040,157	1,894,365	1,720,294
Marine and Natural Resources				
Port Companies	100,655	95,421	94,310	90,947
Coillte	144,135	115,472	123,290	112,539
TOTAL	<u>4,235,575</u>	<u>3,920,402</u>	<u>3,640,427</u>	<u>3,335,913</u>

(2) COST OF SALES/OPERATING COSTS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(701,112)	(631,611)	(563,128)	(525,245)
RTÉ	(298,234)	(304,420)	(285,328)	(272,126)
Energy				
Bord na Móna plc	(167,956)	(161,970)	(146,971)	(145,667)
Bord Gáis Éireann	(351,122)	(325,161)	(284,671)	(215,955)
ESB	(1,914,221)	(1,845,302)	(1,601,790)	(1,318,049)
Marine and Natural Resources				
Port Companies	(43,755)	(43,124)	(39,293)	(37,669)
Coillte	(118,303)	(86,755)	(92,038)	(86,480)
TOTAL	<u>(3,594,703)</u>	<u>(3,398,343)</u>	<u>(3,013,219)</u>	<u>(2,601,191)</u>

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(3) GROSS PROFIT/ (LOSS)

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(17,396)	(6,687)	9,780	13,389
RTÉ	(21,878)	(46,182)	(21,682)	(21,154)
Energy				
Bord na Móna plc	59,637	53,556	48,796	48,736
Bord Gáis Éireann	301,157	245,503	211,470	212,168
ESB	236,620	194,855	292,575	402,245
Marine and Natural Resources				
Port Companies	56,900	52,297	55,017	53,277
Coillte	25,832	28,717	31,252	26,059
TOTAL	640,872	522,059	627,208	734,720

(4) OTHER OPERATING EXPENSES

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	(38,325)	(37,522)	(34,598)	(32,684)
Bord Gáis Éireann	(163,717)	(138,079)	(123,066)	(110,397)
ESB	-	-	-	-
Marine and Natural Resources				
Port Companies	(31,380)	(28,831)	(21,953)	(20,597)
Coillte	-	-	-	-
TOTAL	(233,422)	(204,432)	(179,617)	(163,678)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(5) OPERATING PROFIT/ (LOSS)

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(17,396)	(6,687)	9,780	13,389
RTÉ	(21,878)	(46,182)	(21,682)	(21,154)
Energy				
Bord na Móna plc	21,312	16,034	14,198	16,052
Bord Gáis Éireann	137,440	107,424	88,404	101,771
ESB	236,620	194,855	292,575	402,245
Marine and Natural Resources				
Port Companies	25,519	23,464	33,063	32,680
Coillte	25,832	28,717	31,252	26,059
TOTAL	407,449	317,625	447,590	571,042

(6) EXCEPTIONAL ITEMS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(52,876)	-	34,560	136,190
RTÉ	(35,368)	(30,896)	-	108,636
Energy				
Bord na Móna plc	1,654	-	5,968	1,293
Bord Gáis Éireann	(11,414)	(1,810)	(277)	(9,532)
ESB	13,805	4,353	(82,089)	10,489
Marine and Natural Resources				
Port Companies	(2,898)	(8,684)	1,480	(1,042)
Coillte	(4,710)	(4,430)	51	675
TOTAL	(91,807)	(41,467)	(40,307)	246,709

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(7) INTEREST RECEIVABLE AND SIMILAR INCOME

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	1,706	6,717	8,142	6,872
Energy				
Bord na Móna plc	401	182	137	156
Bord Gáis Éireann	23,697	5,821	3,908	5,286
ESB	27,556	40,164	37,104	24,114
Marine and Natural Resources				
Port Companies	521	542	787	550
Coillte	-	-	-	-
TOTAL	53,881	53,426	50,078	36,978

(8) INTEREST PAYABLE AND SIMILAR CHARGES/LOSSES

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	(482)	(536)	(644)	(5)
Energy				
Bord na Móna plc	(3,703)	(5,537)	(5,435)	(6,551)
Bord Gáis Éireann	(36,212)	(22,556)	(15,535)	(10,903)
ESB	(81,460)	(79,305)	(68,941)	(78,672)
Marine and Natural Resources				
Port Companies	(10,908)	(10,149)	(9,664)	(9,506)
Coillte	(5,058)	(4,908)	(4,649)	(4,117)
TOTAL	(137,823)	(122,991)	(104,868)	(109,754)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(9) PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAX

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(70,272)	(6,687)	44,340	149,579
RTÉ	(56,022)	(70,897)	(14,184)	94,349
Energy				
Bord na Móna plc	19,664	10,679	14,868	10,950
Bord Gáis Éireann	113,511	88,879	76,500	86,622
ESB	196,521	160,067	178,649	337,198
Marine and Natural Resources				
Port Companies	13,022	5,175	25,663	22,430
Coillte	19,694	19,379	26,654	22,617
TOTAL	236,118	206,595	352,490	723,745

(10) TAXATION CHARGE

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(53)	1,521	7,571	(21,427)
RTÉ	-	-	(76)	-
Energy				
Bord na Móna plc	(3,339)	(2,244)	(771)	(477)
Bord Gáis Éireann	(15,349)	(13,525)	(7,269)	(3,463)
ESB	(37,016)	4,594	(86,980)	(68,134)
Marine and Natural Resources				
Port Companies	(1,078)	(5,205)	(3,705)	(1,874)
Coillte	(958)	(919)	(1,105)	(1,332)
TOTAL	(57,793)	(15,778)	(92,335)	(96,707)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(11) MINORITY INTERESTS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(144)	(176)	(23)	268
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	-	-	-	-
Bord Gáis Éireann	(204)	68	197	306
ESB	(125)	(100)	(61,396)	5,763
Marine and Natural Resources				
Port Companies	-	-	-	-
Coillte	-	-	-	-
TOTAL	(473)	(208)	(61,222)	6,337

(12) PROFIT/ (LOSS) ON ORDINARY ACTIVITIES AFTER TAX AND MINORITY INTERESTS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(70,469)	(5,342)	51,888	128,420
RTÉ	(56,022)	(70,897)	(14,260)	94,349
Energy				
Bord na Móna plc	16,325	8,435	14,097	10,473
Bord Gáis Éireann	97,958	75,422	69,428	83,465
ESB	159,380	164,561	30,273	274,827
Marine and Natural Resources				
Port Companies	11,946	(29)	21,990	20,555
Coillte	18,736	18,460	25,549	21,285
TOTAL	177,854	190,610	198,965	633,374

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(13) EXTRAORDINARY ITEMS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	-	-	-	-
Bord Gáis Éireann	-	-	-	-
ESB	-	-	-	-
Marine and Natural Resources				
Port Companies	-	-	-	-
Coillte	-	-	-	-
TOTAL	-	-	-	-

(14) DIVIDENDS ETC. PAID AND PROPOSED

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	-	-	-	-
Bord Gáis Éireann	21,735	22,989	27,044	27,934
ESB	39,704	-	-	-
Marine and Natural Resources				
Port Companies	-	-	-	-
Coillte	-	-	-	-
TOTAL	61,439	22,989	27,044	27,934

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(15) TRANSFERS (TO)/FROM RESERVES

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	-	-	-	-
Bord Gáis Éireann	-	-	-	-
ESB	(565)	(537)	(489)	(470)
Marine and Natural Resources				
Port Companies	-	-	-	-
Coillte	-	-	-	-
TOTAL	(565)	(537)	(489)	(470)

(16) RETAINED PROFIT/ (LOSS) FOR YEAR

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(70,469)	(5,342)	51,888	128,420
RTÉ	(56,022)	(70,897)	(14,260)	94,349
Energy				
Bord na Móna plc	16,325	8,435	14,097	10,473
Bord Gáis Éireann	76,223	52,433	41,990	54,919
ESB	119,111	164,024	29,784	274,357
Marine and Natural Resources				
Port Companies	11,946	(29)	21,990	20,555
Coillte	18,736	18,460	25,549	21,285
TOTAL	115,850	167,084	171,038	604,358

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(17) FIXED ASSETS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	301,305	248,241	207,165	158,969
RTÉ	129,070	137,525	129,631	129,005
Energy				
Bord na Móna plc	133,942	140,225	130,989	125,021
Bord Gáis Éireann	2,013,231	1,476,983	1,053,559	883,089
ESB	3,979,238	3,384,845	3,064,388	2,863,440
Marine and Natural Resources				
Port Companies	463,221	451,366	389,658	282,680
Coillte	1,189,710	1,141,402	1,116,087	1,087,264
TOTAL	8,209,717	6,980,587	6,091,477	5,529,468

(18) STOCKS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	-	807	1,015	1,053
Energy				
Bord na Móna plc	56,057	50,925	50,338	40,668
Bord Gáis Éireann	14,965	11,245	10,951	9,085
ESB	178,586	167,113	174,430	165,394
Marine and Natural Resources				
Port Companies	6,823	4,585	2,264	2,216
Coillte	9,431	2,741	2,684	2,506
TOTAL	265,862	237,416	241,682	220,922

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(19) DEBTORS AND PREPAYMENTS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	79,491	50,741	29,074	26,697
RTÉ	41,236	42,539	43,778	125,501
Energy				
Bord na Móna plc	41,666	44,001	41,821	41,582
Bord Gáis Éireann	139,116	140,105	87,108	72,760
ESB	481,216	514,501	408,358	372,017
Marine and Natural Resources				
Port Companies	28,175	32,415	30,632	24,409
Coillte	46,908	38,767	37,401	30,473
TOTAL	857,808	863,069	678,172	693,439

(20) INVESTMENTS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	30,474
RTÉ	27,808	73,323	127,822	80,552
Energy				
Bord na Móna plc	-	-	-	1,986
Bord Gáis Éireann	2,198	2,199	1,971	-
ESB	2,265	51	51	6
Marine and Natural Resources				
Port Companies	9,310	1,484	2,734	3,686
Coillte	-	-	-	-
TOTAL	41,581	77,057	132,578	116,704

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(21) BANK DEPOSITS/CASH AT BANK AND IN HAND

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	45,754	155,216	212,365	170,788
RTÉ	15,117	19,195	30,830	25,593
Energy				
Bord na Móna plc	13,291	3,572	3,950	7,775
Bord Gáis Éireann	4,346	3,214	4,580	3,371
ESB	120,499	158,347	303,066	95,651
Marine and Natural Resources				
Port Companies	18,521	16,221	14,449	18,487
Coillte	-	7,630	4,407	-
TOTAL	217,528	363,395	573,647	321,665

(22) CREDITORS (FALLING DUE WITHIN ONE YEAR)

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(150,851)	(157,169)	(147,992)	(141,596)
RTÉ	(58,464)	(69,691)	(69,921)	(68,452)
Energy				
Bord na Móna plc	(60,053)	(66,728)	(69,079)	(89,712)
Bord Gáis Éireann	(360,746)	(265,821)	(194,138)	(147,740)
ESB	(853,896)	(556,224)	(684,837)	(483,223)
Marine and Natural Resources				
Port Companies	(59,154)	(57,063)	(40,682)	(32,799)
Coillte	(88,461)	(85,216)	(88,257)	(70,633)
TOTAL	(1,631,625)	(1,257,912)	(1,294,906)	1,034,155)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(23) NET CURRENT ASSETS/ (LIABILITIES)

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(25,606)	48,788	93,447	86,363
RTÉ	25,697	66,173	133,524	164,247
Energy				
Bord na Móna plc	50,961	31,770	27,030	2,299
Bord Gáis Éireann	(202,319)	(111,257)	(91,499)	(62,524)
ESB	(71,330)	283,788	201,068	149,844
Marine and Natural Resources				
Port Companies	(3,788)	(2,560)	4,750	15,028
Coillte	(32,122)	(36,078)	(43,765)	(37,654)
TOTAL	(258,507)	280,624	324,555	317,603

(24) CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(4,371)	(5,117)	(5,813)	(4,261)
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	(44,371)	(50,873)	(47,789)	(32,093)
Bord Gáis Éireann	(815,829)	(479,833)	(256,058)	(143,536)
ESB	(857,695)	(737,031)	(700,826)	(795,266)
Marine and Natural Resources				
Port Companies	(108,563)	(101,532)	(59,588)	(59,320)
Coillte	(60,509)	(32,345)	(26,112)	(39,772)
TOTAL	(1,891,338)	(1,406,731)	(1,096,186)	(1,074,248)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(25) PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(83,170)	(33,492)	(31,212)	(29,395)
RTÉ	(64,323)	(57,904)	(47,479)	(60,130)
Energy				
Bord na Móna plc	(13,099)	(10,594)	(11,433)	(10,662)
Bord Gáis Éireann	(184,702)	(151,890)	(35,831)	(47,073)
ESB	(929,558)	(932,745)	(883,983)	(392,731)
Marine and Natural Resources				
Port Companies	(78,551)	(77,548)	(76,276)	(80,962)
Coillte	-	-	-	-
TOTAL	(1,353,403)	(1,264,173)	(1,086,214)	(620,953)

(26) CAPITAL AND RESERVES

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	188,158	258,627	263,969	212,081
RTÉ	73,943	129,965	200,862	215,122
Energy				
Bord na Móna plc	126,655	110,305	98,574	84,419
Bord Gáis Éireann	811,443	735,220	671,387	629,396
ESB	2,120,088	2,001,840	1,680,173	1,822,124
Marine and Natural Resources				
Port Companies	366,904	348,348	308,978	281,946
Coillte	1,097,079	1,072,979	1,046,210	1,009,838
TOTAL	4,784,270	4,657,284	4,270,153	4,254,926

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(27) MINORITY INTERESTS

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	(207)	(382)	(405)
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	223	223	223	146
Bord Gáis Éireann	1,136	932	755	559
ESB	567	574	474	3,164
Marine and Natural Resources				
Port Companies	-	-	-	-
Coillte	-	-	-	-
TOTAL	1,926	1,522	1,070	3,464

(28) NET FUNDS/ (NET DEBT) AT END OF YEAR

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	26,822	122,528	203,090	162,006
RTÉ	40,925	77,812	149,155	101,480
Energy				
Bord na Móna plc	(30,819)	(61,133)	(64,630)	(64,160)
Bord Gáis Éireann	(1,026,407)	(549,126)	(326,061)	(193,154)
ESB	(900,234)	(631,007)	(534,774)	(735,008)
Marine and Natural Resources				
Port Companies	(98,985)	(95,282)	(30,685)	(28,289)
Coillte	(111,592)	(83,803)	(82,123)	(74,378)
TOTAL	(2,100,290)	(1,220,011)	(686,028)	(831,503)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(29) CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	(3,247)	(5,918)	21,307	36,963
RTÉ	(5,180)	(30,673)	(790)	1,568
Energy				
Bord na Móna plc	40,917	34,005	24,415	30,430
Bord Gáis Éireann	198,432	114,905	98,062	118,196
ESB	563,335	350,699	519,024	521,539
Marine and Natural Resources				
Port Companies	29,431	17,527	23,683	28,636
Coillte	18,336	30,241	34,051	33,373
TOTAL	842,024	510,786	719,752	770,705

(30) INCREASE/(DECREASE) IN CASH

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	300,177	(359,064)	3,658	(41,145)
RTÉ	12,241	(13,719)	(4,590)	(52)
Energy				
Bord na Móna plc	9,719	2,053	6,557	(6,995)
Bord Gáis Éireann	4,212	(5,853)	5,621	(4,452)
ESB	39,580	(17,695)	29,675	(1,299)
Marine and Natural Resources				
Port Companies	7,992	(2,562)	(4,141)	(2,128)
Coillte	(10,565)	3,223	5,965	366
TOTAL	363,356	(393,617)	42,745	(55,705)

appendix f (continued)

DETAILS OF OWNERSHIP INTEREST IN COMMERCIAL STATE SPONSORED BODIES

(31) LOAN GUARANTEES GIVEN BY STATE AT YEAR END

	2002	2001	2000	1999
	€000	€000	€000	€000
Communications				
An Post	-	-	-	-
RTÉ	-	-	-	-
Energy				
Bord na Móna plc	-	13,000	17,000	16,507
Bord Gáis Éireann	50,726	70,199	93,277	115,631
ESB	99,100	112,000	145,000	214,586
Marine and Natural Resources				
Port Companies	3,467	4,979	4,979	6,361
Coillte	-	-	-	-
TOTAL	153,293	200,178	260,256	353,085

(32) AVERAGE NUMBER OF EMPLOYEES (FIGURES NOT IN THOUSANDS)

	2002	2001	2000	1999
Communications				
An Post	10,090	9,663	9,391	8,952
RTÉ	1,967	2,111	2,174	2,199
Energy				
Bord na Móna plc	1,967	1,974	2,097	2,124
Bord Gáis Éireann	726	723	715	700
ESB	8,727	9,384	9,318	9,319
Marine and Natural Resources				
Port Companies	655	689	686	712
Coillte	1,231	1,082	1,095	1,106
TOTAL	25,363	25,626	25,476	25,112

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GLOSSARY OF ABBREVIATIONS USED

A	
ACCA	Association of Chartered Certified Accountants
AER	Alternative Energy Requirement
ALAC	Aquaculture Licence Advisory Committee
B	
BCI	Broadcasting Commission of Ireland
BGÉ	Bord Gáis Éireann
BIM	Bord Iascaigh Mhara
BMW	Border, Midland and Western Region
C	
CDB	Congested District Board
CEFAS	Centre for Environment, Fisheries and Aquaculture Science
CER	Commission for Energy Regulation
CFB	Central Fisheries Board
CFP	Common Fisheries Policy
CHP	Combined Heat and Power
CLAMS	Coordinated Local Aquaculture Management System
COACS	Call Out and Communications System
COFORD	Council for Forest Research and Development
ComReg	Commission for Communications Regulation
CSF	Community Support Framework
CSPVG	Civil Service Performance Verification Group
D	
DCMNR	Department of Communications, Marine and Natural Resources
DCU	Dublin City University
DG	Directorate General
DHDA	Digital Hub Development Agency
DMDL	Digital Media District Ltd
DSC	Digital Selective Calling
E	
EAGGF	European Agriculture Guidance and Guarantee Fund
EMD	Exploration and Mining Division
EOSG	Expanded Offshore Support Group
EPA	Environmental Protection Agency
E&P	Exploration and Production

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GLOSSARY OF ABBREVIATIONS USED

ESB	Electricity Supply Board
ESF	European Social Fund
ESIOP	Economic and Social Infrastructure Operational Programme
ESOP	Employee Share Ownership Plan
ERDF	European Regional Development Fund
ESRI	Economic and Social Research Institute
EU	European Union
F	
FAO	Food and Agriculture Organisation
FGS	Farrell Grant Sparks Consulting
FHC	Fishery Harbour Centre
FIDS	Fisheries Inshore Diversification and Safety Programme
FIFA	Federation Internationale de Football Association
FIFG	Financial Instrument for Fisheries Guidance
FOI	Freedom of Information
G	
GIS	Geographic Information System
GSI	Geological Survey of Ireland
H	
HAZMAT	Hazardous Material
HQ	Headquarters
HR	Human Resources
I	
IC2	Interconnector 2
ICC	International Certificates for Operators of Pleasure Craft
ICCAT	International Convention for the Conservation of Atlantic Tunas
ICT	Information and Communications Technology
IEA	International Energy Agency
IFIS	Integrated Fisheries Information System
IFORIS	Integrated Forestry Information System
IMDO	Irish Maritime Development Office
IMO	International Maritime Organisation
INPC	Irish National Petroleum Corporation
INS	Irish Naval Service
IOPCF	International Oil Pollution Compensation Fund

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GLOSSARY OF ABBREVIATIONS USED

IRCG	Irish Coast Guard
IS	Information Systems
ISA	Irish Sailing Association
ISPSG	Irish Shelf Petroleum Study Group
IT	Information Technology
IYT	International Yachtmaster Training
J	
JSG	Joint Steering Group
L	
Lo-Lo	Lift-on/Lift-off
M	
MAN	Metropolitan Area Network
MAPS	Minerals Administration Programme Support
MCIB	Marine Casualty Investigation Board
MCPFE	Ministerial Conference on the Protection of Forests in Europe
MEPC	Marine Environment Protection Committee
MF	Medium Frequency
MIF	Management Information Framework
MIT	Massachusetts Institute of Technology
MLE	Media Lab Europe
MLVC	Marine Licence Vetting Committee
MOX	Mixed Oxide Fuel
MP	Member of Parliament
MRAU	Marine Radio Affairs Unit
MRCC	Marine Rescue Coordination Centre
MRSC	Marine Rescue Sub-Centre
MSD	Maritime Safety Directorate
MSE	Management Services Entity
M/V	Merchant Vessel
N	
NDP	National Development Plan
NEAFC	North East Atlantic Fisheries Commission
NIO	Northern Ireland Office
NIRSA	National Institute for Regional and Spatial Analysis
NORA	National Oil Reserves Agency

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GLOSSARY OF ABBREVIATIONS USED

O	
OECD	Organisation for Economic Cooperation and Development
OPRC	Oil Pollution Preparedness, Response and Cooperation
OPW	Office of Public Works
OSPAR	Oslo-Paris Convention for the protection of the marine environment of the North East Atlantic
P	
PEPPS	Petroleum and Exploration Production Promotion and Support Programme
PIP	Petroleum Infrastructure Programme
PL	Prospecting Licence
PPP	Public Private Partnership
R	
R&D	Research and Development
RD&D	Research, Development and Demonstration
RFB's	Regional Fisheries Boards
RIA	Regulatory Impact Analysis
RNLI	Royal National Lifeboat Institution
Ro-Ro	Roll-on/Roll-off
RTDI	Research, Technology, Development and Innovation
RTÉ	Raidió Teilifís Éireann
S	
SAR	Search and Rescue
S&E	Southern and Eastern Region
SEAREM	Sea Related Emergency Database
SEI	Sustainable Energy Ireland
SFM	Sustainable Forest Management
SMI	Strategic Management Initiative
S.I.	Statutory Instrument
T	
TACs	Total Allowable Catches
T.D.	Teachta Dála
TSO	Transmission System Operator
U	
UCD	University College Dublin

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GLOSSARY OF ABBREVIATIONS USED

UN	United Nations
UNCLCS	United Nations Commission on the Limits of the Continental Shelf
UNFCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
UK	United Kingdom
V	
VHF	Very High Frequency
VMS	Vessel Monitoring System
W	
WAN	Wide Area Network
WFD	Water Framework Directive
WLAN	Wireless Local Area Network

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