

Pat Smyth

From: Koen Verbruggen
Sent: 05 March 2009 22:33
To: Pat Smyth; Eamonn Molloy; Brian Carroll .T- Corporate Finance; Dave Hanley; Michael Daly; Ciarán Ó hÓbáin; Kevin O'Brien
Subject: RE: Meeting of In-house Group dealing with An Bord Snip tomorrow morning
Attachments: Part 3 DCENR Template - Natural Resources Programme_GSI.doc

Pat,

Attached draft of Part 3 on Natural Resources completed for GSI Projects as requested. I have discussed with Ciaran that we can look at merging the non GSI parts in when he has them compiled but they are separate now to meet deadline. As discussed today I am copying all, in attempt to help result in a unified document eventually.

Regards
Koen

From: Pat Smyth
Sent: Wed 04/03/2009 17:49
To: Eamonn Molloy; Brian Carroll .T- Corporate Finance; Dave Hanley; Michael Daly; Ciarán Ó hÓbáin; Kevin O'Brien; Koen Verbruggen
Subject: Meeting of In-house Group dealing with An Bord Snip tomorrow morning

Colleagues,

As indicated in my earlier e-mail in relation to the above, please find attached draft Part 3 of the template for each programme as outlined in the Annual Output Statement which will form a basis for discussion at tomorrow's meeting. **Note** – these are first drafts and will be subject to amendments / additions over the coming weeks.

Regards,

Pat Smyth,
Secretary to the Group.

Pat Smyth
Finance Unit
Corporate Finance & Planning Division
Department of Communications, Energy and Natural Resources
Elm House
Earlsvale Road
Cavan

Tel: 01 6782071
Fax: 01 6783058
E-mail: pat.smyth@dcenr.gov.ie

3. Individual Programme details for each programme

Programme D (as at 1 above): [Natural Resources]

- **High Level Goal advanced by this Programme:**

To manage our river, mineral, hydrocarbon and other geological resources in a sustainable and productive manner.

- **Impact indicator (target used to measure the contribution of this Programme to achieving the High Level Goal):**

Petroleum Affairs

A higher level of exploration investment to increase the prospect of further oil and gas discoveries and to help deepen knowledge of Ireland's petroleum producing potential.

A robust and clear regulatory framework in place that is consistent with best practice internationally.

Extension of the continental shelf limits westwards beyond 200 nautical miles to open up large new swathes of acreage for licensing.

Exploration & Mining

Stimulating the discovery of additional economic mineral deposits.

The enactment of the Minerals Development Bill.

Effective rehabilitation of old mine sites to reduce the risk to humans and animals as well as to make a positive contribution to rural communities.

Geological Survey of Ireland (GSI)

Underpin better-informed decision-making at national and local authority levels through identifying the potential for groundwater and aggregate resources, identifying the environmental risk posed by old mining areas, as well as the possibilities for storing carbon underground.

The provision of services to support effective planning to ensure that vital resources remain available for balanced regional development and that they are not contaminated or sterilised by housing or other development.

Management of the national marine mapping programme, INFOMAR, in conjunction with the Marine Institute, to provide key baseline data for sustainable development of the marine.

Providing access to geoscience databases to support priority research and education services.

Ordnance Survey Ireland (OSi)

The provision of timely and accurate spatial data.

Programme Rationale and Prioritisation:

GSI Public Services, E3, is a series of externally funded public contracts which enables GSI to work on a cost shared basis with external partners on projects driven by national and EU priorities.

GSI Geoscience Initiatives, E4, are strategic infrastructural linked projects, designed to provide reliable geoscience support for prioritised environmental protection and effective spatial planning onshore, in areas such as the Groundwater Protection Schemes, Aggregate Potential Mapping, Landslides mapping, Geoparks and Geoheritage support.

The INFOMAR Programme, E5, (Integrated Mapping for the sustainable development of Ireland's Marine Resource), is Ireland's national marine mapping programme. Carried out in partnership with the Marine Institute, its outputs are a range of integrated mapping products which support safety, environmental protection, energy development and research, and underpin the development of marine spatial planning. The programme is meeting information needs of several Departments and agencies and it was recently approved for continuance to 2013 by Government decision (S29341, 16/12/2008).

Inputs

| Natural Resources Programme | 2007 € million | 2008 Outturn € million | 2009 Estimate € million |
|--|-------------------|------------------------------|-------------------------------|
| Programme Expenditure: | | | |
| - Current | 1.760 | 6.422 | 8.299 |
| - Capital | 9.087 | 12.254 | 10.605 |
| Administration and Other Support | | | |
| - Pay | 4.450 | 4.864 | 4.923 |
| - Non-Pay | 2.588 | 2.768 | 1.323 |
| TOTAL GROSS PROGRAMME EXPENDITURE | 17.884 | 26.309 | 25.150 |
| Public service numbers for Programme (Whole Time Equivalents): | 2007 WTE | 2008 WTE | 2009 WTE |
| - Civil Servants | 97 | 80 | |
| - Other Public Servants | | | |

Broken down by Subhead as follows:

| Natural Resources Programme | 2007 € million | 2008 Outturn € million | 2009 Estimate € million |
|---------------------------------------|-------------------|------------------------------|-------------------------------|
| Subhead E1 Petroleum Services | | | |
| - Current | 0.300 | 0.631 | 0.517 |
| Subhead E2 Mining Services | | | |
| - Current | 0.628 | 0.303 | 2.558 |
| - Capital | 0.553 | 2.987 | 5.000 |
| Subhead E3 GSI Public Services | | | |

| | | | |
|--|-------|-------|-------|
| - Current | 0.684 | 0.383 | 0.585 |
| Subhead E4 Geoscience initiatives | | | |
| - Capital | 1.295 | 2.683 | 1.228 |
| Subhead E5 INFOMAR, national marine mapping programme | | | |
| - Capital | 5.258 | 3.937 | 3.392 |
| Subhead E6 Ordnance Survey | | | |
| - Current | 4.000 | 4.970 | 4.500 |
| - Capital | 1.250 | 1.000 | 0.985 |

Headline Outputs [there should be no more than 3 headline outputs]
(This requires editing and addition of OSi 2009)

| 2007 Output Achieved | 2008 Output Achieved | 2009 Output Target |
|--|--|--|
| <p><u>Exploration & Mining</u> Considerable progress in resolving difficult drafting issues.</p> | <p><u>Exploration & Mining</u> Considerable progress in resolving difficult issues. Publication anticipated in mid-2009.</p> <p>Prospectors and Developers Association of Canada (PDAC) attended in March 2008. Joint display stand with Northern Ireland counterparts.</p> <p>Phase 1 works commenced in July 08 and were completed by end 08. Elements of Phase 2 were brought forward and completed by end 08. Roads and essential safety works are continuing into Q1 2009.</p> <p>Study completed by consultants in Dec 2008. Memo for Government in preparation for early 2009</p> <p>Evaluation of Porcupine licenses complete and four exploration licenses issued.</p> <p>Substantial progress has been made on design and content in 2008. Agreement in principle with N. Ireland counterparts to complete in Q.1 2009.</p> <p>Position paper prepared. Awaiting outcome of negotiations with Department of Enterprise, Trade and Employment.</p> | <p><u>Exploration & Mining:</u> Promotional and regulation activities relating to minerals exploration and development discharged effectively.</p> <p>New Minerals Development Bill published.</p> <p>Develop a regulatory framework for Geothermal Energy in the context of discussions on proposed legislation.</p> <p>Oversee development of policy on rehabilitation of old mine sites and ensure effective implementation of specific rehabilitation plans</p> |
| <p><u>Offshore Oil & Gas Exploration</u> <u>Review of licensing terms</u> complete. Non-fiscal terms implemented and published. Fiscal</p> | <p><u>Offshore Oil & Gas Exploration</u> <u>Review of licensing terms</u> New licensing terms implemented – effect given to the revised tax</p> | <p><u>Offshore Oil & Gas Exploration:</u> Evaluation of Rockall licensing round completed, decisions made</p> |

Terms are to be implemented through 2008 Finance Bill

Promotional and monitoring activities discharged effectively. 4 applications received for Porcupine Licensing Round.

measures in the 2008 Finance Act.

76% of applications were processed within targeted timescale. Remainder of applications delayed due to staff turnover and shortages (including impact of decentralisation programme), consideration of objections received, and higher than expected number of applications received in 08.

4 Prospecting Licence competitions held in 2008. 119 applications for Prospecting Licences between 1 Jan and 31 Dec 08.

471 Prospecting Licences held at 31 Dec 08.

PAD continued promotional activities in relation to hydrocarbons exploration activity by operating a promotional stand at Oil and Gas events in the UK and the USA during 2008.

New application by Shell E&P Ireland (SEPI) to construct a gas pipeline, received in the Department in April 2008, processed in accordance with statutory process under Section 40 of the Gas Act 1976 as amended.

and licenses issued by mid 2009.

Continue to administer the statutory process for existing and new Corrib Gas Field applications to construct a pipeline under Section 40 of the Gas Act 1976 as amended.

High compliance with license commitments and fee payments.

Progress publication of the Petroleum Exploration and Extraction (Safety) Bill to confer responsibility for safety of petroleum exploration and production activities on the CER.

Complete implementation of the Irish Offshore Strategic Environmental Assessment (IOSEA) 2 (Porcupine Basin) recommendations. Complete post consultation IOSEA 3 (Rockall Basin). Issue tender and select winning tender for IOSEA 4 (Celtic Sea and Irish Sea).

Maximise the area of Continental Shelf under Irish jurisdiction

Formal adoption of recommendations of UN sub-commission on the Celtic Shelf/Bay of Biscay by the Commission on the Limits of the Continental Shelf (CLCS) in March 2009.

Begin negotiations on the delimitation of the area between Ireland and its 3 neighbours (France, Spain and UK) after formal adoption.

Submit the Hatton-Rockall national to the UN in Q1 2009 after seeking Government authorisation.

GSI
INFOMAR

Seabed mapping of 4,600 sq. km. completed including the Southwest priority area.

Interactive Web Data Delivery System launched July 2007. > 30% of marine data available on system.

Geoscience initiative

Completed 8 maps, 4 reports, 3 new digital databases made available.

GSI Public Services

19 commissioned Projects managed in 2007; 11 now complete, 8 continuing and 5 new projects in development.

Griffith Geoscience Research

Awards Scheme launched in February 2007 and the conclusion of contracts providing total funding of €9.1m to 9 successful applicants. Recruitment of researchers commenced.

Tendering completed and 7 projects commenced. Annual progress reports compiled.

OSI

100% of urban and suburban mapping were revised

More than 300 maps completed and the outsourcing of 1:5,000 map revisions was continued with 1,600 maps delivered.

The 1:10,000 update flow line reached its target, with additional attribution from the NRA, etc. Achieved.

Publication of the 2nd edition of The Complete Road Atlas of Ireland.

GSI
INFOMAR

Mapping completed for Bantry, Dunmanus, Galway, Sligo, Donegal and Tralee Bays. Launch delivered. Over 2,000sq.km mapping completed.

Over 60% of GSI marine datasets provided free over the web.

Geoscience initiative

Excess 28 maps, 7 reports made publically available and 33 new digital databases created or upgraded.

GSI Public Services

All externally-funded projects managed effectively and deliverables provided on time to GSI clients.

Griffith Geoscience Research

Awards €1.899m funding provided to 8 research projects. Annual Reports received from project leaders. Progress reported by project leaders at public seminar in GSI in October 2008. Matched funding not secured for the TV series project in 2008.

OSI

Benchmarks for Prime 2 Project achieved

Competitive dialogue completed with new data model prototypes evaluated for Oracle spatial and standards compliance.

All targets achieved.

Achieved with outputs ahead of plan.

OSI fully conformed to mapping requirements of the Official Language Act 2003.

GSI:
INFOMAR:

Complete mapping of 2 further priority bays.

Map an inshore area of at least 500sq.km.

New inshore launch commissioned.

9 research reports to be delivered

Geoscience Initiatives:

Publish 20 maps, 10 reports and 10 new digital databases across all GSI programmes.

Complete 3 County Groundwater Protection schemes.

GSI Public Services:

Historic Mine Sites Inventory and Irelithos projects completed along with two further groundwater source protection schemes. Four new INTERREG projects in Geoheritage developed.

Griffith Geoscience Research

Awards:

Second annual reports and presentations from 8 funded research programmes.

| | | |
|--|--|--|
| <p>Achieved</p> <p>Customised mapping for the State Examination Commission amendments to Dáil and European constituencies.</p> <p>OSI fully conformed to mapping requirements of the Official Language Act 2003.</p> | <p>Achieved with outputs ahead of plan</p> | |
|--|--|--|

Delivery Mechanism

A brief outline of how the Programme is delivered. Ensure the outline includes any Agencies involved in the process.

GSI Public Services programme, E3, is delivered through joint projects with local authorities, agencies (including EPA, SEI, MI) and charitable/voluntary status bodies, sometimes involving the hire and supervision of contract or consultancy staff. EU INTERREG and FP7 projects are carried out in conjunction with international organisations including European Geological Surveys and Universities.

The GSI Geoscience Initiative projects, E4, are delivered mostly through procurement of external specialist services with technical and project management by GSI senior managers, while the Griffith Research awards is an all Ireland Scheme that provides grants to specific third level institutions and other organisations for priority geoscience research and geology education services. They support the development of the knowledge economy and government initiatives in the expansion of science and engineering.

The INFOMAR programme, E5, is delivered through a DCENR funded joint venture between GSI and the Marine Institute with approximately equal staff resources and expenditure on both sides. Final products, principally a suite of integrated mapping products of the seabed and associated reports are delivered to customers via an online web delivery system. In addition the programme provides guidance and funding to research allied to the programme goals and acts as a knowledge centre for marine mapping for stakeholders including state agencies, other government departments, marine infrastructural projects and the EU.

Assessment of how this expenditure programme is meeting the policy objectives it is intended to. This assessment should take into account the resources being deployed to achieve the outcomes.

The programmes meet broad scale natural resources policy objectives including; Protection of environment (Groundwater and Mine Sites inventory); promotion of tourism, lifelong learning and education expenditure (Geotourism/Geoheritage projects: Lisbon/Gothenburg Agendas), inclusion of Irish data/case studies in EU programmes and policy (INTERREG, FP7). The impact on the competitiveness of the economy of the increased research capacity and knowledge arising out of the Griffith Research Awards can only be completely assessed on conclusion of the programme. However it has already succeeded in leveraging and additional

€3m in research funds. The INFOMAR programme is meeting its policy objectives by providing vital baseline and interpreted data which can be used across a range of initiatives supporting marine development, protection and spatial planning, including the planning of offshore renewable energy. As a result the project is acknowledged at EU and international level as best practice. The alternate approach, as undertaken by the UK is for different government funded bodies to carry out separate and sometimes overlapping survey work to different standards and far greater cumulative cost. In 2008 an independent Project Appraisal Report of INFOMAR, carried out by PwC, indicated a positive cost to benefit ratio of 4 to 6 times net present value.

Specific DCENR Energy policy objectives are supported by GSI involvement in national climate change actions by proactive contributions to Carbon-Capture and Storage (CCS) solutions and geothermal energy developments and INFOMAR inputs into offshore conventional and renewable energy development.

List the key drivers of the increase in expenditure / numbers since 2002, paying particular attention to 2007 to 2009 and, if appropriate, key demographic pressures arising in future years. How can these drivers be contained?

Drivers across all GSI programmes are increased legislation and planning requirements, implementation of EU Directives such as the Water Framework Directive, and demand by stakeholders such as Local Authorities for defensible geoscience information in support of planning. Similarly for INFOMAR, increased EU legislation and national proposals for development and planning in the marine sector have led to an increased demand for the outputs of the programme to be available earlier. Expenditure and staff numbers across the GSI programmes have both decreased over recent years, with staff numbers reducing by c.50% since 2003.

Outline the likely consequences if this Programme were discontinued entirely?

Non delivery of planning tools, maps and data, and increased risk of failure of compliance with national legislation and EU Directives, ultimately resulting in a range of negative potential outcomes including fines, ground water pollution, non recognition of hazards such as mine waste and landslide susceptibility and possibly loss of life. Consequent risk of damage to reputation of DCENR and GSI. Cessation of the INFOMAR programme would likely result in the Irish government being fined by EU under Environmental legislation (Marine SACs and inadequate designation/protection of Natura 2000 sites), and potentially under Safety of Life at Sea (SOLAS) convention. Loss of international reputation as world leader in this area. Direct staff lay offs of c. 15 contract staff (mostly at MI) and indirectly similar number. Withdrawal from InterReg, R&D (SFI and other) and FP7 projects resulting in damage to DCENR reputation and Irish R&D reputation and sector.

The Griffiths Research awards are contractually bound and is underway at this stage with the recruitment by the third level institutions of the researchers involved, therefore any proposed curtailment or discontinuance of the Programme would in all likelihood lead to legal actions by the participants which would be costly to defend and which would be unlikely to be successfully defended unless it can be proved that the grantees failed to meet the terms of the contract.

Opportunities and obstacles for rationalising the staffing resources for this Programme (incl. any work practice, mobility issues)

Staff resources involved in the delivery of GSI programmes are minimal concentrating on the administration, technical guidance and management of the projects, in some cases delivered by

external contractors. As GSI staff available to deliver these projects has reduced by c.50% since 2003, opportunities for rationalisation are considered to be limited.

List of Recommendations and Options for (1) scaling back or discontinuing this Programme and (2) securing savings / efficiencies on this Programme, including savings / surplus staff arising:

Recommendation A: Potential for increased revenue earning through increase in GSI Public Services with external funding (provided accounting and contracting mechanism can facilitate this).

Option B: In relation to the INFOMAR Programme, the planned commissioning of a dedicated inshore survey launch in 2009 should yield savings over the completion of the project by displacement of more expensive externally contracted services. This will be realised by either the earlier completion of the targeted mapping (currently scheduled to 2026) or its completion over the same time scale at a budget of less than the approved €4m p.a.

Option C: _____

Pat Smyth

From: Eibhlin Doyle
Sent: 06 March 2009 09:47
To: Pat Smyth
Cc: Michael O'Mahony; Koen Verbruggen; Patrick O'Connor; John Morris
Subject: RE: Bord SNIP
Attachments: Part 3 DCENR Template - Natural Resources Programme_GSI060309.doc

Pat,
Following conversations with Koen Verbruggen there are a few alterations from our side on the document. I attach a revised document for Part 3.
If you have any questions do not hesitate to contact me.
Kind regards,
Eibhlin

From: Koen Verbruggen
Sent: 05 March 2009 22:51
To: Patrick O'Connor; Eibhlin Doyle; John Morris
Cc: Michael O'Mahony
Subject: RE: Bord SNIP

For information

Attached latest incarnation of Bord Snip forms. It has now been decided that "less is more" and we have been provided with a shorter form to cover all of Natural Resources areas together. Finance Unit provided the template with Outputs and finance figures completed, so I have attempted to try and cut and paste some key points in under the remaining headings. The detailed forms already compiled per programme area are with our Finance Unit, but they are keen to provide a shorter overall report to Bord SNIP.

From: Koen Verbruggen
Sent: Mon 23/02/2009 16:26
To: Patrick O'Connor; Eibhlin Doyle; John Morris; Peadar.McArdle; Martin Brennan
Cc: John ODonoghue; Michael O'Mahony
Subject: RE: Bord SNIP

Thank you all for feedback.

Attached revised version, main changes are Pat's, particularly on Programme A.

Unless any burning issues spotted, this draft will go to Finance Unit cob tomorrow.

Cheers

Koen
Extn.2864

3. Individual Programme details for each programme

Programme D (as at 1 above): [Natural Resources]

- **High Level Goal advanced by this Programme:**

To manage our river, mineral, hydrocarbon and other geological resources in a sustainable and productive manner.

- **Impact indicator (target used to measure the contribution of this Programme to achieving the High Level Goal):**

Petroleum Affairs

A higher level of exploration investment to increase the prospect of further oil and gas discoveries and to help deepen knowledge of Ireland's petroleum producing potential.

A robust and clear regulatory framework in place that is consistent with best practice internationally.

Extension of the continental shelf limits westwards beyond 200 nautical miles to open up large new swathes of acreage for licensing.

Exploration & Mining

Stimulating the discovery of additional economic mineral deposits.

The enactment of the Minerals Development Bill.

Effective rehabilitation of old mine sites to reduce the risk to humans and animals as well as to make a positive contribution to rural communities.

Geological Survey of Ireland (GSI)

Underpin better-informed decision-making at national and local authority levels through identifying the potential for groundwater and aggregate resources, identifying the environmental risk posed by old mining areas and implement remediation on selected sites (e.g. Avoca), as well as the possibilities for storing carbon underground.

The provision of services to support effective planning to ensure that vital resources remain available for balanced regional development and that they are not contaminated or sterilised by housing or other development.

Management of the national marine mapping programme, INFOMAR, in conjunction with the Marine Institute, to provide key baseline data for sustainable development of the marine.

Providing access to geoscience databases to support priority research and education services.

Ordnance Survey Ireland (OSi)

The provision of timely and accurate spatial data.

Programme Rationale and Prioritisation:

GSI Public Services, E3, is a series of externally funded public contracts which enables GSI to work on a cost shared basis with external partners on projects driven by national and EU priorities.

GSI Geoscience Initiatives, E4, are strategic infrastructural linked projects, designed to provide reliable geoscience support for prioritised environmental protection and effective spatial planning onshore, in areas such as the Groundwater Protection Schemes, Aggregate Potential Mapping, Landslides mapping, Geoparks and Geoheritage support.

The INFOMAR Programme, E5, (Integrated Mapping for the sustainable development of Ireland's Marine Resource), is Ireland's national marine mapping programme. Carried out in partnership with the Marine Institute, its outputs are a range of integrated mapping products which support safety, environmental protection, energy development and research, and underpin the development of marine spatial planning. The programme is meeting information needs of several Departments and agencies and it was recently approved for continuance to 2013 by Government decision (S29341, 16/12/2008).

Inputs

| Natural Resources Programme | 2007 € million | 2008 Outturn € million | 2009 Estimate € million |
|---|-------------------|------------------------------|-------------------------------|
| Programme Expenditure: | | | |
| - Current | 1.760 | 6.422 | 8.299 |
| - Capital | 9.087 | 12.254 | 10.605 |
| Administration and Other Support | | | |
| - Pay | 4.450 | 4.864 | 4.923 |
| - Non-Pay | 2.588 | 2.768 | 1.323 |
| TOTAL GROSS PROGRAMME EXPENDITURE | 17.884 | 26.309 | 25.150 |
| Public service numbers for Programme (Whole Time Equivalents): | 2007 WTE | 2008 WTE | 2009 WTE |
| - Civil Servants | 97 | 80 | |
| - Other Public Servants | | | |

Broken down by Subhead as follows:

| Natural Resources Programme | 2007 € million | 2008 Outturn € million | 2009 Estimate € million |
|--------------------------------------|-------------------|------------------------------|-------------------------------|
| Subhead E1 Petroleum Services | | | |
| - Current | 0.300 | 0.631 | 0.517 |
| Subhead E2 Mining Services | | | |

| | | | |
|--|-------|-------|-------|
| - Current | 0.628 | 0.303 | 2.558 |
| - Capital | 0.553 | 2.987 | 5.000 |
| Subhead E3 GSI Public Services | | | |
| - Current | 0.684 | 0.383 | 0.585 |
| Subhead E4 Geoscience initiatives | | | |
| - Capital | 1.295 | 2.683 | 1.228 |
| Subhead E5 INFOMAR, national marine mapping programme | | | |
| - Capital | 5.258 | 3.937 | 3.392 |
| Subhead E6 Ordnance Survey | | | |
| - Current | 4.000 | 4.970 | 4.500 |
| - Capital | 1.250 | 1.000 | 0.985 |

*Headline Outputs [there should be no more than 3 headline outputs]
(This requires editing and addition of OSi 2009)*

| 2007 Output Achieved | 2008 Output Achieved | 2009 Output Target |
|--|---|---|
| <p>Exploration & Mining Considerable progress in resolving difficult drafting issues.</p> | <p>Exploration & Mining Considerable progress in resolving difficult issues. Publication anticipated in mid 2009.</p> <p>Prospectors and Developers Association of Canada (PDAC) attended in March 2008. Joint display stand with Northern Ireland counterparts.</p> <p>Phase 1 works commenced in July 08 and were completed by end 08. Elements of Phase 2 were brought forward and completed by end 08. Roads and essential safety works are continuing into Q1 2009.</p> <p>Study completed by consultants in Dec 2008. Memo for Government in preparation for early 2009</p> <p>Evaluation of Porcupine licenses complete and four exploration licenses issued.</p> <p>Substantial progress has been made on design and content in 2008. Agreement in principle with N. Ireland counterparts to complete in Q.1 2009.</p> <p>Position paper prepared. Awaiting outcome of negotiations with Department of Enterprise, Trade and Employment.</p> | <p>Exploration & Mining: Promotional and regulation activities relating to minerals exploration and development discharged effectively.</p> <p>New Minerals Development Bill published.</p> <p>Develop a regulatory framework for Geothermal Energy in the context of discussions on proposed legislation.</p> <p>Oversee development of policy on rehabilitation of old mine sites and ensure effective implementation of specific rehabilitation plans</p> |

Offshore Oil & Gas Exploration

Review of licensing terms

complete. Non-fiscal terms implemented and published. Fiscal Terms are to be implemented through 2008 Finance Bill

Promotional and monitoring

activities discharged effectively. 4 applications received for Porcupine Licensing Round.

Offshore Oil & Gas Exploration

Review of licensing terms

New licensing terms implemented – effect given to the revised tax measures in the 2008 Finance Act.

76% of applications were processed within targeted timescale. Remainder of applications delayed due to staff turnover and shortages (including impact of decentralisation programme), consideration of objections received, and higher than expected number of applications received in 08.

4 Prospecting Licence competitions held in 2008. 119 applications for Prospecting Licences between 1 Jan and 31 Dec 08.

471 Prospecting Licences held at 31 Dec 08.

PAD continued promotional activities in relation to hydrocarbons exploration activity by operating a promotional stand at Oil and Gas events in the UK and the USA during 2008.

New application by Shell E&P Ireland (SEPIL) to construct a gas pipeline, received in the Department in April 2008, processed in accordance with statutory process under Section 40 of the Gas Act 1976 as amended.

Offshore Oil & Gas Exploration:

Evaluation of Rockall licensing round completed, decisions made and licenses issued by mid 2009.

Continue to administer the statutory process for existing and new Corrib Gas Field applications to construct a pipeline under Section 40 of the Gas Act 1976 as amended.

High compliance with license commitments and fee payments.

Progress publication of the Petroleum Exploration and Extraction (Safety) Bill to confer responsibility for safety of petroleum exploration and production activities on the CER.

Complete implementation of the Irish Offshore Strategic Environmental Assessment (IOSEA) 2 (Porcupine Basin) recommendations. Complete post consultation IOSEA 3 (Rockall Basin). Issue tender and select winning tender for IOSEA 4 (Celtic Sea and Irish Sea).

Maximise the area of Continental Shelf under Irish jurisdiction

Formal adoption of recommendations of UN sub-commission on the Celtic Shelf/Bay of Biscay by the Commission on the Limits of the Continental Shelf (CLCS) in March 2009.

Begin negotiations on the delimitation of the area between Ireland and its 3 neighbours (France, Spain and UK) after formal adoption.

Submit the Hatton-Rockall national to the UN in Q1 2009 after seeking Government authorisation.

GSI
INFOMAR

Seabed mapping of 4,600 sq. km. completed including the Southwest priority area.

Interactive Web Data Delivery System launched July 2007. > 30% of marine data available on system.

Geoscience initiative

Completed 8 maps, 4 reports, 3 new digital databases made available.

GSI Public Services

19 commissioned Projects managed in 2007; 11 now complete, 8 continuing and 5 new projects in development.

Griffith Geoscience Research

Awards Scheme launched in February 2007 and the conclusion of contracts providing total funding of €9.1m to 9 successful applicants. Recruitment of researchers commenced.

Tendering completed and 7 projects commenced. Annual progress reports compiled.

Avoca

Avoca Feasibility Study commenced in March 2007

OSI

100% of urban and suburban mapping were revised

More than 300 maps completed and the outsourcing of 1:5,000 map revisions was continued with 1,600 maps delivered.

The 1:10,000 update flow line reached its target, with additional

GSI
INFOMAR

Mapping completed for Bantry, Dunmanus, Galway, Sligo, Donegal and Tralee Bays. Launch delivered. Over 2,000sq.km mapping completed.

Over 60% of GSI marine datasets provided free over the web.

Geoscience initiative

Excess 28 maps, 7 reports made publically available and 33 new digital databases created or upgraded.

GSI Public Services

All externally-funded projects managed effectively and deliverables provided on time to GSI clients.

Griffith Geoscience Research

Awards €1.899m funding provided to 8 research projects. Annual Reports received from project leaders. Progress reported by project leaders at public seminar in GSI in October 2008. Matched funding not secured for the TV series project in 2008.

Avoca

Avoca Feasibility Study completed in December 2008 within budget

OSI

Benchmarks for Prime 2 Project achieved
Competitive dialogue completed with new data model prototypes evaluated for Oracle spatial and standards compliance.

All targets achieved.

Achieved with outputs ahead of plan.

GSI:
INFOMAR:

Complete mapping of 2 further priority bays.

Map an inshore area of at least 500sq.km.

New inshore launch commissioned.

9 research reports to be delivered

Geoscience Initiatives:

Publish 20 maps, 10 reports and 10 new digital databases across all GSI programmes.

Complete 3 County Groundwater Protection schemes.

GSI Public Services:

Historic Mine Sites Inventory and Irelioths projects completed along with seven further groundwater source protection schemes. Four new INTERREG projects in Geoheritage developed.

Griffith Geoscience Research

Awards:

Second annual reports and presentations from 8 funded research programmes.

Avoca

Bring a Memo before Government on findings of the Feasibility Study. Focus work on key health and safety issues at the site.

| | | |
|--|--|--|
| attribution from the NRA, etc. Achieved. | | |
| Publication of the 2 nd edition of The Complete Road Atlas of Ireland. Achieved | OSI fully conformed to mapping requirements of the Official Language Act 2003. Achieved with outputs ahead of plan | |
| Customised mapping for the State Examination Commission amendments to Dáil and European constituencies. | | |
| OSI fully conformed to mapping requirements of the Official Language Act 2003. | | |

Delivery Mechanism

A brief outline of how the Programme is delivered. Ensure the outline includes any Agencies involved in the process.

GSI Public Services programme, E3, is delivered through joint projects with local authorities, agencies (including EPA, SEI, MI) and charitable/voluntary status bodies, sometimes involving the hire and supervision of contract or consultancy staff. EU INTERREG and FP7 projects are carried out in conjunction with international organisations including European Geological Surveys and Universities.

The GSI Geoscience Initiative projects, E4, are delivered mostly through procurement of external specialist services with technical and project management by GSI senior managers, while the Griffith Research awards is an all Ireland Scheme that provides grants to specific third level institutions and other organisations for priority geoscience research and geology education services. They support the development of the knowledge economy and government initiatives in the expansion of science and engineering.

The INFOMAR programme, E5, is delivered through a DCENR funded joint venture between GSI and the Marine Institute with approximately equal staff resources and expenditure on both sides. Final products, principally a suite of integrated mapping products of the seabed and associated reports are delivered to customers via an online web delivery system. In addition the programme provides guidance and funding to research allied to the programme goals and acts as a knowledge centre for marine mapping for stakeholders including state agencies, other government departments, marine infrastructural projects and the EU.

Assessment of how this expenditure programme is meeting the policy objectives it is intended to. This assessment should take into account the resources being deployed to achieve the outcomes.

The programmes meet broad scale natural resources policy objectives including; Protection of environment (Groundwater and Mine Sites inventory); promotion of tourism, lifelong learning and education expenditure (Geotourism/Geoheritage projects: Lisbon/Gothenburg Agendas), inclusion of Irish data/case studies in EU programmes and policy (INTERREG, FP7).

The impact on the competitiveness of the economy of the increased research capacity and knowledge arising out of the Griffith Research Awards can only be completely assessed on conclusion of the programme. However it has already succeeded in leveraging and additional €3m in research funds. The INFOMAR programme is meeting its policy objectives by providing vital baseline and interpreted data which can be used across a range of initiatives supporting marine development, protection and spatial planning, including the planning of offshore renewable energy. As a result the project is acknowledged at EU and international level as best practice. The alternate approach, as undertaken by the UK is for different government funded bodies to carry out separate and sometimes overlapping survey work to different standards and far greater cumulative cost. In 2008 an independent Project Appraisal Report of INFOMAR, carried out by PwC, indicated a positive cost to benefit ratio of 4 to 6 times net present value.

Specific DCENR Energy policy objectives are supported by GSI involvement in national climate change actions by proactive contributions to Carbon-Capture and Storage (CCS) solutions and geothermal energy developments and INFOMAR inputs into offshore conventional and renewable energy development.

List the key drivers of the increase in expenditure / numbers since 2002, paying particular attention to 2007 to 2009 and, if appropriate, key demographic pressures arising in future years. How can these drivers be contained?

Drivers across all GSI programmes are increased legislation and planning requirements, implementation of EU Directives such as the Water Framework Directive, and demand by stakeholders such as Local Authorities for defensible geoscience information in support of planning. Similarly for INFOMAR, increased EU legislation and national proposals for development and planning in the marine sector have led to an increased demand for the outputs of the programme to be available earlier. Expenditure and staff numbers across the GSI programmes have both decreased over recent years, with staff numbers reducing by c.50% since 2003.

Outline the likely consequences if this Programme were discontinued entirely?

Non delivery of planning tools, maps and data, and increased risk of failure of compliance with national legislation and EU Directives, ultimately resulting in a range of negative potential outcomes including fines, ground water pollution, non recognition of hazards such as mine waste and landslide susceptibility and possibly loss of life. Consequent risk of damage to reputation of DCENR and GSI. Cessation of the INFOMAR programme would likely result in the Irish government being fined by EU under Environmental legislation (Marine SACs and inadequate designation/protection of Natura 2000 sites), and potentially under Safety of Life at Sea (SOLAS) convention. Loss of international reputation as world leader in this area. Direct staff lay offs of c. 15 contract staff (mostly at MI) and indirectly similar number. Withdrawal from InterReg, R&D (SFI and other) and FP7 projects resulting in damage to DCENR reputation and Irish R&D reputation and sector.

The Griffiths Research awards are contractually bound and is underway at this stage with the recruitment by the third level institutions of the researchers involved, therefore any proposed curtailment or discontinuance of the Programme would in all likelihood lead to legal actions by the participants which would be costly to defend and which would be unlikely to be

successfully defended unless it can be proved that the grantees failed to meet the terms of the contract.

Opportunities and obstacles for rationalising the staffing resources for this Programme (incl. any work practice, mobility issues)

Staff resources involved in the delivery of GSI programmes are minimal concentrating on the administration, technical guidance and management of the projects, in some cases delivered by external contractors. As GSI staff available to deliver these projects has reduced by c.50% since 2003, opportunities for rationalisation are considered to be limited.

List of Recommendations and Options for (1) scaling back or discontinuing this Programme and (2) securing savings / efficiencies on this Programme, including savings / surplus staff arising:

Recommendation A: Potential for increased revenue earning through increase in GSI Public Services with external funding (provided accounting and contracting mechanism can facilitate this).

Option B: In relation to the INFOMAR Programme, the planned commissioning of a dedicated inshore survey launch in 2009 should yield savings over the completion of the project by displacement of more expensive externally contracted services. This will be realised by either the earlier completion of the targeted mapping (currently scheduled to 2026) or its completion over the same time scale at a budget of less than the approved €4m p.a.

Option C: _____

(39)

Pat Smyth

From: Ann Kissane
Sent: 06 March 2009 11:19
To: Pat Smyth
Cc: Carmel Daly; Dave Hanley
Subject: FW: Template for An Bord Snip
Importance: High
Attachments: DCENR Template with final 2009 REV figures.doc

Pat

Staff numbers inserted in attached as requested. Please note Carmel's email below re information provided.

Regards

*Ann Kissane
Human Resources Division
Ext 2173*

From: Carmel Daly
Sent: 06 March 2009 11:06
To: Ann Kissane; Dave Hanley
Subject: FW: Template for An Bord Snip
Importance: High

Ann

I have put in the A1 staffing figures for the years in question. Please note that for this purpose I have averaged the figures for each year as opposed to giving the total figure at end of each year as I think that this more properly reflects the true picture.

Please let me know if this is OK.

Carmel Daly
IR/Pensions Unit
Human Resources Division
Phone: 01 6782187
E mail: carmel.daly@dcenr.gov.ie

From: Pat Smyth

Sent: 03 March 2009 11:43
To: Dave Hanley
Subject: Template for An Bord Snip
Importance: High

Dave,

Can you fill out the line for Civil Servants numbers (WTE) in Part 1 of the attached template for 2005 – 2009 inclusive and return to me ASAP. Thanks.

Regards,

Pat S.

Pat Smyth
Finance Unit
Corporate Finance & Planning Division
Department of Communications, Energy and Natural Resources
Elm House
Earlsvale Road
Cavan

Tel: 01 6782071

Fax: 01 6783058

E-mail: pat.smyth@dcenr.gov.ie

Summary Vote Group Evaluation Paper

– Communications, Energy & Natural Resources Vote Group

1. Main Areas of Spending

[Ideally, these should correspond with the Programmes listed in the Annual Output Statements.]

| Programme: | 2005 € million | 2006 € million | 2007 € million | 2008 outturn* € million | 2009 Estimate* € million |
|--|-------------------|-------------------|-------------------|-------------------------------|--------------------------------|
| A: Communications | 23.987 | 36.356 | 43.204 | 55.876 | 56.973 |
| B: Broadcasting | 223.181 | 245.667 | 257.341 | 267.078 | 278.186 |
| Broadcasting Licence Fees | 200.323 | 205.606 | 217.466 | 224.174 | 234.778 |
| C: Energy | 16.151 | 46.224 | 59.637 | 67.608 | 135.240 |
| D: Natural Resources | 11.246 | 12.765 | 15.804 | 16.894 | 18.765 |
| E: Inland Fisheries | 27.661 | 30.683 | 43.215 | 46.420 | 39.871 |
| F: Administration | 58.075 | 45.725 | 40.225 | 31.617 | 30.241 |
| Miscellaneous | 11.774 | 5.312 | 1.256 | 0.300 | 0.906 |
| TOTAL GROSS EXPENDITURE | 372.075 | 422.732 | 460.682 | 485.793 | 560.182 |
| <i>Included Total Gross Expenditure:-</i> | | | | | |
| Exchequer Pay | | | | | |
| Exchequer Pensions* | | | | | |
| Public service numbers included in Exchequer Pay (Whole Time Equivalents): | 2005 WTE | 2006 WTE | 2007 WTE | 2008 WTE | 2009 WTE |
| - Civil Servants | 630 | 498 | 438 | 308 | 307 |
| - Other Public Servants | | | | | |

* If paid from the Vote

2. Summary of Savings Options Proposed

| | 2009 | 2010 | 2011 | 2012 |
|---|------|------|------|------|
| Expenditure €m | | | | |
| - Current €m | | | | |
| - Capital €m | | | | |
| Staff surpluses, WTE | | | | |
| Specific Proposals (including Agency Rationalisations) | | | | |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| 6. | | | | |
| 7. | | | | |
| 8. | | | | |
| 9. | | | | |
| <i>Please add further rows if required</i> | | | | |

40

Pat Smyth

From: Brian Carroll .T- Corporate Finance
Sent: 06 March 2009 16:45
To: Eamonn Molloy
Cc: Pat Smyth
Subject: ABS
Attachments: Background Paper on the DCENR 1.doc; DCENR 2008 Outturn v 2009 Estimate.xls

Eamonn

Please see attached. This requires substantial further work. It is too long and needs restructuring. I am happy to take any guidance but believe we should follow best practice in terms of what ABS liked with other Dept.s. I hope to get more detail next week.

That said, much of the above will be useful in edited form.

Also we will need to include section on proposals when they are settled.

I would see structure as:

Introduction and Overview

Current Spend (including details of savings made to date)

Capital Spend (including details of savings made to date and additional allocation)

Structure of Department

Proposals (covering spending reductions and restructuring)

Brian

Background Paper on the Department of Communications, Energy and Natural Resources for the Special Group on Public Service Numbers and Expenditure Programme (An Bord Snip Nua)

The Department of Communications, Energy and Natural Resources comprises of four Divisions dealing with Communications and Broadcasting, Energy, Natural Resources and Corporate Services.

The Department's 2009 Gross Expenditure Budget is as follows:

| | €m | €m |
|-----------------------|-------------|---------|
| Current | | |
| Administrative Budget | | |
| Department Salaries | 18.643 | |
| Other AB Expenditures | 11.689 (1) | 30.332 |
| Other Current | | |
| Pay | 35.742 | |
| Non-pay | 300.492 (2) | 336.234 |
| Other Capital | | 178.317 |
| Gross Total | | 544.883 |

(1) €2.001m of capital included in AB figures.

(2) €234.778m is accounted for by TV Licence revenues, which is a direct pass-through the Department's Vote.

Appendix 1 provides details of Departmental and Agency expenditure under a number of headings.

DCENR is responsible for policy implementation in a number of areas of key strategic importance to Ireland's sustainable economic development. The full details of the Department's responsibilities and policy targets are set out in the Department's Statement of Strategy 2008-2010.

The Statement of Strategy takes account of the sectoral and policy environment in which the Department operates. It recognises that areas under the aegis of the Department are vital to future economic and environmental sustainability. It sets a demanding agenda over the next three years with particular emphasis on the development of communications and energy infrastructure networks and markets. The Strategy also places particular focus on the Department's critical role in contributing to the delivery of cross Government priorities particularly in the areas of climate change, environmental sustainability, research and innovation. The harnessing of our natural resources in a productive and environmentally friendly way is also a major challenge for the Department over the period.

The Department oversees the operation of a number of commercial and non-commercial State bodies operating in the Communications, Broadcasting, Energy and Natural Resources sectors. We aim to work with these bodies in a constructive way to further the policy of the Minister and Government and to protect the State's shareholder interest. The maintenance of best practice corporate governance standards, practices and procedures within these bodies is also a priority for the Department.

An important consideration informing implementation of the Statement of Strategy is value for money and delivery of the programmes provided by the Vote of the Department. This requires intensive monitoring and evaluation of expenditure and very close liaison with our implementing agencies.

The staff of the Department are central to the implementation of this Strategy. The continued development of work related skills to foster a high level of technical and financial expertise is critical in maintaining and improving business continuity and service delivery. Further decentralisation to Cavan was deferred in Budget 2009 pending a review in 2011 in the light of budgetary developments. Currently the