



**Shannon
Chamber**
Advancing business together



**Pre-Budget 2026
Submission**



Introduction

As the business representative organisation for the greater Shannon area, one of our core functions is to advocate on behalf of our 330+ member companies, and their 20,000 employees, who operate across sectors including aviation, manufacturing, technology, life sciences and professional services.

In doing so, we are delivering on a key objective in our Strategic Plan 2023 – 2026 namely, that: **'Shannon Chamber shall be the voice and lobbyist for business in Shannon'**, to be achieved through initiating and influencing change that positively adjusts the conditions for business and the environment in which our members operate.

A priority for us, as a Chamber, is to make submissions to Government on issues of regional and national importance, on our own volition and/or in partnership with Chambers Ireland and relevant organisations in our sphere of influence.

While we have contributed to Chambers Ireland's national Pre-Budget 2026 Submission, which focused on:

1. Competitiveness
2. Infrastructure and Housing
3. Energy and Sustainability
4. Workplace and Skills Development
5. Thriving Towns and Cities

Shannon Chamber's Pre-Budget 2026 Submission reflects issues impacting our member companies, building on but going beyond the national recommendations. We call on Government to adopt a regionally balanced, pro-enterprise, and climate-smart agenda.

Our submission identifies strategic policy levers focused on:

1. **Delivering critical** regional infrastructure, **including Shannon Town Centre regeneration**
2. **Accelerating** housing investment to **unlock enterprise growth and talent retention**
3. **Implementing** a national aviation strategy **that fully integrates Shannon Airport into Ireland's connectivity framework**
4. **Scaling** renewable energy infrastructure, **with a focus on offshore wind on the west coast**
5. **Enhancing** enterprise supports **to boost competitiveness and innovation**
6. **Expanding** skills development **to meet green and digital transition needs**

... to ensure that Shannon and the Mid-West region remain globally competitive and nationally resilient.

1. Delivering critical regional infrastructure, including Shannon Town Centre regeneration

As outlined in our submission to the Review of the National Development Plan, The **Urban Regeneration and Development Fund (URDF)** has delivered a range of tangible benefits across Ireland since its launch in 2018. As part of Project Ireland 2040, the Fund has supported the regeneration and sustainable development of Ireland's cities and large towns through funding projects that have enhanced the liveability of urban centres, such as pedestrianisation, plaza development, and streetscape upgrades. By improving urban environments, URDF projects have made towns and cities more attractive for investment, tourism, and enterprise growth.

With €1.9 billion of the €2 billion URDF fund already allocated, notwithstanding that Calls 1, 2 and 3 have not been fully spent or drawn down, Shannon Chamber was most disappointed to discover, in the latter part of 2024, that URDF funding, which was earmarked by Clare County Council as the funding source for the delivery of phase one of the Shannon Town Centre Masterplan – the OneShannonHub – was almost exhausted and that no provision for renewing it was made in Budget 2025.

As stated in the URDF tracker (Clare URDF)

URDF Call 1 funding of €250,000 was awarded to prepare a Masterplan for Shannon Town to enable planning for future projects, underpinned by an Economic Viability Appraisal of the Town Centre.

Among the proposals set out in the Masterplan is the creation of an Innovation Campus in the town centre, the creation of a new Main Street and an improved Town Square, and the development of a multi-purpose One Shannon Hub. The Masterplan also makes provision for a range of high-quality urban town centre living areas, enhancement of connections to the estuary and enhancement of the Town Park, as well as an implementation roadmap for the delivery of the plan.

A further €411,814 was allocated to this project to commence and advance with the preliminary concept design phase of the One Shannon Hub and Public Realm projects as strategic projects of the masterplan. The One Shannon Hub is the key transformational project to emerge from the Shannon Town Centre Masterplan.

The One Shannon Hub looks to create a social heart for the town of Shannon. This proposed multi-functional building combines civic offices, an adaptable event space, library, and flexible co-working spaces. The project also proposes improvements to the surrounding public realm to improve the vitality and attractiveness of the public space in Shannon.

Given the benefits and economic payback that URDF funding has provided to the economy, and the criticality of delivering a key transformational project for Shannon, provision for URDF continuation, or a similar type of fund, is critical for revitalising towns such as Shannon.



Our request to Government in compiling Budget 2026:

- Provide immediate capital funding, either via URDF or a comparable fund, to enable the delivery of the Shannon Town Centre Masterplan, with an initial focus on the delivery of Phase 1, OneShannonHub. The Shannon Free Zone and town generate more than €3 billion in exports annually. A modern town centre and improved liveability are essential to retaining top talent and foreign direct investment (FDI) in the area.



2. Accelerating housing investment to unlock enterprise growth and talent retention

Housing is no longer just a social issue - it is a competitiveness issue. Lack of affordable and available housing is now a barrier to enterprise growth, inward investment, and regional talent retention. We urge the Government to take bold, decisive actions that prioritise speed, scale, and strategic alignment with national priorities. Housing availability, affordability, and adequacy are central to economic growth, regional development, workforce attraction and retention, and community well-being.

In submitting a response to the **Consultation on the National Housing Plan 2025–2030** earlier this year, we drew on feedback from our members and regional stakeholders to outline actionable recommendations which we felt will directly support the Government's housing targets.

While many of these recommendations such as planning reform, permitting more rural housing, simplifying house extension regulations, embracing a more flexible approach to design, and investing in modular and prefabricated housing, may not be the subject of Budget 2026, we would include in this submission a recommendation to address the financial barriers for SMEs in housing delivery.



Our request to Government in compiling Budget 2026:

- **Facilitate access to low-cost funding:** Small and medium-sized developers face critical challenges accessing affordable finance. We recommend that the State intervene through:
 - Direct funding schemes
 - Guarantees for SME developers
 - Collaboration with banks to unlock finance at more competitive rates
 - Reform Public Procurement Regulations
- **Remove state-specific restrictions** on public procurement processes and adopt a nationally standardised, commercially competitive tendering framework.
 - Evaluate tenders based not solely on cost but on long-term value, quality, and performance. The lowest bid does not necessarily represent the most economically advantageous outcome over the lifecycle of a project.
- **Promote Modular and Factory-Built Housing Solutions**
Encourage the adoption of modular and prefabricated housing by implementing supportive policy measures, including:
 - The development of a standardised grading system for modular housing design and construction quality, analogous to the Building Energy Rating (BER) scale. For example:
 - Grade A1: Premium specification - highest quality materials, advanced construction techniques, superior insulation, and energy efficiency.
 - Grade B1: Mid-range specification - balanced quality and affordability.
 - Grade C1: Entry-level specification - compliant with minimum standards.
- Introduce tiered grant assistance corresponding to each specification level, ensuring that financial support aligns with construction quality and sustainability outcomes.



A check on www.daft.ie will highlight the scarcity of housing availability in Shannon (27 properties listed for sale and 4 properties for rent). With a population of 10,256 (Census 2022) and an additional 10,000 people commuting to Shannon daily to work, coupled with the fact that there is a residential zoning issue in Shannon, pending the delivery of the Shannon Town and Environs Flood Relief Scheme, this Pre-Budget Submission focuses on the macro issues impacting the delivery of housing, pending a solution to the specific issues impacting Shannon.



3. Implementing a national aviation strategy that fully integrates Shannon Airport into Ireland's connectivity framework

a. Inclusion of Shannon in the Regional Airports Programme (RAP)

As also stated in our submission to the Review of the National Development Plan, **airports must be integrated into national connectivity strategies**, and we emphasise, once again, the need for the **inclusion of regional airports**, including Shannon Airport, in the **Regional Airports Programme (RAP)**, entitling them to capital investment and operational supports, to grow connectivity and to deliver on the objectives of Ireland 2040.

Shannon Airport has proved itself as a powerful economic engine, not just for Shannon but for the entire western seaboard. It plays a valuable role in job creation and economic growth. The Programme for Government committed to develop a new Regional Airports Programme (RAP) for 2026–2030 and to strengthen the National Aviation Policy to maximise use of airports in the regions.

While State support through the RAP extends to private airports, current government policy excludes Shannon Airport from exchequer funding. EU state aid guidelines permit any airport with under 3 million passengers to receive operational and capital funding. This, therefore, makes Shannon eligible for the RAP. A change in Government Policy is therefore warranted and conforms with EU state aid guidelines. The question we ask is: Why is this not happening?

The programme is a key mechanism for ensuring that airports can deliver on Government's Climate Action Plan. It will allow the Government to address climate change in aviation in a state-aid compliant manner.

Under European Commission regulations, airports with fewer than three million passengers are eligible for capital expenditure support, underlining the need for targeted investment to optimise airport infrastructure and service provision.

State-owned airports, including Shannon Airport, should therefore be included in the Regional Airports Programme by **raising the threshold to 3 million passengers** ensuring equitable support for all of Ireland's regional airports.

Including Shannon Airport in the Regional Airports Programme would enable it to enhance its infrastructure, advance its sustainability initiatives, and develop new route connections.

Our request to Government in compiling Budget 2026:

- Include Shannon, and other State airports, in the Regional Airports Programme. This will enable investment in connectivity that supports the broader goals of Ireland 2040 and the Climate Action Plan.

b. Review National Aviation Policy

We have continually called on Government to honour its pledge for balanced regional development through undertaking a review of the National Aviation Policy as we believe that Shannon and the region can deliver a lot more, to a lot more companies and overseas visitors, if there is a strategic shift in how we distribute air traffic across all state airports.

To achieve the vision and ambitions of Project Ireland 2040 and the National Planning Framework (NPF) of ensuring an equitable distribution of economic growth in Ireland, there is a need to put in place a policy environment which promotes regional air traffic distribution by the development of policies that encourage a more even distribution of air traffic into the regions.

A diversified Airport network would ensure that the country can effectively withstand unexpected events such as natural disasters, cyberattacks, or other disruptions to the transport system. By strengthening the role of the regional airports, such as Shannon Airport, Government can safeguard national connectivity and economic stability while ensuring flexibility in the transport infrastructure.

Project Ireland 2040 identifies airports as “crucial for our international competitiveness”, yet 84% of air traffic flows through Dublin, leaving other airports to share just 16%. The social and economic benefits that could be derived from facilitating access to and from the region are being eroded by current government policy. The imbalance threatens regional airports viability undermining the goal of balanced regional development and creates a single point of failure at Dublin for the aviation market in Ireland.



Our request to Government in compiling Budget 2026:

- Conduct a **review of National Aviation Policy** that supports regional airport competitiveness and maximises the use of the airports in the regions. Over reliance on Dublin, which accounts for 84% of all air traffic, poses national connectivity and security risks.

c. Public Transport Access to Shannon

We are first-hand witnesses to Shannon Airport's positive impact on regional development but also to how its growth is constrained by inadequate public transport links. Improving public transport access to Shannon is explicitly identified as a priority in the National Planning Framework (NPF), the Regional Spatial and Economic Strategy (RSES), and the Limerick Shannon Metropolitan Transport Strategy. Each of these frameworks calls for meaningful investment in transport infrastructure to support modal shift, reduce emissions, and promote regional resilience.

Direct bus services to Shannon Airport have improved in the past year but issues such as the number of stops on the 343-bus route connecting Limerick and Shannon renders it unsuitable for airport passengers on tight schedules. The X51 Galway-Shannon express service has been reinstated as a seasonal service only operating on a limited schedule.

The needs of all airport customers must be considered when planning public transport. That's why we partake in discussion on the feasibility of a rail link to Shannon Airport, which now needs to be prioritised. Shannon Chamber is an active contributor to discussions re the enhancement of the Shannon Airport N19 Road Access Scheme, which is now considering the inclusion of a rail link to Shannon Airport.

As the Shannon Airport Rail Link has been designated a short-term objective in the All-Island Strategic Rail Review - with a target delivery by 2030, pending funding and proper evaluation - its inclusion in the National Development Plan (NDP) budget is essential to ensure it advances through planning, design, and construction stages. It would be inconceivable to develop a new road system without simultaneously providing for the infrastructure needed to support a future **rail connection to the airport**.

Investing in public transport infrastructure that connects Shannon Airport to the broader region is essential for economic growth. Developing a dedicated rail link to Shannon Airport is vital to enhancing access for commuters, businesses, and Shannon's workforce. Improving this transportation corridor will boost regional productivity, lower commuting costs, and strengthen the competitive advantage of Shannon and its neighboring areas.

The inclusion of the Shannon Airport Rail Link in Package 1 - Short Term and Decarbonisation - of the All-Island Strategic Rail Review marks an important move towards fulfilling several core goals set out in Project Ireland 2040. This initiative aligns closely with national policy priorities such as promoting economic growth, advancing environmental sustainability, and ensuring balanced regional development. By enabling more efficient transport, decreasing dependence on carbon-heavy travel, and encouraging investment, the rail link promises substantial long-term economic benefits.

A fast and dependable rail link between Limerick and Shannon Airport is more than just an infrastructure upgrade - it is a driver of economic transformation. This connection has the potential to open new business opportunities, enhance transport efficiency, and promote sustainability, all while supporting broader economic development throughout the region.

Our request to Government in compiling Budget 2026:

- Invest in Public Transport Access to Shannon Airport. Prioritise the development of reliable transport infrastructure, including setting a timeline for the development and delivery of a direct rail connection to the Airport.

d. Increase Funding for Tourism Ireland

As an island nation, Ireland's economic resilience depends on strong air connectivity. This is especially vital for regional airports, which underpin tourism, support foreign direct investment (FDI), and connect communities to global markets. Tourism directly sustains over 300,000 jobs - 70% located outside Dublin - and FDI success in the regions relies heavily on direct international access for multinational employers.

Current Challenge

Despite *Project Ireland 2040* recognising airports as "crucial for our international competitiveness," Ireland's air traffic remains heavily centralised. Just 16% of passenger volume is shared among the State's five regional airports. This concentration:

- Constrains tourism and investment growth outside Dublin.
- Underutilises existing airport capacity.
- Increases vulnerability to shocks affecting a single hub.

Opportunity

Tourism Ireland identifies convenient, direct, non-stop flights as essential for inbound growth. Yet, in 2023, only €3 million of its €76.1 million marketing budget was allocated to the Regional Co-operative Market Access Scheme for overseas promotion of regional routes. Strategic investment could:

- Unlock significant inbound tourism potential.
- Maximise infrastructure utilisation.
- Support balanced, sustainable economic growth across all regions.

Evidence of Demand

Tourism data shows strong and growing interest in regional travel:

- 60%+ of US visitors travel beyond Dublin.
- 47% of French, 42% of Italians, and 36% of Germans skip Dublin entirely.
- ~70% of British visitors only visit other regions.

Shannon Chamber recommends that:

- **Increased targeted marketing investment** in overseas promotion of regional routes is essential.
- **New direct international service into regional airports should be incentivised.**
- **Regional connectivity targets** should be embedded in national aviation and tourism strategies.

Ireland has untapped capacity in its regional airports and clear market demand for access beyond Dublin. A targeted policy shift to strengthen regional air connectivity would deliver measurable returns in tourism, investment, and balanced regional development - while reducing systemic vulnerabilities in the national aviation network.

Our request to Government in compiling Budget 2026:

- Allocate additional Budget 2026 funding to Tourism Ireland - ring-fenced for regional air access. This would strengthen Ireland's tourism appeal, attract greater FDI to the regions, make full use of existing airport capacity, and deliver stronger returns for taxpayers.
- We commend the introduction of the Regional Cooperative Access Scheme, but we recommend that Government provides in the region of €5million in Budget 2026 to support and augment regional air access. This funding will enhance destination marketing, unlock new routes, promote off-season travel and support capacity grants for airlines. This is essential to driving regional economic growth and resilience.





4. Scaling renewable energy infrastructure, with a focus on offshore wind on the west coast

It is well recognised that Ireland is 5+ years behind in developing a floating offshore wind sector. Shannon Chamber, both in submissions to Government and its many undertakings to promote sustainability amongst its members, has stated that floating offshore wind is vital, not only for meeting our energy targets but for providing a reliable, clean, and abundant source of power. The benefits go well beyond the environmental gains through bringing substantial economic opportunities to local coastal communities, creating jobs, boosting local industry, and revitalising ports and infrastructure.

Our request to Government is to look beyond the 2030, 2040 or 2050 targets, and focus instead on the benefits that will accrue in one hundred years' time. Partnership between Government and industry is essential. With competition in many countries, particularly Korea and Japan, Ireland needs to get investor interest back for the sector to be successfully deployed.

The west coast of Ireland, which experiences some of the strongest and most consistent wind speeds in Europe, due to its exposure to the Atlantic Ocean, presents the ideal environment for harnessing energy.

Our request to Government in compiling Budget 2026:

- Allocate funding and resources to develop the Floating Offshore Wind Sector, capitalising on the high wind speeds along Ireland's west coast.
- Ensure that public and private enterprises, research institutions and skilled workers across the Atlantic Economic Corridor are embedded in the offshore wind value chain by accelerating investment in enabling marine area plans and infrastructure.

From an enterprise perspective:

- Ensure that the grid is upgraded to support renewable energy connections and future-proof business growth.
- With regard to 'Green Grants', expand SEAI supports and energy efficiency grants.
 - Encourage green investment incentives, such as tax relief for retrofitting, renewable energy adoption and sustainable transport.
 - Support regional climate adaptation funding to enable companies to transition to low-carbon operations.
 - Enhance tax breaks or grants to companies that are achieving their carbon neutrality.

5. Enhancing enterprise supports to boost competitiveness and innovation

The economic pressures that Irish SMEs face in sustaining their businesses are manifold:

- **Energy prices** – are impacting companies' margins.
- **Wage pressures** – are increasing operating costs.
- **Raw materials and inputs** - supply chain volatility and currency fluctuations are negatively affecting import costs.
- **Increasing interest rates** are making it more difficult for SMEs to finance expansion, manage cashflow or refinance existing debt.
- New **environmental, social, and governance (ESG) reporting requirements** are placing additional burden on enterprise at a time when they are striving to be carbon neutral.
- **Post-Brexit customs procedures** for UK trade have created administrative delays and costs, even for firms not directly exporting to Britain (due to UK-based supply chains).
- **Skills gaps** in trades, IT, and hospitality are pushing up wages and making it hard for SMEs to scale.
- Immigration and **housing shortages** exacerbate the issue by limiting the available workforce.

Measures that could be included in Budget 2026 to offer some alleviation to business include:

- Make monthly VAT refunds standard for SMEs under a threshold (e.g., €5M turnover), with an opt-out option. This would improve liquidity and reduce administrative friction.
- Allow SMEs to carry back 2026 trading losses for up to two years.
- Increase the R&D tax credit rate for SMEs. This would encourage reinvestment in innovation.
- Entrepreneurial Relief: Amend relief to allow for partial sales and shareholder to remain involved with the company. This will increase likelihood of company growing to scale as current law requires zero shareholder involvement post sale with consequent loss of much business knowledge.

6. Expanding skills development to meet digital transition needs

As a promoter of a Skillnet business network, Shannon Chamber is acutely aware of the importance of talent development, not just for the Shannon region but for the national economy. Ireland's strong record in attracting multinational companies is intrinsically linked to the availability of a skilled, adaptable workforce. A well-developed talent base boosts research, innovation, and digital transformation, which are key for Ireland to compete in high-value industries rather than lower-cost, labour-intensive sectors. Skilled talent also enables our SME sector to scale.

As new technologies come to the fore, ongoing upskilling and reskilling in areas such as digitalisation, AI and green technologies is critical to enable our workforce to pivot to new and emerging sectors. Ireland faces shortages in areas like ICT, engineering, green technologies, and healthcare. Ongoing upskilling and reskilling ensure that the workforce can pivot as industries evolve, particularly with the green and digital transitions. Ireland's commitments to climate targets, digital transformation, and inclusive growth under EU frameworks require a workforce capable of delivering on these priorities.

The 22% increase in funding allocated to Skillnet Ireland in Budget 2025 had an impact on our members who continue to avail of our wide range of training programmes. With 98 programmes, involving 2,904 training days, delivered to 582 employees in 96 companies in 2024, we expect this see an increase in the 2025 results at year end. The programmes provided via Shannon Chamber Skillnet offer a wide variety of learning and development opportunities in areas such as management and leadership development, lean, project management, digital skills, communication, as well as industry-specific professional development.

Investment in skills development drives innovation and supports business growth through upskilling and strategic talent development. The unlocking of the National Training Fund (NTF) in Budget 2025 was also welcome and we look forward to the continued application of its resources to enable companies to address the competitive issues they face.

We agree with the sentiment raised by the National Skills Council in its 'Skills Matter – Priorities to Shape our Future Capabilities' publication. We particularly support the reference to 'changing fiscal rules and national policy to address the specific purpose of the NTF and to enable its unlocking to support Ireland's skills infrastructure, programmes and initiatives and ensure we are well positioned to respond in an agile and resilient manner to change'.

Ireland's highly skilled workforce has long been a key source of competitive advantage. In periods of geopolitical uncertainty, investing in skills development is essential to safeguarding our global position. This is evident across our network of over 330 member companies. With current tariff challenges, businesses - especially SMEs - may need to adapt by upskilling their workforce in anticipation of future needs. We have seen the positive impact of leveraging Skillnet Ireland funding to develop new capabilities, empowering employees to go beyond their existing skill sets. A clear example of this was when tailored training programmes were delivered to several Shannon-based companies ahead of their closure, enabling employees to transition successfully into alternative sectors with their newly acquired skills.

Focusing in on artificial intelligence (AI), we believe that Ireland has the potential to become a European leader in AI, but achieving this will require deliberate strategy, investment, and regulation.

Ireland hosts the European headquarters of major tech companies - Google, Meta, Microsoft, and Amazon. This provides an established base of talent, infrastructure, and international investment, and we have excellent universities producing STEM graduates.

To become a leader in AI, Government focus should be on:

- Investing in education and research through expanding AI-focused programmes, funding research to institutes focused on AI ethics and data science, and encouraging interdisciplinary AI studies.
- Attracting and retaining AI researchers and engineers and reskilling our existing workforce for AI roles.
- Supporting AI start-ups.
- Identifying sectors where Ireland has a competitive advantage and encouraging AI applications tailored to these industries.

Our request to Government in compiling Budget 2026:

- Introduce a national training voucher scheme for employers and employees to enable companies to source training, accredited and non-accredited to match their specific development needs. This is even more pertinent now for SMEs dealing with a new tariff regime.
- Expand National Training Fund (NTF) support for enterprise and involve companies more in determining skills direction, particularly to scale digital and green upskilling initiatives.
- Provide new or enhanced funding for emerging programmes (e.g., AI, sustainability). AI training, reskilling and supports for implementation are critically important. AI will present a new set of challenges for Ireland in the coming years. We need to become European experts in this field.



Conclusion

In presenting this Pre-Budget 2026 Submission, Shannon Chamber seeks to ensure that Government policy and funding decisions support the long-term growth of the Shannon region, and the national economy. As the voice of local business, the Chamber is advocating for:

- Investment in infrastructure, including the Shannon Town Centre Masterplan and Shannon Airport.
- Policies that address barriers to growth, such as the housing shortage.
- Support for regional opportunities like offshore wind energy.
- Funding, via our national training organisations, to support the development and enhancement of our workforces' skills, particularly in new and emerging technologies.

Our goal, as a business representative organisation, is to advocate for measures that strengthen the business environment, safeguard competitiveness, and secure appropriate sustainable economic development at regional and national levels.

Submitted by:

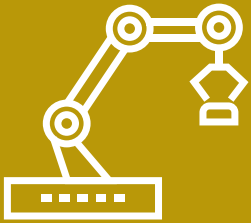
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