

Tourism Ireland Submission

Policy Supports for Regional Airports, Preparation of new Regional Airports Programme 2020 - 2024

Tourism Ireland is responsible for marketing the island of Ireland as a holiday destination overseas. Tourism Ireland's role is to grow overseas tourism revenue and visitor numbers to the island of Ireland and to help Northern Ireland to realise its tourism potential.

The company was established under the framework of the Belfast Agreement of Good Friday 1988 and is jointly funded by the Irish Government and the Northern Ireland Executive. It operates under the auspices of the North/South Ministerial Council through the Department of Enterprise, Trade and Investment in Northern Ireland and the Department of Transport, Tourism and Sport in the South.

As well as devising and implementing world-class marketing programmes, in conjunction with industry partners, the company is a source of information on overseas market trends and consumer needs.

The Programme for Government recognised the substantial contribution tourism can make to our economy and it also recognised the importance of airports and airlines working together with Tourism Ireland to increase tourism revenue and numbers.

As an island, direct, convenient and competitive access services are critical to achieving tourism growth in terms of both visitor numbers and revenue and there is a proven direct correlation between access to the island of Ireland and growth in visitor numbers. Any services that encourage the regional dispersion of visitors are welcomed and supported. Tourism Ireland has seen the delivery of clear economic benefit to the regions of Ireland from the introduction of direct overseas air services – for example by the establishment of flights from Cologne to Ireland West Airport and from Berlin to Kerry Airport. The Regional Co-operative Market Access Scheme – funded by the Department of Transport, Tourism and Sport and operated by Tourism Ireland – has proved to be a valuable instrument in creating additional consumer demand for regional services from overseas markets and thereby contributing to the development of sustainable new routes.

Tourism Ireland welcomes the opportunity to input into the Public Consultation for Preparation of new Regional Airports Programme 2020 - 2024. In particular Tourism Ireland submits the following comment with respect to Question 5 of The Public Consultation Questionnaire: *What are your views on the PSO Scheme, the air service routes currently being supported and the need for a continuation of the Scheme beyond 2022?*

Tourism Ireland believes that the existing PSO services from Dublin to Kerry and Dublin to Donegal are valuable in supporting the distribution and of inbound tourists to these areas and recommends the

on-going support of these schemes beyond 2022. The development of tourism to the Wild Atlantic Way and particularly into the northwest of Ireland is a shared priority of both Tourism Ireland and Fáilte Ireland, the National Tourism Development Authority. Access to Donegal Airport also offers visitors ease of access to Northern Ireland which is a strategic growth priority for Tourism Ireland as a North-South body.

In particular we would highlight the importance of these routes for the North American market, and in particular our United States guests. The US continues to be one of our strongest performing markets, delivering visitors who stay longer and spend more than average. In 2018 we welcomed 2m US visitors who delivered €1.85bn in revenue from the US. Currently, excluding Dublin, the only direct regional access point for US visitors is Shannon Airport. In the absence of a service from Dublin to Donegal, US visitors are faced with a 4hr 30m road journey to Donegal from Shannon or just over 4 hours from Dublin. We believe the absence of the PSO to Donegal would result in fewer US visitors reaching Donegal and enjoying the north-west region. Given that US visitors stay longer and spend more, this will have a direct and negative economic impact on the area.

Similarly, Tourism Ireland is very active in promoting access to the Wild Atlantic Way coastal route via Kerry. Abolition of the Kerry PSO would also serve to reduce the potential for visitors to have easy air access to this part of the country. This could cause a reduction in the number of US and other visitors visiting the south-west area and will curtail the vital economic impact that these visitors have on the area.

Furthermore, we would also welcome any other PSO opportunities that offer international thru-connectivity to allow passengers to seamlessly arrive at any of our regional airports. Tourism Ireland would like to highlight the value to regional airports and their surrounding areas of having potential PSO routes operated by airlines that can offer single thru-tickets for overseas destinations. The simpler the process for visitors to access the regions, the more likely they are to include regional destinations in their itineraries. Finally, we would ask that this functionality (i.e. thru-connectivity and ticketing) be considered as one of the criteria in evaluating PSO tenders.

Tourism Ireland's strategic intent is to support greater tourism dispersion into the regions while working to extend the tourism impact into the shoulder seasons in order to generate greater economic impact for regional communities. We believe that the loss of the Kerry and Donegal PSO's would significantly undermine this strategic intent.

In summary, we would like to emphasise our appreciation of any efforts by government to support and expand ease of regional access, particularly retention and potentially expansion of the PSOs and look forward to working with all interested parties in ensuring regional Ireland achieves its tourism potential.

30 September 2019