

# Joint Research Programme between the ESRI and the Shared Island Unit of the Department of the Taoiseach

## The Economic and Social Opportunities from Increased Cooperation on the Shared Island

### Annual Report for 2021

*For Submission to ESRI Director and Secretary General Department of the  
Taoiseach and Steering Committee Members*

*December 2021*



**Roinn an Taoisigh**  
Department of the Taoiseach



## Background and Context

In December 2020, a two-year joint research programme between the Department of the Taoiseach and the Economic and Social Research Institute was agreed on the economic and social opportunities from increased co-operation on a shared island.<sup>1</sup> The purpose of the research programme is to produce research outputs which will add to understanding of current and potential linkages across the island of Ireland in a range of economic, social and environmental domains. This annual report provides an overview of activities under the programme for the first year of its operation.

## Composition of the Steering Committee

The programme of research is governed by a Steering Committee comprising an independent chair, two senior staff members from both the ESRI and the Department of the Taoiseach. The Steering Committee provides high-level oversight and determines the work plan for the programme. Table 1 below show members of the Steering Group during the 12 months to end-December 2021.

**TABLE 1:** Members of the Steering Group, December 2021

Member	
Anne Barrington	Chair
Aingeal O'Donoghue	Department of the Taoiseach, Shared Island Unit
Eoghan Duffy	Department of the Taoiseach, Shared Island Unit
Adele Bergin	Programme Co-Ordinator, ESRI
Fran McGinnity	ESRI

Agendas, material presented and circulated as well as minutes are available from the Secretary to the Steering Committee. Other researchers and colleagues from the ESRI and the Department attended various steering committee meetings including Aoife Budd (Department of the Taoiseach), Bróna Olwill (Department of the Taoiseach), Lisa-Dee Collery (Department of the Taoiseach), Seamus McGuinness (ESRI), Emer Smyth (ESRI), Anne Devlin (ESRI), Sheelah Connolly (ESRI), Martina Lawless (ESRI), Iulia Siedschlag (ESRI), Weijie (Owen) Yan (ESRI), Jeanne Sutton (ESRI) and Julianne Flynn (ESRI). The Steering Committee met on six occasions in 2021. For 2021, four research projects were agreed in the areas of cross-border trade in services, FDI, health and education. In addition, to support the understanding of and engagement with the joint research programme, scoping papers for each research project were undertaken.

## Research Outputs

### Published Outputs

Three main research outputs were published under the programme in 2021 – (a) scoping papers on the four topics (May 2021), (b) the report on cross-border trade in services (December 2021), and (c) the report on FDI (December 2021), and the reports on health and education are due to be published in early 2022. The published reports are listed in the table below together with short

<sup>1</sup> See <https://www.esri.ie/current-research/the-economic-and-social-opportunities-from-increased-cooperation-on-the-shared> and <https://www.gov.ie/en/publication/645ff-shared-island-research/> for more details. The Director of the ESRI, Prof Alan Barrett, introduces the research programme here: <https://youtu.be/vTGTW4rKNYA>

abstracts to provide some background and context on the work. All research outputs are publicly available on the ESRI website. The programme webpage<sup>2</sup> provides additional details on the programme, researchers involved, dissemination events held, press releases and research reports.

**TABLE 2:** Research Outputs

Scoping Papers	
 <p>ESRI SURVEY AND STATISTICAL REPORT SERIES NUMBER 106 MAY 2021</p> <p><b>SCOPING PAPERS FOR RESEARCH ON THE ECONOMIC AND SOCIAL OPPORTUNITIES FROM INCREASED COOPERATION ON THE SHARED ISLAND'</b></p> <p>ADELE BERGIN, AOIFE BRICK, SHEELAH CONNOLLY, MARTINA LAWLESS, SEAMUS MCGUINNESS, CIARÁN O'NEILL, IULIA SIEDSCHLAG, EMER SMYTH AND MAEV-ANN WREN</p> <p>EVIDENCE FOR POLICY</p> <p>ESRI ECONOMIC &amp; SOCIAL RESEARCH INSTITUTE</p>	<p><b>Title:</b> Scoping Papers for Research on 'The Economic and Social Opportunities from Increased Cooperation on the Shared Island'</p>
	<p><b>Authors:</b> Adele Bergin, Aoife Brick, Sheelah Connolly, Martina Lawless, Seamus McGuinness, Ciarán O'Neill (Queen's University Belfast), Iulia Siedschlag, Emer Smyth and Maev-Ann Wren</p>
	<p><b>Summary:</b> This report brings together scoping papers for each research project conducted under the programme this year. The scoping papers set out the focus for the research work; key questions, issues and knowledge gaps; the policy context, North and South, and the research design and methods. They are intended to support understanding of and engagement with the joint research programme as it proceeds.</p>
<p><b>Dissemination:</b> the dissemination of the work was supported by a press release<sup>3</sup> and social media campaign including short videos on each project. The research was reported on in the Irish Times, BBC News NI and the Irish News.</p>	

<sup>2</sup> <https://www.esri.ie/current-research/the-economic-and-social-opportunities-from-increased-cooperation-on-the-shared>

<sup>3</sup> Available at: <https://www.esri.ie/news/shared-island-unit-esri-joint-research-programme-publishes-first-papers-examining-economic-and>

## Cross Border Trade in Services

RESEARCH  
SERIES  
NUMBER 129  
December 2021

### CROSS-BORDER TRADE IN SERVICES

MARTINA LAWLESS



ESRI ECONOMIC & SOCIAL  
RESEARCH INSTITUTE

**Title:** Cross Border Trade in Services

**Authors:** Martina Lawless

**Summary:** This report examines the extent of cross-border trade in services on the island of Ireland and the characteristics of the firms participating in this trade. Although services make up a substantial and growing portion of economic activities in both Ireland and Northern Ireland, data limitations have resulted in less focus being placed on services flows when compared to goods trade. Given the strong links established between exporting and economic growth, an understanding of the structure and composition of trade is necessary to provide evidence for a supportive policy environment for firms and to enhance further all-island economic links. A key contribution of the report is a stocktake of the various data sources available on cross-border services trade. This draws attention to some of the differences in data collected in Ireland and Northern Ireland and where there are data gaps that could be addressed in the future. Given the differences in data sources, some caveats are made throughout the report on direct comparisons and a recommendation is made for the benefits of collection of more systematically comparable data on an all-island basis.

## Enhancing the attractiveness of the island of Ireland to high-value Foreign Direct Investment

RESEARCH  
SERIES  
NUMBER 133  
December 2021

### ENHANCING THE ATTRACTIVENESS OF THE ISLAND OF IRELAND TO HIGH-VALUE FOREIGN DIRECT INVESTMENT

IULIA SIEDSCHLAG, WEIJIE YAN AND NIGEL DRIFFIELD



ESRI ECONOMIC & SOCIAL  
RESEARCH INSTITUTE

**Title:** Enhancing the attractiveness of the island of Ireland to high-value Foreign Direct Investment

**Authors:** Iulia Siedschlag, Weijie Yan and Nigel Driffield

**Summary:** This research report provides novel evidence on factors and policies underlying the attractiveness of Ireland and Northern Ireland to FDI in high-value knowledge intensive sectors. Furthermore, this research explores opportunities for policy coordination on the island of Ireland that could enhance the attractiveness of both jurisdictions on the island to high-value FDI. The following knowledge-intensive sectors are included in the analysis: aerospace, biotechnology, pharmaceuticals, medical devices, semiconductors, business machines and equipment, electronic components, consumer electronics, communications, software and IT services, financial services, business services, and space and defence. The research focuses on new greenfield FDI projects – new operations established by foreign companies at new sites on the island of Ireland and the rest of the EU and UK over the period 2003–2020.

The two research reports were jointly launched by the Tánaiste and Minister for Enterprise, Trade and Employment, Leo Varadkar TD, at a virtual event in December 2021. In addition to a presentation of

the key finding to the research report, the event also included invited discussants<sup>4</sup> for each report and a Q&A session.<sup>5</sup> The event was well attended and there was coverage of the reports in the Irish Times, Irish Independent, RTE, BBC Northern Ireland, ITV and the Belfast Telegraph, and Dr Martina Lawless was interviewed on BBC Radio Ulster and BBC Radio Foyle.

### Forthcoming Research

Two other studies were completed during 2021 and are planned for publication in early 2022. Below are some more details on these research studies.

*An analysis of the primary care systems of Ireland and Northern Ireland, by Sheelah Connolly (ESRI), Aoife Brick (ESRI) and Ciarán O'Neill (Queen's University Belfast)*

While there are significant differences between the healthcare systems of Ireland and Northern Ireland, recent reform proposals in both jurisdictions have highlighted the need to improve population health and to deliver more care in the community. Differences between the systems provide an opportunity to examine how different approaches and policies impact on a range of outcomes. The aim of the research in this report is to analyse the primary care systems of Ireland and Northern Ireland; in doing so the research will seek to inform the reform proposals for both systems. The analysis will focus on primary care due to key differences between the primary care systems of Ireland and Northern Ireland, including the higher prevalence of user charges in Ireland's healthcare system.

Key findings from this report were presented to the Steering Committee in September, the report was submitted to the Steering Committee in November and is currently being peer-reviewed.

*A North-South comparison of education and training systems: Lessons for policy by Emer Smyth, Adele Bergin, Seamus McGuinness and Anne Devlin*

This report<sup>6</sup>: (1) compares the patterns of educational participation and attainment in the two jurisdictions and examines whether patterns of educational inequality (by gender and social background) differ (2) compares the levels of skills among the population from primary education to adult life (3) examines what aspects of the education/training system factors shape any differences found in skills and qualifications and (4) assesses what lessons can be learned for the future. This study uses a mixed methods approach and combines quantitative analysis with in-depth qualitative interviews with key policy stakeholders in Ireland and Northern Ireland to understand the way in which the specific nature of these systems shapes the level of qualifications and skills and inequalities in these educational outcomes. In addition, a consultation event was held (online) in November where findings were presented, and the researchers sought feedback from stakeholders. This is an important step in the research process that ensures that findings are correctly interpreted and that the range of views across education stakeholders in Ireland and Northern Ireland are accurately portrayed.

Key findings from this report were presented to the Steering Committee in October and the report will be submitted to the Steering Committee and sent for peer-review in December.

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<sup>4</sup> Dr Eoin Magennis (Senior Economist, Ulster University Economic Policy Centre) and Richard Johnston (Deputy Director, Ulster University Economic Policy Centre).

<sup>5</sup> A recording of the event together with the programme and presentations is available here: <https://www.esri.ie/events/shared-island-cross-border-trade-in-services-and-enhancing-the-attractiveness-of-the-island>

<sup>6</sup> Professor Tony Gallagher (Queen's University Belfast) is acting as an advisor to this research.

### Future projects under the programme

A number of potential projects spanning a range of areas including: housing, energy/environment, disability, early childhood, social attitudes and generational change, migrant integration, productivity, enterprise development, production and trade linkages, and, digital technology and skills, together with brief research proposals, has been compiled and will be discussed at the Steering Committee in December.