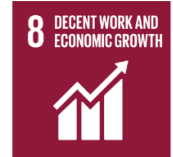




**Chambers
Ireland**
Advancing business together



Consultation on Accelerating Infrastructure

Submission by Chambers Ireland

July 2025

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About Chambers Ireland

Chambers Ireland is an all-island business organisation with a unique geographical reach. Our members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

Questions

1.What are your views on how core economic infrastructure is delivered in Ireland?

Delivering our core infrastructure must be treated as a matter of utmost urgency. Failing to do so means that Ireland risks limiting its potential across all areas including advancing our competitiveness, housing, delivering on our climate targets, and enabling regional development.

Our infrastructure is not keeping pace with the growing demands of a steadily increasing economy and population. Despite strong economic output and a high GDP per capita, Ireland continues to rank poorly in terms of infrastructure availability. According to the European Commission's Country Report for Ireland (2024)¹, bottlenecks in infrastructure - particularly in housing, transport, water and wastewater treatment, and energy - are lagging to such an extent that, if improvements do not happen now, then the current issues arising from the infrastructural deficits will escalate into crises.

The deficits in infrastructure directly constrain the availability of housing, which has a significant negative impact on the broader economy. From the business perspective, insufficient supply in the private housing sector is pushing up wage demands and making it more difficult for employees to secure housing, which is particularly discouraging foreign direct investment (FDI) and preventing indigenous businesses from growing. Additionally, consumer spending which is vital for sustaining the domestic economy is being squeezed as households are forced to allocate an excessive portion of their income to housing costs.

Part of the solution involves planning reform, which will be critical to progressing strategic projects of national importance such as the Water Supply Project for the Eastern and Midlands Region², the Cork Suburban Rail Project, Metrolink, DART+ and the Greater Dublin Drainage Project. All are essential to support our long-term population growth but have been held back

¹ https://economy-finance.ec.europa.eu/publications/2024-european-semester-country-reports_en

² <https://chambers.ie/wp-content/uploads/2025/03/Submission-by-Chambers-Ireland-Consultation-on-the-Water-Supply-Project-Eastern-and-Midlands-Region-March-2025.pdf>

from progressing due to planning bottlenecks. Delivering these keystone projects will be pivotal to mitigating the over-reliance on already stretched urban centres.

In addition, it is critical the Government builds on its initiatives to ensure alignment and to ensure that the relevant planning departments, agencies and state bodies are coordinated. Greater transparency and strategic coordination among all relevant stakeholders in the delivering public infrastructure will be critical to make up the shortcomings of recent years.

2. What are the barriers to the delivery of transport, electricity, and water networks in Ireland?

The State will continue to struggle to meet the increasing demands that are placed on it unless there is significant reform. In terms of planning this includes improving the capacity of planners and resourcing the courts, both of which in their current form are not equipped to ensure efficient infrastructure delivery.

One of the primary challenges is the excessive bureaucracy and red tape within the planning system³. Infrastructure delivery is often delayed by complex regulatory processes and fragmented decision-making structures. These inefficiencies are compounded by under-resourced planning departments and judicial systems, which slow down the approval process for critical projects.

A shortage of utility connections even on zoned and serviced land continues to frustrate housing and infrastructure development⁴. Agencies such as Uisce Éireann and EirGrid are experiencing capacity constraints which limits their ability to meet increasing demand⁵. Funding is key to

³ <https://chambers.ie/wp-content/uploads/2025/06/Review-of-the-National-Development-Plan-Submission-by-Chambers-Ireland-June-2025.pdf> pg.4

⁴ <https://chambers.ie/wp-content/uploads/2025/05/Chambers-Ireland-Submission-regarding-the-National-Housing-Plan-2025-2030-May-2025.pdf> pg.7

⁵ <https://chambers.ie/wp-content/uploads/2025/05/Chambers-Ireland-Submission-regarding-the-National-Housing-Plan-2025-2030-May-2025.pdf> pg.8

ensuring progress in this area; the lack of investment in grid and water infrastructure has not matched demand and this is a core concern for all our members, especially given the projected population growth by 2040.

Particularly in the context of housing, outdated and inconsistent regulations around the reuse of brownfield sites and urban densification create additional obstacles to integrated development. Brownfield redevelopment continues to be a challenge with the higher cost involved. To address this, there should be increased upfront grant aid and financing help for developments in urban areas which already have access to public services to ensure that high density projects can be viable⁶. In many cases, land-use planning and transport infrastructure are managed separately, leading to projects that do not fit well together and miss opportunities to deliver long-term value.

3. How do these barriers affect the delivery of these core economic infrastructure networks?

The lack of coordination between stakeholders means that housing developments often end up disconnected or delayed, making it difficult to expand services or plan ahead. Such delays in infrastructure connections - specifically water and electricity - constitute a direct constraint on the ability of the State to meet its housing targets. For example, in 2023, just over 32,000 homes were completed, falling short of demand projections ranging from 40,000 to 50,000 annually⁷.

A significant issue lies in the low level of involvement in public works by the construction sector⁸. Last year, 67% of companies reported no/low involvement and this figure is estimated to increase by only 1% for 2025. This low involvement may be attributed to a scarcity of accessible or suitable projects. Furthermore, actions should be considered to strengthen the pipeline of

⁶ https://chambers.ie/wp-content/uploads/2024/07/Chambers-Ireland_2025-Pre-Budget-Submission_Final.pdf pg.26

⁷ <https://www.thejournal.ie/government-miss-housing-targets-6602916-Jan2025/#:~:text=The%20figure%20is%206.7%25%20less%20than%202023%20and,or%2C%20at%20least%2C%20the%20%E2%80%9Chigh%20thirties%E2%80%9D%20last%20year.>

⁸ https://cif.ie/wp-content/uploads/2025/02/CIF-Construction-Outlook-Survey-Q42024_Q12025-1.pdf pg: 14

apprentices and skilled workers entering the industry each year, to ensure that appropriately-skilled workers are available for future projects.

4. How have these barriers affected you or your organisation/ sector?

These barriers limit the State's ability to deliver on the objectives of the National Development Plan (NDP) and the National Planning Framework (NPF), which has a profound impact on our Network.

One of the most immediate impacts is the stalling of regional growth. The NPF aims to distribute population and economic development more evenly across the country, but without its implementation the reliance on large urban areas would likely intensify beyond their infrastructural capabilities. This leaves smaller towns and cities where many of our Chambers operate struggling to attract investment, talent, and infrastructure which undermines balanced regional development.

Infrastructure deficits constrain business operations and without targeted investments they continue to limit expansion and innovation. An example is grid constraints impacting security of supply, while housing shortages drive up living costs and reduce labour mobility which makes it harder for businesses to attract talent.

The competitiveness of businesses is also constrained. Without adequate infrastructure, operational costs rise, productivity stagnates, and this holds back our attractiveness to foreign direct investment. Businesses will continue to face increasing challenges in accessing skilled workers, especially in regions where housing, transport and childcare remain inadequate.

The vitality of communities across the country is also being negatively impacted. Many of our members report increased vacancy and dereliction in our towns, while public services like education, healthcare, and childcare remain overstretched. This not only affects quality of life but weakens social cohesion as regional disparities grow and communities feel left behind.

Finally, the lack of housing delivery and affordability driven by delays in utility connections and transport infrastructure has created significant recruitment and retention challenges for

employers. The ESRI has projected that Ireland needs between 44,000 and 50,000 new homes annually to meet demand, yet just over 32,000 were completed in 2023. This shortage of affordable housing increases wage pressures and reduces labour mobility, especially in urban centres.

5. What are your top three high-level solutions to address these barriers?

While the Planning and Development Act 2024 is now in place and is a positive development, further reform is essential. Strengthening planning departments through increased staffing and resources will reduce bureaucratic delays within a system that frequently stalls projects, while streamlining and updating regulations to eliminate red tape can significantly expedite approvals. Setting up local authority one-stop shops would give developers and communities a single point of contact and make the overall process more straightforward and consistent⁹.

Second, investment must be prioritised in terms of upgrading the electricity grid and delivering multiannual investment in water infrastructure to meet rising demand. There must be an emphasis on delivering on the aims of the NPF and the NDP and investing in sustainable transport networks and keynote infrastructure delivery to alleviate congestion and support regional development¹⁰.

Thirdly, as mentioned elsewhere in our submission, improved coordination among all stakeholders including planning authorities, state agencies, and semi-state bodies will be essential to improve delivery.

⁹ <https://chambers.ie/wp-content/uploads/2025/05/Chambers-Ireland-Submission-regarding-the-National-Housing-Plan-2025-2030-May-2025.pdf> pg.11

¹⁰ https://chambers.ie/wp-content/uploads/2024/07/Chambers-Ireland_2025-Pre-Budget-Submission_Final.pdf pg.23

6. Have you any additional feedback that could support the delivery of critical infrastructure in Ireland?

The introduction of tax-incentivised investment schemes would unlock significant household savings and channel private capital into much-needed infrastructure projects. Such schemes would complement public funding and enable a broader and more sustainable financial base for investments.

In addition, improving the transparency of infrastructure funding through clearer reporting and better alignment with sustainable finance standards can make investment opportunities more accessible and understandable to both the public and potential investors.

In urban planning, applying Transport Oriented Development (TOD) principles can promote sustainable, integrated communities where housing, jobs, and services are connected by efficient transport links. This approach reduces the reliance on private vehicles and supports environmental goals while easing pressure on transport infrastructure.

Enabling the Land Development Agency (LDA) to lead a National Land Management Strategy would facilitate coordinated land use and ensure that infrastructure and housing development are aligned effectively.

From a housing perspective, enabling local authorities to develop tailored regional housing solutions is essential given that regional needs can vary significantly. Expanding Modern Methods of Construction (MMC) and continuing to invest in relevant skills training will help alleviate construction capacity constraints. Furthermore, incentivising brownfield redevelopment and above-shop living will optimise urban space, while extending the Living City Initiative to 2035 along with expanding financial supports for brownfield and derelict sites will encourage urban regeneration¹¹.

¹¹ <https://chambers.ie/wp-content/uploads/2025/03/Submission-to-the-Department-of-Housing-Local-Government-and-Heritage-Statement-of-Strategy-2025-2027-March-2025.pdf> pg.12