

**University College Cork (UCC)
Cork Institute of Technology (CIT)
(including National Maritime College of Ireland (NMCI))
Irish Naval Service (NS)**

Maritime and Energy Research Campus and Commercial Cluster (MERC3)_{rev 8}

Background

Ireland currently faces economic difficulties of a depth and scale unknown since the 1930s. Our response then was to take radical measures (e.g. the development of State companies and the creation of an industrial sector behind tariff barriers) and our challenges now demand a similar degree of innovation.

The quality and educational attainments of engineers and scientists trained at University College Cork (UCC) and Cork Institute of Technology (CIT), as well as other Irish universities and institutes of technology, were key factors in the attraction of electronics firms such as Apple, EMC and Intel to Ireland from the 1980s onwards. UCC and its associated Tyndall National Institute carry out world class research and have a strong track record of support to leading national and international electronics firms. This continues to be a critical factor in attracting foreign direct investment and in the development of indigenous enterprises through the provision of a stream of highly professional researchers and production engineers, and of access to complex test facilities PF to insert latest version of HMRC piece

The Naval Service (NS) is a partner with CIT in the National Maritime College of Ireland (NMCI) and works with UCC in support of maritime research. It is well regarded by its peers and partners for its professionalism and innovation and is at the forefront in areas such as maritime security, and early new technology adoption and efficiency. The environment facing the NS is rapidly becoming more complex and challenging and a key response by the Service is to be more closely embedded in the knowledge economy, thus to become in itself a “knowledge institution”.

Facing into the 21st century, Ireland has a significant economic opportunity in the fields of Maritime and Energy. The maritime sector holds out opportunity in technology (e.g. robotics, simulation), recreation, ICT, security, spatial planning etc., while energy is becoming increasingly significant, particularly in renewable energy derived from sources such as wave power and tidal currents (Marine Renewables or Ocean Energy).

Vision

The MERC3 initiative aims to develop a new “Tyndall-type” venture in Maritime and Energy for the 21st century that will attract job creating investment from home and abroad based on the highest educational standards, research skills and facilities, and access to industry. MERC3 brings UCC, CIT and NS together, for the first time in a tripartite relationship, with the mission of providing an integrated, high value, critical mass for the development of the Maritime and Energy sectors. For the NS, MERC3 will facilitate the transition of the Service to a knowledge institution.

The three key partners will work with associates such as Enterprise Ireland, IDA, Marine Institute, Sustainable Energy Ireland, Bord Gáis, Marine Renewables Industry Association and others. The project has been catalysed by the substantial funding pledged by the government to upgrade the technical facilities of UCC’s HMRC which will form part of MERC3 – the HMRC is a key infrastructural support in the Government’s Ocean Energy Strategy. The IDA and Bord Gáis have also promised to make significant support available to MERC3

The MERC3 vision is, as follows:

To promote Ireland as a world class maritime and energy research and development location, through the provision of a national Maritime and Energy Cluster, and thereby to achieve a competitive, high quality and sustainable maritime and energy sector.

The three partner institutions have agreed to develop a cluster of specialist academics, researchers, innovators, teachers and interested business people and enterprises aimed at creating an internationally renowned Centre of Excellence in the fields of Maritime and Energy. The cluster will be centred on the developing campus at Ringaskiddy, Co Cork. In due course, Commercial interests will be encouraged to develop appropriate facilities.

The achievement of the vision for MERC3 will result in a critical mass of expertise and infrastructure which will give Ireland a place at the forefront of two key industries of the future: Maritime and Energy.

The following Memorandum of Agreement will provide the framework for the achievement of the MERC3 vision.

**Memorandum of Agreement
between
University College Cork (UCC)
Cork Institute of Technology (CIT)
[including National Maritime College of Ireland (NMCI)]
Irish Naval Service (NS)
(hereinafter individually a “Party” and collectively the “Parties”)**

1. Statement of Agreement

The President of UCC, the President of CIT (including the Head of College of NMCI) and the Flag Officer Commanding the Naval Service (including the Associate Head of College of NMCI) for the purpose of furthering collaboration in research and innovation, development, training and education, hereby affirm their agreement to promote such cooperation as will be of mutual benefit for their respective institutions and to the national economy through the development of the Maritime and Energy Research Campus and Commercial Cluster (MERC3) centred on a campus adjacent to the NMCI site at Ringaskiddy, Co. Cork.

Cooperation is expected to include but not to be limited to the following:

- Research, development and innovation
- Education to Masters and PhD level, including structured PhD programmes
- Vocational training e.g. for NS ratings
- Training courses e.g. for industry
- Provision of consultancy services and industrial support
- Incubation of new enterprises.

It is envisaged that as MERC3 develops and builds its international reputation, the campus at Ringaskiddy will become a flagship for Ireland and that the Ringaskiddy area will become a location of choice for both local and international enterprises engaged in the Maritime and Energy fields

The Parties to this Memorandum of Agreement (the “Agreement”) will continue to be responsible for the provision of independent services for their own traditional target areas. However, the Parties will also actively seek out and promote opportunities for joint efforts with each other and with industry under the headings above, including especially interdisciplinary projects that cut across academic discipline boundaries e.g. programmes of study that encompass aspects of both Maritime and Energy

MERC3 will be a community of interests with common goals and objectives. There will be no reporting lines between the member parties (i.e. existing management structures will prevail) but there will be an agreed approach to the business of MERC3 which will be led by the Director.

2. Expectations of the Parties

The Parties to this Agreement have different but complementary expectations

UCC and CIT anticipate that MERC3 will lead to a significant enhancement of current activity in terms of resources, skill levels, and research opportunities for centres and research groups within the two institutions, such as the UCC Hydraulics and Maritime

Research Centre (HMRC), the UCC Coastal and Marine Resources Centre (CMRC), the UCC Sustainable Energy Research Group (SERG) and the CIT NMCI which will all be directly involved in the venture from the outset. MERC3 will also act as catalyst to the educational, research and industry outreach of both institutions in Maritime and Energy and will consolidate a relatively fragmented research effort, thereby increasing the international profile of the two institutions in these areas of expertise. It is expected that there will be particular benefits for applied research and scope to influence policy and strategy, at national and EU levels, in particular. For example, MERC3 will add value in the area of training services for the Ocean Energy sector through environmental training provided by CMRC, and technical and engineering training in Ocean Energy provided by HMRC, while NMCI's simulation facilities will be used for operational, maintenance and offshore survival training.

The NS regards its participation in MERC3 as a public service and as a means of adding further value to its work on behalf of the taxpayer. Moreover, MERC3 will help to ensure that the NS staff at NMCI will be to the forefront of the Maritime field with positive benefits for NS educational and training standards. It is anticipated that MERC3 will help with the transformation of the NS into a knowledge institution which in turn will enable it to deliver an enhanced service to the public. In addition, naval personnel who have developed their skill levels through MERC3 will be equipped to add more effectively to the national economy in their post-naval careers.

3. Ethos of MERC3

The partners in MERC3 are committed to norms and principles which, while furthering the aims of MERC3 itself, will also serve the national interest. These will define the culture in which MERC3 will exist and will reflect the values of the partners. At the centre of this culture is a commitment to learning, research, and innovation, which supports Government policy while striving to make a meaningful contribution to society in all dimensions, economic, cultural and social. MERC3 partners will strive to enhance the "public good" dimension of the relationship and they agree to be bound by the values of mutual trust and respect, and cooperative partnership in pursuit of common goals.

The three partners in MERC3 will enjoy parity of esteem in the relationship.

4. Legal Status of MERC3

MERC3 will exist solely as a consequence of this Agreement and will not be established as a separate legal entity. Sub-units on the MERC3 campus will be governed by their own internal arrangements. An Implementation and Service Level Agreement pursuant to this Agreement will be developed separately and will be deemed to be an integral part of it. The Implementation and Service Level Agreement will be submitted by the MERC3 Executive Board to the Governing Authority for final agreement in due course (see below for details of governance arrangements).

The Implementation and Service Level Agreement will specify arrangements for *inter alia*:

- Access to shared infrastructure
- Core funding
- Joint research bids e.g. via devolved authority
- Intellectual property
- Business plan and risk analysis
- Insurance and indemnities

5. Governance of MERC3

The Governance of the MERC3 will be structured as follows

i. Governing Authority

The Governing Authority will be the forum at which the senior representatives of the Parties to this Agreement will meet to

- Agree and, from time to time review, the Implementation and Service Level Agreement
- Consider overall strategy for MERC3, as recommended by the Executive Board
- Consider progress reports and plans from MERC3
- Optimise the relationship and, if necessary, resolve disputes.

The Governing Authority will normally meet annually (more frequent meetings can be called if deemed necessary). The members of the Governing Authority will be, *ex officio*, the Presidents of UCC and CIT and the Flag Officer Commanding the Naval Service or their nominees as well as the Chair of the Executive Board (see below), together with two further external members, one national and one international, who will be nominated by agreement among the three *ex officio* members. The Chairperson of the Advisory Board and the Chairperson of the Executive Committee will be nominated by the Presidents of UCC and CIT and the Flag Officer Commanding the Naval Services by agreement. The Director will attend by invitation when deemed necessary.

ii. Executive Board

The Executive **Board** is the forum in which the senior executives of MERC3 will meet together with nominated representatives of relevant external interests to

- Formulate a multi-annual strategy for consideration by the Governing Authority
- Agree the annual Business Plan
- Set progress indicators to monitor the activities of MERC3
- Ensure that coordinated and optimised use is made of all the facilities and resources available to MERC3, in particular, that MERC3 acts as a national resource and that MERC3 infrastructure is shared as far as possible among the Parties to this Agreement
- Agree plans for promoting MERC3 at home and abroad
- Agree major research plans and bids
- Devise an ambitious plan for industrial outreach and the translation of research into Commercial activity and its implementation
- Consider other matters which may be mutually agreed from time to time.

The Executive Board will comprise representatives of UCC, CIT and NS-plus a named alternate member for each institution- together with nominees of Enterprise Ireland, IDA Ireland, SEI, Marine Renewable Industries Association, Bord Gais, Port of Cork, VLL as well as the Chairman of 'Seachange'* and the MERC3 Director. The Executive Board will seek out and nominate up to five further members who would be representative of both the Maritime and Energy industries- ideally, at least one of these will be from overseas,. The Chair will be appointed by the Governing Authority. The final decision on the composition of the Executive Board will be taken by the Governing Authority. The Board will normally meet on a quarterly basis. It will have the power to establish working parties from time to time to deal with specific issues.

The initial members of the Executive Board will serve for an initial term of two years ie to the end of Q1 2012

*also represents the Marine Institute

6. Director

A Director will be appointed by the Executive Board to support MERC3 and lead it on a day-to-day basis. Important areas of responsibility of the Director will include organising the submission of bids for competitive research funds and outreach to industry and the public. The employer, position, description and funding mechanism for this key post will be determined by the Executive Board and will form part of the Implementation and Service Level Agreement to be agreed between the Parties and submitted to the Governing Authority for approval.

7. Optimising the Relationship and Dispute Resolution

At all times every effort will be made by all Parties to optimise the relationship. The Executive Board will be responsible for the establishment of open and transparent reporting mechanisms to stakeholders. In the event of a dispute the Parties to this Agreement will ensure that

- the individuals and/or units involved make every effort to resolve disputes at the point of dispute by reference to *Ethos of MERC3* as outlined in Section 3. above
- if it does not prove possible to resolve a dispute at the local level, it is referred to the Executive Board
- a dispute which cannot be resolved by the foregoing two steps is referred by the Chairman of the Executive Board to the Governing Authority who will seek to make a final determination in the matter.

8. Duration of Agreement

This Agreement shall become effective from the date of signing by the Parties to this Agreement and shall apply for the period to the 31st December 2014 whereupon it will be subject to review by the Parties.

The Parties hereby agree that the terms of this Agreement are non binding on the Parties and it is not intended that this Agreement will create binding or legal obligations on the Parties.

An Implementation and Service Level Agreement pursuant to this Agreement will be developed separately by the Executive Board and will be submitted for approval to the Governing Authority. It will be deemed to be an integral part of this Agreement.

No revisions, modifications or amendments shall be made to this Agreement, and it shall not be renewed or cancelled, without the express consent in writing of the duly authorised representatives of the Parties.

Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute any Party the agent of another Party, nor authorise any Party to make or enter into any commitments for or on behalf of any other Party.