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Infrastructure Projects in the EU Peace and INTERREG Programmes

1 Introduction

This Briefing Note has been prepared to supplement the Research and Information Services Briefing Paper [The EU PEACE and INTERREG Programmes in Northern Ireland](#)¹. Where information is available, EU-funded projects are analysed according to whether funds were allocated for infrastructure or for activities where there are direct beneficiaries.

¹ This Briefing Paper was presented to the Committee for the Office of the First Minister and Deputy First Minister 19 October 2011 and the current Briefing Note has been prepared in response to requests for further information at that meeting.

2 Peace I²

The Peace Programme is very complex (Peace I comprised in excess of 15,000 projects) and identifying and separating infrastructure projects and capital expenditure from other expenditure can be difficult. For example, capital expenditure may relate to activities across a Measure or part of a Measure, to activities of different projects within a Measure or there may be capital expenditure within projects, for example for the purchase of equipment. In terms of analysing what proportion of the Programme was spent on infrastructure, therefore, what follows can only be an approximation.

The strategic aim of Peace I was³:

To reinforce progress towards a peaceful and stable society and to promote reconciliation by increasing economic development and employment, promoting urban and rural regeneration, developing cross-border co-operation and extending social inclusion.

To this end, the strategic objectives were⁴:

- *To promote the social inclusion of those at the margins of economic and social life.*
- *To exploit the opportunities and address the needs arising from the peace process in order to boost economic growth and stimulate social and economic regeneration.*

With this in mind, balancing expenditure between the development of people and the development of infrastructure to promote a 'peaceful and stable society' is difficult to assess with accuracy, particularly where notions such as economic development or regeneration are acknowledged as important in the transition from conflict⁵, but difficult to link to direct tangible outcomes, such as projects that foster cross-community relationships or provide support to people affected by the conflict.

A review of Peace II in 2003⁶ contained extensive conclusions with reference to Peace I, but the ratio of infrastructure projects compared with other activities was not raised as a comment or criticism.

Figure 1 shows expenditure in the Peace I Programme by Measure in million Euro spent and Figure 2 indicates expenditure by percentage of the Programme. 'Technical assistance' in the figures relate to the cost of administering Peace I and 'flagships' were projects created late in the programme to capture best practice.

² The information for this section is drawn from the Ex-Post Evaluation of Peace I: PricewaterhouseCoopers (2003), *Ex-post Evaluation of Peace I and Mid-term Evaluation of Peace II: Final Report*, Belfast: SEUPB.

³ PwC, 2003, p.8.

⁴ Ibid.

⁵ For example, see Graciana del Castillo (2008), *Rebuilding War-torn States: The Challenge of Post-Conflict Economic Reconstruction*, Oxford: Oxford University Press.

⁶ Brian Harvey (2003), *Review of the Peace II Programme*, York: Joseph Rowntree Trust, Chapter 1.

Figure 1: Peace I Expenditure by Sub-Programme (€m)

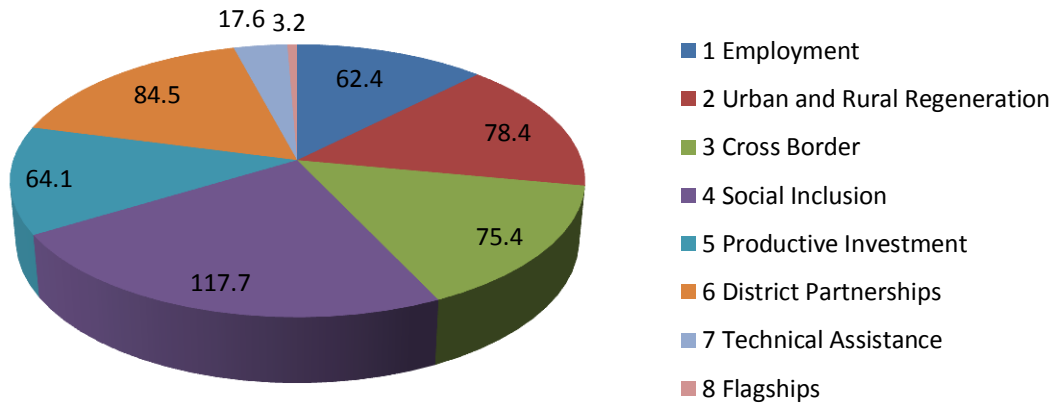
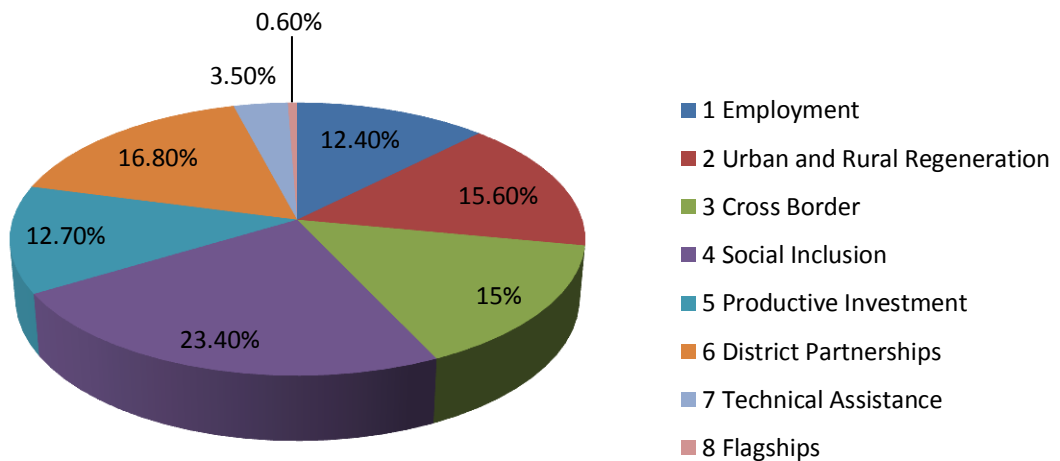


Figure 2: Peace I Expenditure by Sub-Programme (%)



Capital expenditure within Sub-Programmes is difficult to tease out of the data. For example, in Sub-Programme 1 (Employment) €10.5m was spent on ‘accompanying infrastructure and equipment support’ (Measure 1.4), in Sub-Programme 3 (Cross-Border) €19.8m was spent on ‘infrastructure’ (Measure 3.2) and in Sub-Programme 4

(Social Inclusion) €26.7m was spent on ‘accompanying infrastructure and equipment support’ (Measure 4.6)⁷.

Based on returns for the Optimum Monitoring Questionnaire (OMQ) used during Peace I, Figure 3 reproduces a summary of funding use from the ex-post evaluation⁸.

Figure 3: Peace I Activities from the Optimum Monitoring Questionnaire Data

Approvals on OMQ¹	9,125
Feasibility studies/seeding grant	413
Funding used to provide capital costs	4,514
- Purchase of equipment (number of projects)	1,784
- Number of roads improved	48
- Square metres of sites improved	240,941
- Square metres of new buildings	157,611
- Square metres of buildings upgraded	136,765
Tourism projects	558
- Number of facilities created	1,579
- Number of facilities upgraded	571
Training projects	819
- Total number of participants recorded	42,540
- Total qualifications recorded	31,220
- Of which (%)	
• Level 1	63.1
• Level 2	30.8
• Level 3+	6.1
Child care projects	
- New accredited day care places provided	48,787
- New pre-school education places provided	7,205
Guidance/counselling projects	
- Guidance/counselling sessions created (hours)	261,662
Participants (excluding one-off events/festivals)	
- Projects saying they had identifiable participants	5,105
- Total reported participants	836,162
- Total number from the project's primary target group	556,696
One-off events/festivals	578
- Number of participants (in projects saying had identifiable participants)	203,616

1. Including composite returns from DARD and DETI.

Source: OMQ Database.

⁷ PwC, 2003, Table B1.

⁸ PwC, 2003, Table 2.6 p.43.

The available data indicates that 48 roads were improved, 157,611 square metres of new buildings constructed and other sites improved or buildings upgraded. In contrast, there were over a quarter of a million guidance or counselling hours and 31,220 training qualifications gained. Costs are not attached to these activities in the report.

3 Peace II

An ex-post evaluation is not available for Peace II. The information for this section is drawn from the 2006 Annual Implementation Report⁹, which is the final year for Peace II (2000-2006).

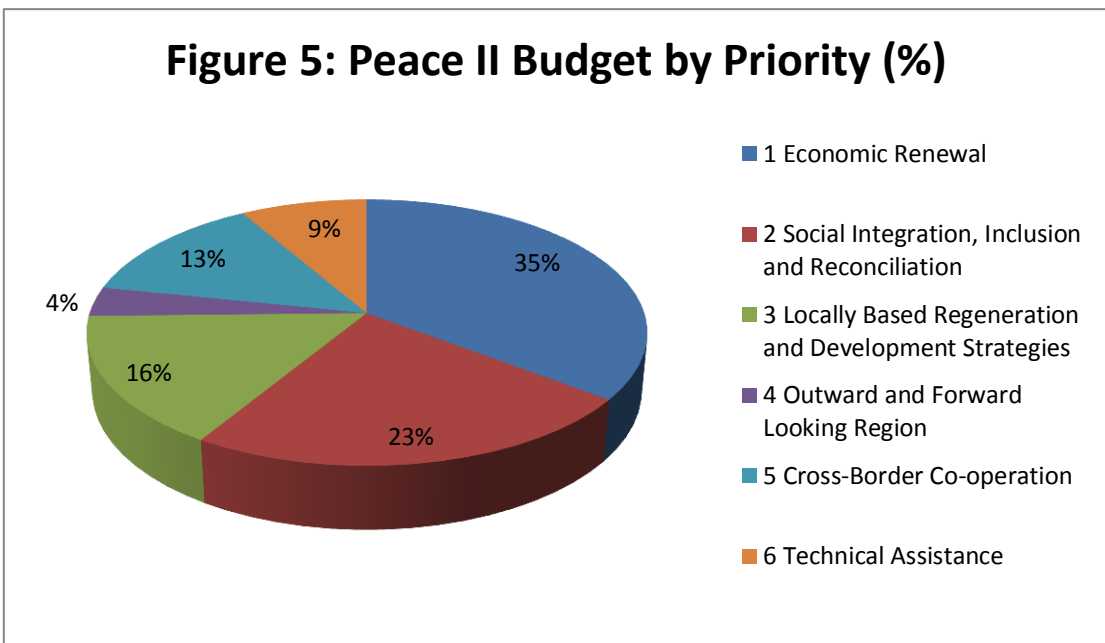
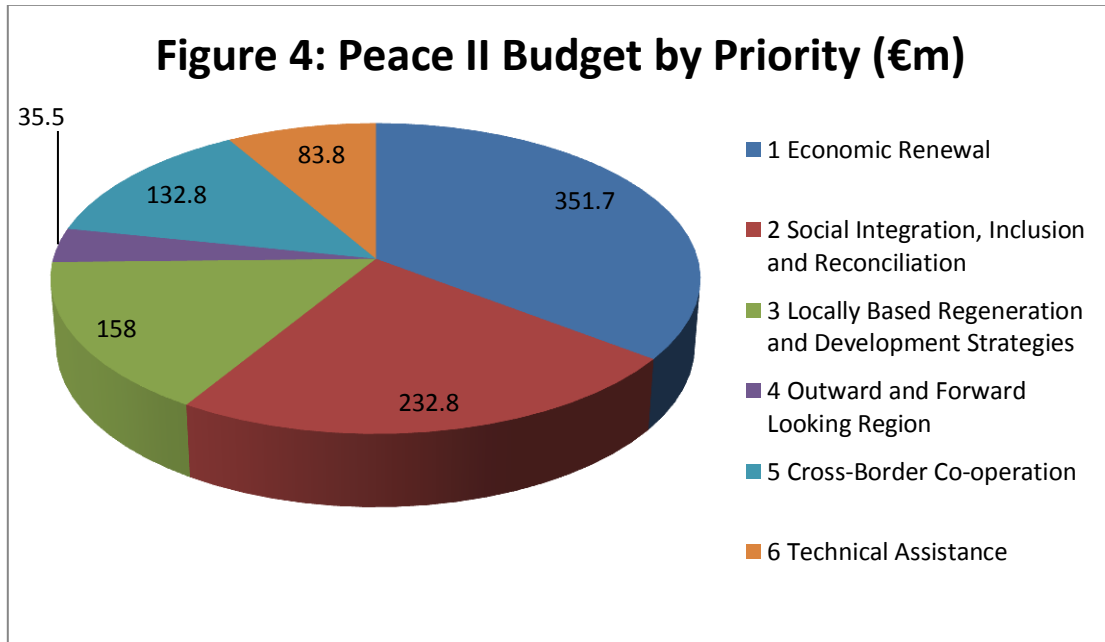


Figure 4 shows the allocated budget for the Peace II Programme to 2006 by Priority and Figure 5 shows these figures as a percentage of the Programme¹⁰. As with Peace I, Peace II was highly complex, with capital expenditure available within Priorities and Measures and within individual projects, making an assessment of such expenditure

⁹ Special EU Programmes Body (2006), *Annual Implementation Report 2006: EU Programme for Peace and Reconciliation in Northern Ireland and the Border Region of Ireland 2000-2006*, Belfast: SEUPB.

¹⁰ Derived from SEUPB, 2006, pp.26, 36, 47, 56, 60, 66.

difficult. For example, Priority 1 includes Measures for Financial Engineering (Measure 1.1c) and Water-Based Tourism (Measure 1.2a), as well as Positive Action for Women (Measure 1.5) and Training for Farmers (Measure 1.6). Detailed tables from the Annual Implementation Report are reproduced at Appendix 1.

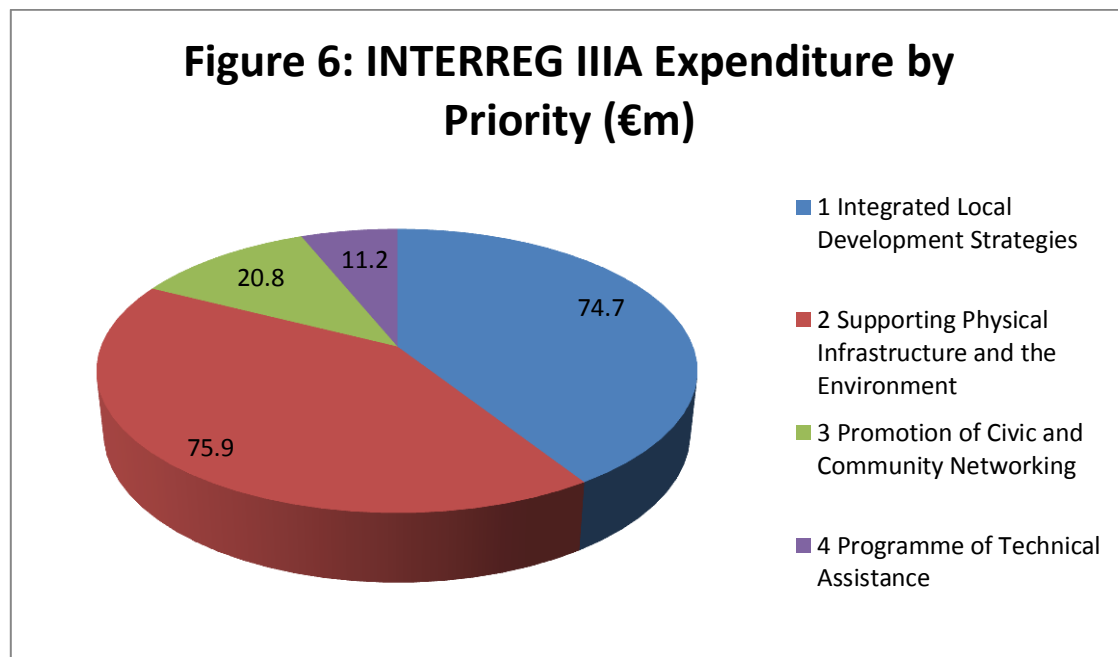
4 INTERREG IIIA¹¹

In contrast to the Peace Programme, INTERREG has more of a focus on infrastructure, both physical and in terms of networks and community cohesion. The overall objective of the INTERREG IIIA Ireland – Northern Ireland programme was to¹²:

address the economic and social disadvantage which can result from the existence of a border, by promoting the creation of cross-border networks involving and benefiting local communities

Figure 4 shows the expenditure of the programme according to the four priorities and Figure 5 indicates this expenditure by percentage¹³.

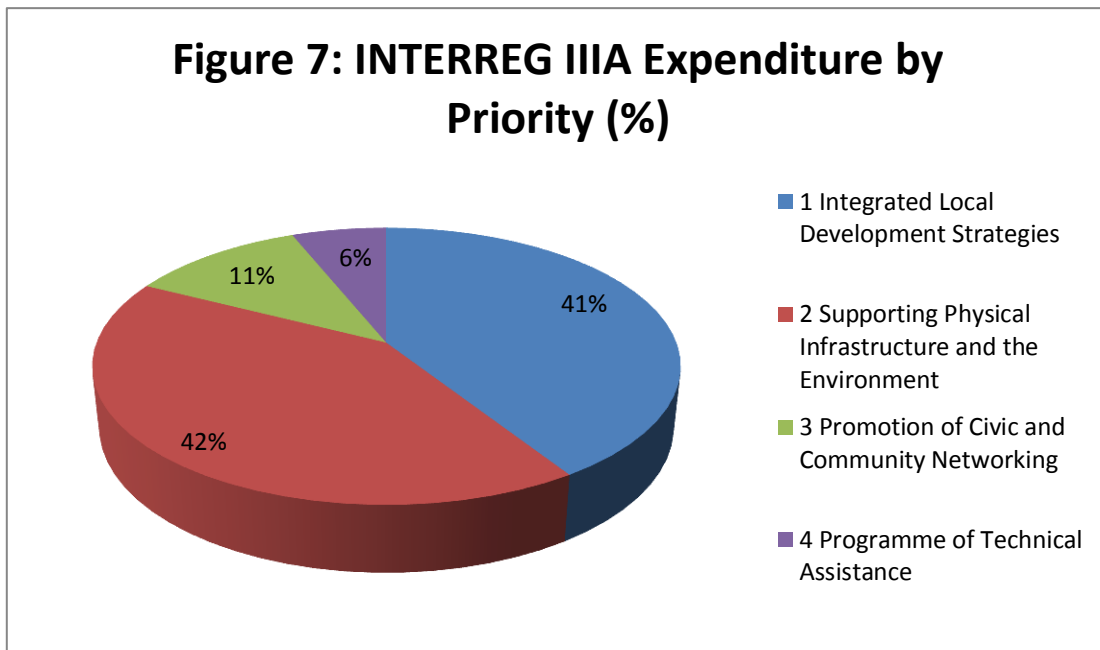
The priorities include a mixture of infrastructure and other projects, although there is a clear orientation towards the former, indicated by the largest Priority being dedicated to physical infrastructure, which included enterprise facilities, a gas pipeline, telecommunications, transport, marine safety, oil, environmental protection and renewable energy projects. However, Priority 3 includes the creation of cross-border community networks and the development of integrated health services and social and community cohesion, where individuals are indirect – if not direct – beneficiaries.



¹¹ Information for this section is taken from the Ex-Post Evaluation of the INTERREG IIIA programme for Ireland – Northern Ireland: Centre for Strategy and Evaluation Services (2009), *Ex-Post Evaluation of the INTERREG III Community Initiative (funded by the ERDF) - INTERREG IIIA Ireland – Northern Ireland*, Brussels: Panteia.

¹² CSES, 2009, p.8.

¹³ Derived from CSES, 2009, p.9.



INTERREG IIIA is regarded as the first truly cross-border programme of the INTERREG series, as evaluations of the previous two found that there was little cross-border activity involved in INTERREG I and II¹⁴.

¹⁴ CSES, 2009, p.11.

5 Peace III and INTERREG IVA

The current programmes are still on-going and a number of projects are still working through the application process. However, the following are the intended allocations for Peace III and INTERREG IVA¹⁵:

PEACE III (2007-2013) – Value: €333m

Approximately **€74m** has been allocated to infrastructure projects through measure 2.1 ‘Creating Shared Public Spaces’.

Projects supported under this measure are designed to regenerate urban, rural and border areas that appear derelict, segregated or underused and transform them into shared spaces. Specifically the intervention seeks to tackle the problems of separation of communities within society and address the underlying problems of sectarianism, racism and prejudice by encouraging the development of physical environments that are not ‘marked out’ with symbols that define it as a territory of one side of a community but as ‘open to and welcoming to all’¹⁶.

INTERREG IVA (2007-2013) – Value: €256m

Approximately **€113m** has been allocated to infrastructure projects addressing a number of themes including telecommunications, enterprise, tourism, transport (infrastructure), and environmental protection¹⁷.

¹⁵ Communication from SEUPB 25 October 2011.

¹⁶ See the Peace III Operational Programme:
http://www.seupb.eu/Libraries/PEACE_III_Reports_Pubs/PEACE_III_Operational_Programme.sflb.ashx.

¹⁷ See the INTERREG IVA Operational Programme:
http://www.seupb.eu/Libraries/INTERREG_IVA_Reports_Pubs/INTERREG_IVA_Operational_Programme.sflb.ashx.

Appendix 1: Overview of Peace II Priorities

3.4 Overview of Priority 1 – Economic Renewal

Priority/Measure	Measure Title	Implementing Body/Bodies	Fund	Total Budget €	EU budget €	2006 Expenditure Total (EU & National)	2000-2006[1] Cumulative Expenditure Total (EU & National)
1.1	Business Competitiveness and Development	DETI	ERDF	10,000,000	4,500,000	356,075	356,075
1.1 a	Economic Revitalisation	DETI	ERDF	25,976,312	7,485,215	2,715,543	20,260,122
1.1 b	Trade Development	DETI	ERDF	2,145,169	558,877	72,500	1,779,170
1.1 c	Financial Engineering	DETI	ERDF	8,017,357	5,838,031	0	7,500,125
1.1 d	Business Competitiveness	DRD	ERDF	33,164,965	23,918,874	23,765	38,255,350
1.1 e	In the Border Region	Border Action	ERDF	8,258,984	4,870,000	940,244	5,876,445
	Sub-Total Measure 1			85,562,787	46,770,797	4,108,127	74,017,287
1.2 a	Water Based Tourism	DCAL	ERDF	7,454,500	5,590,875	3,952,348	6,733,937
1.2 b	Natural Resource Rural Tourism	DARD	ERDF	17,407,000	10,430,250	5,304,619	14,027,245
	Sub-Total Measure 2			24,861,500	16,021,125	9,256,967	20,761,182
1.3	New Skills & New Opportunities	EGSA/DEU/Proteus	ESF	93,656,994	49,606,350	9,769,785	76,174,763
	Sub-Total Measure 3			93,656,994	49,606,350	9,769,785	76,174,763
1.4	Promoting Entrepreneurship	Invest NI, Border Action	ESF	6,180,000	3,060,000	2,316,027	5,688,474
	Sub-Total Measure 4			6,180,000	3,060,000	2,316,027	5,688,474
1.5	Positive Action for Women	Playboard/TWN	ESF	24,291,289	12,536,447	2,969,137	16,603,670
	Sub-Total Measure 5			24,291,289	12,536,447	2,969,137	16,603,670
1.6	Training for Farmers	DARD	EAGGF	30,884,446	14,834,401	273,919	19,878,199
	Sub-Total Measure 6			30,884,446	14,834,401	273,919	19,878,199
1.7 a	Obtaining Alternative Employment	DARD	EAGGF	10,730,019	4,792,514	134,277	4,659,353
1.7 b	Part-Time rural Employment	RDC	EAGGF	163,244	122,433	26,689	152,443
	Sub-Total Measure 7			10,893,263	4,914,947	160,966	4,811,796
1.8 a	Innovative Technology and Networking	DETI	ERDF	41,820,550	24,950,250	0	39,674,298
1.8 b	Information Age	DETI	ERDF	14,005,000	6,003,750	2,922,905	13,290,556
	Sub-Total Measure 8			55,825,550	30,954,000	2,922,905	52,964,854
1.9	Investment in Agricultural Holdings (NI)	DARD	EAGGF	8,951,901	3,713,649	3,336,045	4,956,967
	Sub-Total Measure 9			8,951,901	3,713,649	3,336,045	4,956,967
1.10 a	Retail Services for the Rural Economy and Population	NI RDC	EAGGF	1,413,384	1,060,036	379,625	1,107,321
1.10 b	Basic Services for the Rural Economy and Population - ICT	NI RDC	EAGGF	1,348,473	1,009,855	45,157	1,236,345
	Sub-Total Measure 10			2,759,857	2,069,891	424,782	2,343,666
1.11	Rural Reconciliation	NI RDC	ERDF	8,000,000	3,000,000	147,968	147,968
	Sub-Total Measure 11			8,000,000	3,000,000	147,968	147,968
	Grand Total Priority 1			351,667,587	187,481,607	35,686,628	278,346,826

3.5 Overview of Priority 2 – Social Integration, Inclusion and Reconciliation

Priority/ Measure	Measure Title	Implementing Body/Bodies	Fund	Total Budget €	EU budget €	2006 Expenditure Total (EU & National)	2000-2006(1) Cumulative Expenditure Total (EU & National)
2.1	Reconciliation for Sustainable Peace	CRC/DE/ CRM/DFM CRU/ Border Action	ERDF	66,515,917	29,298,500	5,079,578	37,723,999
	Sub-Total Measure 1			66,515,917	29,298,500	5,079,578	37,723,999
2.2	Developing Children and Young People	SELB/ Border Action	ESF	44,151,560	26,661,709	7,774,561	31,917,294
	Sub-Total Measure 2			44,151,560	26,661,709	7,774,561	31,917,294
2.3	Skilling and Building the Social Economy (NI)	CRNI	ERDF	7,018,863	5,264,113	1,261,947	6,049,144
	Sub-Total Measure 3			7,018,863	5,264,113	1,261,947	6,049,144
2.4	Pathways to Inclusion, Integration and Reconciliation of Victims	CRNI	ESF	10,000,000	4,800,000	776,843	776,843
2.4 a	Pathways to Inclusion	CRNI	ESF	10,441,852	7,892,802	879,647	9,703,970
2.4 b	Integration and Reconciliation of Victims	CRNI	ESF	9,488,098	7,099,548	1,529,140	7,980,931
2.4 c	Target Groups in the Border Region Border Action	ESF	8,713,000	6,534,750	499,368	7,720,427	
	Sub-Total Measure 4			38,620,948	26,126,898	3,624,998	26,182,171
2.5	Investing in Childcare	NIPPA	ESF	16,518,415	9,388,616	1,524,225	15,094,788
	Sub-Total Measure 5			16,518,415	9,388,616	1,524,225	15,094,788
2.6	Promoting Active Citizenship	CRNI/SELB/ Border Action	ERDF	4,820,944	3,615,708	1,177,433	4,402,456
	Sub-Total Measure 6			4,820,944	3,615,708	1,177,433	4,402,456
2.7	Developing (Weak) Community Infrastructure	CRNI/Border Action	ERDF	27,515,998	20,636,997	3,171,712	13,849,432
	Sub-Total Measure 7			27,515,998	20,636,997	3,171,712	13,849,432
2.8	Accompanying Infrastructure and Equipment Support	DSD, Border Action	ERDF	8,694,374	6,520,780	1,024,596	7,141,307
	Sub-Total Measure 8			8,694,374	6,520,780	1,024,596	7,141,307
2.9 a	Rural Heritage (NI) - Single Identity	RDC	EAGGF	2,000,045	1,497,535	314,397	1,889,619
2.9 b	Rural Heritage (NI) - Village Pride	RDC	EAGGF	1,849,999	1,237,499	349,492	1,514,795
	Sub-Total Measure 9			3,850,044	2,735,034	663,889	3,384,414
2.10	Local Identity Culture and Heritage	RDC	EAGGF	1,515,476	1,136,807	165,956	1,443,318
	Sub-Total Measure 10			1,515,476	1,136,807	165,956	1,443,318
2.11	Area-based Regeneration	DSD	ERDF	23,785,000	11,998,750	6,693,411	21,840,002
	Sub-Total Measure 11			23,785,000	11,998,750	6,693,411	21,840,002
	Grand Total Priority 2			232,807,537	143,373,712	32,162,306	169,028,325

3.6 Overview of Priority 3 – Locally Based Regeneration and Development Strategies

Priority/Measure	Measure Title	Implementing Body/Bodies	Fund	Total Budget €	EU budget €	2006 Expenditure Total (EU & National)	2000-2006[1] Cumulative Expenditure Total (EU & National)
3.1	Local Economic Initiatives for Developing the Social Economy (NI)	LSP's	ERDF	78,286,257	39,082,188	12,348,748	46,307,465
	Sub-Total Measure 1			78,286,257	39,082,188	12,348,748	46,307,465
3.2	Locally-based Human Resource, Training and Development Strategies (NI)	LSP's	ESF	47,066,285	30,031,732	12,094,664	43,629,192
	Sub-Total Measure 2			47,066,285	30,031,732	12,094,664	43,629,192
3.3	Building Better Communities (Border Region)	Task Forces	ERDF	19,200,000	14,400,000	3,492,649	11,083,635
	Sub-Total Measure 3			19,200,000	14,400,000	3,492,649	11,083,635
3.4	Improving our Rural Communities (Border Region)	Task Forces	EAGGF	13,466,936	10,099,750	2,766,615	13,473,663
	Sub-Total Measure 4			13,466,936	10,099,750	2,766,615	13,473,663
	Grand Total Priority 3			168,019,478	93,593,670	30,702,674	114,493,955

3.7 Overview of Priority 4 – Outward and Forward Looking Region

Priority/Measure	Measure Title	Implementing Body/Bodies	Fund	Total Budget €	EU budget €	2006 Expenditure Total (EU & National)	2000-2006[1] Cumulative Expenditure Total (EU & National)
4.1	Outward and Forward Looking Region	OFM/DFM/SEUPB	ERDF	10,722,666	8,041,500	4,145,988	9,523,252
	Sub-Total Measure 1			10,722,666	8,041,500	4,145,988	9,523,252
4.2 a	Marketing the Region as a Tourism Destination	DET/Task Forces	ERDF	15,333,334	11,500,000	3,947,239	14,432,966
4.2 b	Enhancing the Region as a Tourism Destination	DET/DARD	ERDF	9,403,000	7,052,250	6,500,180	8,807,707
	Sub-Total Measure 2			24,736,334	18,552,250	10,447,419	23,240,673
	Grand Total Priority 4			35,459,000	26,593,750	14,593,407	32,763,925

Overview of Priority 5 – Cross-Border Co-operation

Priority/Measure	Measure Title	Implementing Body/Bodies	Fund	Total Budget €	EU budget €	2006 Expenditure Total (EU & National)	2000-2006[1] Cumulative Expenditure Total (EU & National)
5.1	Increasing Cross-border Development Opportunities	Co-op. Ireland	ERDF	19,965,608	14,974,014	4,009,330	16,815,362
	Sub-Total Measure 1			19,965,608	14,974,014	4,009,330	16,815,362
5.2	Improving Cross-border Public Sector Co-operation	SEUPB	ERDF	27,001,890	20,251,272	3,550,901	18,243,415
	Sub-Total Measure 2			27,001,890	20,251,272	3,550,901	18,243,415
5.3	Developing Cross-border Reconciliation and Understanding	Border Action	ERDF	34,225,668	25,669,214	3,879,179	19,617,261
	Sub-Total Measure 3			34,225,668	25,669,214	3,879,179	19,617,261
5.4	Promoting Joint Approaches to Social, Education, Training and Human Resource Development	Border Action	ESF	37,183,668	27,887,750	5,737,198	25,403,243
	Sub-Total Measure 4			37,183,668	27,887,750	5,737,198	25,403,243
5.5	Education, Cross-border school & youth co-operation.	DES/DE	ESF	4,133,019	3,099,750	1,647,423	4,048,433
	Sub-Total Measure 5			4,133,019	3,099,750	1,647,423	4,048,433
5.6 a	Cross-border Community Development	DCRGA and DARD	EAGGF	1,154,189	865,390	379,572	996,065
5.6 b	Agriculture and Rural Development Co-operation - Cross-border Diversification	DCRGA and DARD	EAGGF	4,549,811	3,412,360	2,098,306	2,573,507
	Sub-Total Measure 6			5,704,000	4,277,750	2,477,878	3,569,572
5.7	Cross-border Fishing and Aquacultural Co-operation	DARD/DCMNR	RFIF	4,609,628	3,457,172	818,608	4,611,000
	Sub-Total Measure 7			4,609,628	3,457,172	818,608	4,611,000
	Grand Total Priority 5			132,823,379	99,616,922	22,120,517	92,308,286

Overview of Priority 6 – Technical Assistance

Priority/ Measure	Measure Title	Implementing Body/Bodies	Fund	Total Budget €	EU budget €	2006 Expenditure Total (EU & National)	2000-2006[1] Cumulative Expenditure Total (EU & National)
6.1	Programme Information and Publicity	SEUPB	ERDF	1,335,002	926,250	623,238	1,137,694
	Sub-Total Measure 1			1,335,002	926,250	623,238	1,137,694
6.2a	Management, Monitoring and Evaluation of the Programme and Co-ordination with other Programmes.	SEUPB	ERDF	78,442,332	54,809,998	14,038,923	59,088,938
6.2b	Internal Co-ordination and Co-ordination with other Programme Evaluations and Studies	SEUPB	ERDF	4,012,122	2,604,091	552,433	2,080,982
	Sub-Total Measure 2			82,454,454	57,414,089	14,591,356	61,167,920
	Grand Total Priority 6			83,789,456	58,340,339	15,214,594	62,305,614