



Northern Ireland
Assembly

Committee for the Office of the First Minister
and deputy First Minister

OFFICIAL REPORT (Hansard)

European Issues: European
Commission/European Economic and Social
Committee Briefing

9 January 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Mike Nesbitt (Chairperson)
Mr Chris Lyttle (Deputy Chairperson)
Mr Colum Eastwood
Ms Megan Fearon
Mr Paul Givan
Mr John McCallister
Ms Bronwyn McGahan
Mr Stephen Moutray
Mr George Robinson

Witnesses:

Ms Colette Fitzgerald	European Commission
Ms Jane Morrice	European Economic and Social Committee

The Chairperson: We will have two briefings. The first is from the head of the European Commission Office in Belfast, Colette Fitzgerald. We will then hear from Jane Morrice, a member of the European Economic and Social Committee. Happy new year, Colette. You are very welcome.

Ms Colette Fitzgerald (European Commission): Thank you very much, Chairman. Happy new year to everyone. Thank you very much for the opportunity to come here today. I understand that this is to be a rather general briefing on European issues. Of course, if there is anything that anyone would particularly like to ask me, I will be very happy to take your questions. If you are happy enough, I will give you a brief overview of where I believe the most important issues for the coming year lie and where we can try to do even more in order to deepen the engagement between Northern Ireland and the European Union. If I speak for about 10 minutes, is that OK?

The Chairperson: Yes.

Ms Fitzgerald: First, I think members around the Committee table are very familiar with the European task force that President Barroso established for Northern Ireland in May 2007. The first topic that I would like to update you on is where the task force stands at the moment and what the current issues are.

The junior Ministers visited Brussels on 18 December last year, and there was a full meeting of the task force, which comprises about 22 officials from 17 of the Commission's directorates general. The

meeting was also attended by officials from the Office of the First Minister and deputy First Minister (OFMDFM) from the European policy unit, and led by Gerry Mulligan who is chair of the Executive's office in Brussels. So really it was a very good opportunity to do a sort of end-of-term exchange of views for 2012 on European issues and to agree a broad work programme for 2013. That is effectively what they did, over a series of meetings during a day and a half, which I think all sides found very useful and successful. It was chaired, on the Commission's side, by Ronnie Hall, who is the director in the Directorate General for Regional Policy (DG Regio) who has been leading the task force in Brussels since 2007.

One of the new issues that Ronnie brought to the table during the meeting was his awareness of the Executive's desire to internationalise relations, if you like. The First Minister and the deputy First Minister and the Minister of Enterprise, Trade and Investment have made recent visits to China and India, and there could be opportunities further afield than simply in Europe. One of the topics that came up was how to use Northern Ireland's membership of the EU as a mechanism or lever to get into those international markets and to try to bring more business opportunities here.

Ronnie wears two hats in DG Regio: one is as chairperson of the task force and the other is as director of international relations. So he has very extensive contacts in countries like Brazil, Peru, China and Russia. He also has a network of other commercial officials who are dealing in those areas who would be willing to assist in the task force in that field if the Executive so desired.

One obvious example of that — a very practical example, just so that Committee members can see the fruit of all this labour — is that Northern Ireland was one of a consortium of European countries, including Spain, Finland and France, which led a delegation to Boston in October last to host what was called an "e-health meeting place". That was an alliance of EU member states hoping to co-operate with American companies in the field of e-health to exchange more information and, crucially, to bring business opportunities here and to other parts of the European Union.

Minister Poots, the Minister of Health, attended the conference and spoke at it. He was one of the leading figures. It has now been decided that a group of American investors will be invited to come to Northern Ireland in May next year. That will tie in with an e-health week that is being organised in Dublin, in the context of the Irish presidency of the EU, which began at the start of this year. That concrete example is an illustration of how the task force's network of contacts can help to bring practical benefits back here to the region.

The task force is still well on track and still has the personal commitment of President Barroso and Commissioner Hahn. My message to you is while you have it, use it, because there will be new European elections in 2014, and it is highly unlikely that President Barroso will be returned for a third term as Commission president. While we still have his goodwill and support, it is very good to make use of it.

The second topic is just to let you know about an upcoming event that is to take place in Brussels on 31 January, in a few weeks' time. It is a peace conference organised by Commissioner Hahn and DG Regio. It is designed to showcase the experiences of the peace programmes in Northern Ireland to other countries and regions, both within Europe and further afield, which are interested in the peace process here and the impact that it could have for conflict resolution in other countries worldwide. We are all aware that MPs and MLAs from here are currently engaged in that in different ways, so it is a very topical issue.

The meeting will look at different ways in which Northern Ireland can contribute to the European Union's own efforts as a global peace-builder. Under the Lisbon Treaty, the European Union received greater powers to undertake a role in international relations and there is now a newly established European External Action Service (EEAS), which is really the foreign affairs equivalent — if you like — of the EU. That is led by the British Commissioner, Baroness Catherine Ashton. Again, using the task force contacts, the office in Brussels, the European policy unit here and the director for international relations in OFMDFM, Tim Losty, were all there on 18 December to listen to a representative from EEAS Joelle Jenny, who is the director of peace building and conflict resolution there. She explained a little bit about what ambitions the European Union has in that field, and the Northern Ireland side explained how it could offer some assistance and what kind of advice it could give to other groups and regions. One of the very practical ways that that could be facilitated is through the new peace-building and conflict resolution centre at Maze/Long Kesh, which is receiving EU Peace money. That very topical discussion was held on 18 December, and it will be followed up by the major conference in Brussels on 31 January.

I move now to the third topic. We learned the good news that Northern Ireland will host the G8 summit next year at the Lough Erne Resort. I think that I read in the papers at the weekend that they are trying to get Rory McIlroy down to play a round of golf. Hopefully, that will give very good publicity for Northern Ireland. The attendees from the European Union will be President Barroso and the European Council president, Herman Van Rompuy. They will be coming here for two days, and it is my hope that we will be able to invite President Barroso, at least, to stay on for an extra day or so, so that he can see the fruits of what has been happening through the task force. Maybe we can devise a programme together of project visits for the president to see how things have worked out in the five years since he last was here. As I said, he came first in May 2007.

The last topic I want to make you aware of is that, every year, the European Union chooses a theme to focus on, to prioritise and on which to try to raise awareness across the member states. This year has been designated as the year of citizens. That is very timely, given the difficulties that we can all see, night after night, across Europe, with the situation, which is especially rough in Greece and Spain. Citizens are asking, rightly, "What is in this for me? What can Europe do to get us out of this crisis?" This year, the focus will be very much on raising awareness of how, by working together, the European Union believes it can help countries emerge from the current difficulties and look forward to a bit more security and hope for the future, especially for young people. There will be a series of events organised through the year. My office will be planning a series of regular events designed to raise awareness of what rights, responsibilities and benefits European membership brings to citizens in transport, the free movement of goods and services, consumer rights and, particularly, education and job opportunities for young people, and to continue to see how we can use Northern Ireland's membership of the European Union to maximise its opportunities and business potential. As I said, events like the e-health week serve to illustrate how Northern Ireland can be what one would call a pioneer region to demonstrate how the high-level agreements between the European Union and America, for example, in this case, can be exploited to our benefit, and, looking ahead, to see how we can do it further afield with other countries. As I said, China, India and Brazil spring to mind.

Those are the four key topics that I felt it would be useful for you to have an update on. I am very happy to take questions.

The Chairperson: Colette, thank you very much. First, we are going to send a delegation over at the end of the month — that is the intention. Hopefully, we will see at firsthand what is being reported on in the Peace projects. It would be fair to say that the Barroso task force does not have SMART — specific, measurable, achievable, realistic and timebound — targets; it does not have a list that says that it will have created x thousand jobs or generated y million euro by 2014. Does it?

Ms Fitzgerald: The task force, in itself, does not have SMART targets. The task force is the network of contacts in Brussels that will help Northern Ireland, its Departments, its public sector and its private sector meet the Executive's priorities. In effect, the Executive's priorities are the targets that the task force would be looking to help to achieve. One of the key ones, of course, was that Ministers said that, over the lifetime of the current programming period, they would like to increase the drawdown of funding from European sources — non-structural funding, non-cap-related funding — in such areas as research and innovation by 20%. That is a key target.

The Chairperson: If you were taking Mr Barroso around Northern Ireland on the foot of the G8 summit and saying this is what you have achieved, give us a clue as to what would be on the list for consideration.

Ms Fitzgerald: The usual spot where we take Commissioners and visiting officials is the science park in Belfast. That is one example. Personally, I am very interested in the e-health developments, which I think are really going to help Northern Ireland to make a step change in the delivery of health services. I would show him the companies there that are working very hard, with other European partners, to maximise the opportunities of the high-level trade agreements between the European Union and the United States. That would be one event. The other obvious one, of course, would be if he would like to go out to see the new peace-building and conflict resolution centre at Maze/Long Kesh and what the £1.3 billion of European funds that have been poured into the Peace programmes since 1995 have resulted in.

The Chairperson: Would it be extreme to say that the science park would not exist had it not been for the task force?

Ms Fitzgerald: I think it would be a bit extreme. I am not going to claim that much credit for it, but it is a joint effort, and I think, Chairman, that that is the whole point about the task force. I cannot emphasise that strongly enough. It is about the two-way exchange of networking and using the informal contacts, as other countries have been so good at doing over the years and we have not so much been until now. I can tell you that it has really ratcheted things up. For example, even here in Northern Ireland, the establishment last year of the Northern Ireland European Regional Forum, which brings together all interested parties, is a good basis for building up the infrastructure on which to build for the future.

The Chairperson: I am not underplaying the importance of that networking and awareness. Certainly, if you know what is coming out of Europe, you can shape plans accordingly to maximise the benefits for Northern Ireland; absolutely.

Ms McGahan: Thank you, Colette. I am sorry I missed the start of your presentation. Having read your paper, I see that it talks about growth, job creation and the need for reform if we are to move forward. One of the key issues is maintaining and improving equality to obtain all of that. That means investing in processes. I am from Tyrone, where we have a massive manufacturing and engineering sector. From my engagement with local people, I know that they are still using cutting and drilling where they need laser equipment, which would give them the flexibility for rapid change. At the minute, that is curbing their growth, which means that they have less of a focus on the EU market. I just want to flag that up.

You talked about networking with different people. Has any consideration ever been given to having, say, for example, a Hillhead event here in the North of Ireland, which would bring massive benefits to the economy here, for the construction industry, hotels, tourism and all that generally? Somebody flagged up that people might say that we do not have any quarries, but say you were to have an event, I do not know, at — just throw in something at the Maze site — people would see that that is not an obstacle, because all it is really about is demonstrating the use of your equipment.

Those are issues that have been flagged up to me locally. People are saying: "We need grant aid." Laser machinery is £500,000. Somebody threw it out to me that there are £50,000 loans; £50,000 would not look at it. Laser machinery costs £500,000. One local man told me that he could export three to four times more if he had laser machinery. When they invest in laser machinery, it sets them back by two years. Those are all very important issues that should be taken on board by your task force. It would have massive benefits for the growth of the economy. Do you have any comments or views around that?

Ms Fitzgerald: Yes, I fully appreciate the kinds of points that you are making. The task force is about business development and commercial opportunities, so there is no money with the task force per se. The task force is about maximising the sources of EU funds that already exist and helping companies, businesses and the public sector in Northern Ireland to apply for those sources of funds and get the most out of them. A programme that the Department of Enterprise, Trade and Investment (DETI) manages is already in force. The European sustainable competitiveness programme has been in place since 2007 and will run until 2013. That is heavily skewed towards research and innovation, including the elements that you mentioned, such as getting new services into firms.

Ms McGahan: I had conversations about research and development, and practitioners are telling me that this makes us the best in our classroom. It makes our environment more comfortable, but it does not make us more efficient. That is the view that the practitioners on the ground have on research and development.

Ms Fitzgerald: All that I can say is that the programme that DETI manages, which Invest Northern Ireland is also heavily involved in, works with the universities and research centres across Northern Ireland to encourage businesses to do exactly what you are talking about: invest in new machinery and in cutting-edge technology. So, all that I can say is that if you want to give me their contact details, I can see whether I can find out what research body closest to them could maybe be of assistance.

Ms McGahan: No grant aid is available for the replacement of machinery; I did my homework on that. All that is available are loans that different bodies provide, but people are telling me that it is cheaper to get loans out of the banks.

Ms Fitzgerald: OK. All that I can suggest is that they try to follow up with the programme that is there to see whether there is any way in which they can get assistance. That would be the source that I would direct them to first.

Mr Lyttle: Thanks, Colette. It is good to hear from you today. We know that we have our work cut out for us to help business and to reassure international investors that, despite recent events, this remains an excellent place to invest in. You touched on the Maze/Long Kesh conflict-resolution centre and the £1.3 billion that has been spent on Peace programmes in Northern Ireland. There was public accusation that those funds were applied in a partial manner. Would you like to detail how those funds have made a contribution across the community in Northern Ireland and tell us a bit about your hopes for the peace-building centre? We have had delegates from the Basque country and Colombia at the Assembly asking us what we can share with them on peace building. We obviously have a long way to go, but it would be interesting to hear your thoughts on how the centre will help people in Northern Ireland and others.

Ms Fitzgerald: As you said, and as I mentioned, since 1995, £1.3 billion has been put into the series of Peace programmes — Peace I, Peace II and Peace III. I think that those programmes were groundbreaking — they certainly were at the time — and they are still unique across the world. Not only will Maze/Long Kesh be able to showcase what the European Union's efforts for peace and support for the peace process here achieved but it will encapsulate the benefit of that vast investment.

The programmes are managed by the Special EU Programmes Body (SEUPB), which has criteria against which project applications are judged and awarded scores. I think that those have been seen to be effective over the years. I know that there has been talk of some people saying that one side gets more than the other, but all that I can say is that the criteria have been agreed, laid down and are independently assessed.

The peace centre is receiving European Peace money, so it is a European-aided facility. It is an opportunity for Northern Ireland to give something back to the European Union in a way, and Ministers told President Barroso that they are keen to do that. I mentioned that the European Union is developing its own role as a global peacemaker through the European external action service. In fact, the European Parliament paid for a recent pilot study to assist the European external action service to examine how it could increase and enhance its role to be an effective global peacemaker.

That was very much driven by former Finnish President, Martti Ahtisaari, and by Carl Bildt, a former Swedish Foreign Minister. The Swedes and the Finns have taken quite a lead in the whole peace-building and conflict-resolution topic in the Parliament. I do not know whether their hope was that they would get a European institute built in Stockholm or Helsinki, but the results of the pilot study, which came out just before Christmas, did not recommend that the European Union build a brand new peace centre, either in Brussels or Stockholm. Rather, it recommended that use be made of existing peace initiatives across the European Union. Clearly, Northern Ireland stands out as one of the most obvious choices for the European Union to use as an example and a facilitator for other regions, such as the visitors from different countries whom you mentioned. So, I think that the hope is that the centre will facilitate that, but it will not be a European agency as such.

The Chairperson: You said that Maze/Long Kesh could be one. Do you know what the current list is? Are there three, five or 10 across Europe?

Ms Fitzgerald: I am not really sure about similar peace centres as such. However, there are different bodies. Carl Bildt, for example, has an institute, which, I think, is based in Switzerland. They all have "European" in the title. I think that there is an institute for peace in Paris as well. It would be the European Union essentially using the facilities that exist. Northern Ireland's experience is not going to solve every conflict across the world, but there are times when Europe will perhaps pick up the phone and have us on speed dial along with a lot of other partners so that, when a particular issue arises or a particular conflict comes to light, it knows which is the best place to contact.

Ms Fearon: Thanks, Colette, for your presentation. I have a quick question about EU funding. We had various presentations from groups in Committee meetings last year. There was a view out there that the next round of Peace money should be the last. What is your opinion on that?

Ms Fitzgerald: As you know, there is a proposal for a new Peace IV programme. I think that some people might ask why we have to have that. People were asking whether there should even have been a Peace III. I was very much struck last year when Commissioner Hahn, the European

Commissioner for Regional Policy, which funds the Peace programmes through the European regional development fund, came over in June to open the Peace bridge in Derry/Londonderry. He heard testimonies from different groups from the city that had benefited from projects that were funded under the Peace programme. He was so personally moved by the experiences that he heard that he really expressed his strong personal support for the continuation of the special budget line in the EU budget for Peace. I mentioned that Northern Ireland has strong personal support from President Barroso and Commissioner Hahn. In fact, it was the testimonies that the Commissioner heard on that occasion from the different groups involved in the city that led him to say that he wanted to host the conference that is coming up on 31 January.

If we get Peace IV in this programme, it will take us up to 2020. I would not hazard a guess at what will happen after 2020, but I hope that there will be no need for it by then.

The Chairperson: Is there a settled view of whether Peace IV should be additional money or whether it should come out of the existing budget? It seems that Dublin and London are not on the same page on that.

Ms Fitzgerald: I think that Dublin and Northern Ireland politicians would certainly like it to continue to be additional; in other words, it should not come out of the existing EU pot for territorial co-operation between border regions and international co-operation between countries. However, the UK has a different view; it believes that that in itself would increase the UK's net contribution to the European budget. Therefore, London said that it is happy to see a Peace IV but that it will come out of the existing INTERREG budget, which will mean that less money will be available to Northern Ireland for other forms of cross-border co-operation.

The Chairperson: We hear, probably more anecdotally than anything else, that the Republic is very good at drawing down funds. Are there lessons there for Northern Ireland?

Ms Fitzgerald: Very much so; there is no doubt about it. Historically, it really made an additional difference to the South when it got money from Europe. It was genuinely additional to its Budget, whereas my understanding is that, in the past, that money was nearly taken out of the Northern Ireland block. You might ask whether there was an incentive to go for European money. It is not easy to get European funds. I would be the first to say that. There is a procedure, and it has to be fairly applied. One contrast, I would say, is that all third-level research institutions and bodies in the Republic have a dedicated framework rapporteur — a desk officer, if you like — who targets the European Union's research programme. That was worth €50 billion in the current period and will now, hopefully, be of the order of €80 billion, although the figures have not been agreed yet. Dublin has said that it wants to get at least €1 billion of that in research grants over the period up to 2020. That is very ambitious, but it is putting in resources to draw that down.

The Chairperson: That is Horizon 2020.

Ms Fitzgerald: That is Horizon 2020.

The Chairperson: Should we be saying that we want to draw down x amount by 2020?

Ms Fitzgerald: I think that Invest Northern Ireland has already tried to double its target in the current period for what it wants to receive up to the end of next year compared with what it received up to the beginning of 2007. So, I am sure that it will want to do that; it is talking about it. I do not think that a target has been agreed yet, but it is clear that it wants to do that. Ministers have expressed in meetings with officials in Brussels how keen they are to benefit more from Horizon 2020 — it is the top programme that they want to target.

The Chairperson: My final question is about benchmarking. We obviously look to what is happening in the Republic. In European terms, the Republic is a state and we are a region. I think that there is an acceptance that, for benchmarking purposes, we need to decide what other regions in the EU we should compare ourselves with. Do you have any thoughts on what those regions should be?

Ms Fitzgerald: When the task force was set up in 2007, officials in Brussels, led by Ronnie Hall, carried out a benchmarking exercise. They identified about half a dozen regions — some were in France and Spain and, I think, one was in Germany; I cannot recall offhand — that were judged to have a population of a similar size to Northern Ireland. They did not have state capitals, and we were

not comparing with Paris or anything. Those regions would, I think, serve as a starting point. I can certainly make that report available to the Committee so that you can have a look at it.

The Chairperson: I would certainly be interested in that. Has anybody looked at what has happened since 2007?

Ms Fitzgerald: Yes; the task force officials have kept a watching brief. If Northern Ireland is compared with the Republic of Ireland in the field of research and innovation, it is not going to look good, but there are many reasons for that. The Republic has many more major international companies, and it is no secret that the bigger companies tend to do well out of the framework programmes. On that point, I should say that the Commissioner for Research, Mrs Máire Geoghegan-Quinn, who also happens to be the Irish Commissioner, has specifically said that she wants to reserve a specific budget line for small and medium-sized enterprises in the next framework programme, which is Horizon 2020. Mrs Geoghegan-Quinn has visited the North on many occasions and has met with the Minister for Enterprise, Trade and Investment, who expressed those very concerns to her about small businesses. I think that that goes back to what you said about the nature of the business aid that can be given.

I hope that when the new 2020 package is agreed, there will be more opportunities for Northern Ireland companies to do better out of research.

The Chairperson: OK. Are members content?

Mr G Robinson: I have a supplementary question. I think you said that after 2014 and the next elections, and so forth, it may be harder for Northern Ireland to draw down European funding. What is your opinion on that?

Ms Fitzgerald: To be honest, I think that the efforts that have been made in the past five years since the task force was established have really transformed the way that Northern Ireland as a region engages with the European Union. The creation of a body such as the Northern Ireland European Regional Forum, which the junior Ministers launched last May, is a big step forward. Although you cannot point to that and say, "That is a project that created x number of jobs", I would say that putting in place the infrastructure upon which to build is vital, as it maximises your chances of getting more money in the next programming period.

By hosting different events, and so forth, the Executive office in Brussels is another very important lever in highlighting the region and what it has to offer. All that matters in Brussels terms. If you are not in, you can't win. It is as simple as that. I think that Northern Ireland has built its profile and its own infrastructure to put it in a place that better enables it to bid for those types of competitive funding.

The Chairperson: Thank you very much, Colette. Please forward the information on the benchmarking; we are very interested in it.

Ms Fitzgerald: I will of course. Thank you.

The Chairperson: We are staying with European issues, so we welcome Jane Morrice, who is a member of the European Economic and Social Committee. As you will be aware, on Monday, you were e-mailed Jane's opinion on the role of the European Union in peace building and external relations under the heading "Best practice and perspectives". Jane is also, of course, a former Deputy Speaker of the Northern Ireland Assembly. Welcome back.

Ms Jane Morrice (European Economic and Social Committee): Thank you very much, Mr Chairman. I am delighted to be here. I will start by giving you apologies from Mike Smyth, who unfortunately could not be here with us this afternoon.

I will start by wishing you all a happy new year. I am very interested to see that this is the first agenda item in the first meeting of the new year. I do not know whether that means that I can assume, as the staunchly pro-European that I am, that it means that the issue is at the top of your priority list, but you can correct me if I am wrong. I realise that the first time that I ever give evidence to a committee like this was in 1996 at the Northern Ireland Forum. The Chair had the same surname as you; it was Dermot Nesbitt. That is a long time ago, and a lot has changed since then — for the better, I think.

There are an awful lot of new faces here, so I thought that it might be useful for me to give a quick overview of the European Economic and Social Committee. I think that it is always useful to remind people of what it does. It is an assembly of 344 members from 27 member states. It sits in Brussels, and 23 different languages are spoken, which makes it a difficult one. It acts as an advisory body to the decision-makers of the European Union: the Council of Ministers and the European Parliament. They are obliged by law to consult us on most legislation, which is about 80% of it. It is made up of representatives of employers, trade unions and others, and we produce about 170 opinions a year on proposed legislation. Although the legislators are obliged to consult us, they are not obliged to take what we say on board. However, they do, and the legislators act upon about four out of five of our opinions. Mike Smyth and I represent Northern Ireland, and Mike covers mainly the economic issues. He is also the president of the ECO Section, which is like an Assembly Committee. I cover mainly social affairs, but I also deal with areas such as energy and transport. I am standing for election as vice-president of the Economic and Social Committee next week.

As you can see, our work keeps us very much in touch with things that are happening on the European scene. That means that we are in a very good position to report back to you because we get to see the legislation that we can cover that is on matters that are of interest to Northern Ireland. It was very interesting to hear Colette talk about areas of interest.

I want to start with what I see as a very healthy new increase in interest in European Union affairs in Northern Ireland. There is no doubt that there is a real engagement here, in spite of all the doom and gloom surrounding Europe, which we all know about. I have been in EU business for 30 years, and I have to say that I have not come across such serious interest and engagement before. I put it down to two things. First, I can see a real change in political will. That is at all levels: Executive, Assembly, and local government. People are realising that there are new ways to engage. I think that that is the important issue.

Secondly, Northern Ireland has a sympathetic hearing in Brussels, and you heard Colette talk about that. It has always had that hearing, but now it is being reciprocated, if you like, by the Barroso task force and the work that is being done there. All this is being helped by important new developments, which are, first, the increase in staff in the Northern Ireland Executive Office in Brussels, where the desk officers mirror the desk officers of the task force. There is also the launch of a new perspectives group, which brings the MEPs, the Committee of the Regions, us and others together to exchange views so that we do not overlap. We have had only one meeting so far, but we will continue. At your level — the Assembly level — I am definitely seeing more interest compared to what it was in my day. It was tough in my day trying to push Europe at all, but now it is here.

This is the fourth time that I have appeared in front of this Committee, but Mike and I appear in front of others. We have been involved in training Assembly staff. Obviously, Shauna Mageean's appointment as EU project manager here has helped to create a new focus. Again, as Colette said, the new Northern Ireland European Regional Forum, which was launched last year by the junior Ministers and led by Belfast City Council, is hugely valuable. Its membership goes beyond all expectations. Dozens and dozens of people from all areas in Northern Ireland turn up for the meetings and want to find out more, exchange best practice and learn more about how they can access funding, etc. That is also a very valuable tool.

I think that the bottom line is that people are waking up to the fact that Europe is about more than farming, fishing and funding and that it is also about networking, information exchange, travel, tourism, innovation and enterprise. The list is endless. It is about young, old and everything in between, and I think that we are all waking up to that.

Of the issues that I think that you should be looking at over the next few months, I will put the EU Peace programme as number one — I am interested in hearing your questions on that — and the fact that the negotiations are very close on whether it should be a separate initiative, as it has always been, or whether it should be subsumed into the general body of structural funds. Chair, as you pointed out, the difference is additionality and whether it is additional to Treasury money or not. That is vital, because I remember back in the day that Delors promised that it would be additional, and the understanding is that it has been additional ever since. That should be held to, and it would be hugely important if there is anything that you could do to lobby to make sure that it is a separate initiative and that it is additional money.

By the same token and leading from that, is the peace-building and conflict resolution centre. That would be a tremendous extension of the Peace programme. Obviously, the Commission has already committed something like €20 million to it. It could attract interest and revenue worldwide, so I think

that it is a very exciting project, particularly as the European Union just got the Nobel Peace Prize. I know that people scoff at that. I have said that I believe that the peace prize was not just for Europe maintaining peace in the aftermath of the Second World War but for what it is doing in places such as Northern Ireland. So, I think that that is hugely valuable. I have written two opinions on the subject of European Union peace-building, the first on Northern Ireland and the second on European Union peace-building in the world, stating exactly what the value of something such as the conflict resolution centre is. I know that you are going to be visiting it later this month.

The Chairperson: Next week.

Ms Morrice: I hope that you will agree with me that it deserves recognition as a European and even an international centre of excellence. I think that the European element will be hugely important. Europe deserves recognition for what it has done in Northern Ireland, and Northern Ireland should show it off. I think that that would also be valuable.

The third aspect of the element of peace is the peace conference coming up on 30 January in Brussels. I assume that if you are going out there, you may be attending the conference. It will be very important.

Finally, I will quickly run through a number of issues that I think that you should be looking out for in the next few months. Obviously, Mike Smyth is not here, but I gave him a ring to ask whether there was anything that he would like to add, and he was talking about the European Investment Bank. Both of us see the value of using more funds from the European Investment Bank. Obviously, they are loans, not grants, but it is hoped that the bank could borrow from the Central Bank and that the loans could be cheaper or with a better rate. Do not ask me for too much detail about that, but that is how I understand it. It has been recapitalised, so more money is available there. An amazingly interesting person called Tom Barrett, who is from Lisburn, is one of the highest officials in the European Investment Bank, and I recommend that you get him down here to talk to you about how to access his funds.

The other project, Erasmus, is a bit of bandwagon that I am on. The Erasmus programme was originally about student exchange, but it has now been extended to Erasmus for All and is about exchange of the unemployed, exchange of workers and exchange for all. The UK was renowned for having the lowest take-up of Erasmus, and Northern Ireland had the lowest rate in the UK. That means that we are not taking advantage of the amazing opportunity that is available through Erasmus. It started with students, but it is now available for others as well.

This year is the European Year of Citizens, and you should be watching out for a lot of activities, such as the very interesting European citizens' initiative. I think that they have something similar in the United States where, if you get one million signatures, you can propose legislation. That has come with the Lisbon treaty, and people are starting to try to gather a million signatures. They would need to be cross-border and not just from one country, etc, but it is a very interesting initiative that you should look out for.

The final issues are the Irish presidency and the overlap with the G8 summit. Colette has talked about that at length, but the bottom line is that Northern Ireland will be awash with high-level dignitaries, and we should grab them and show them the projects that have been working and show them what we are doing. We should take advantage of that opportunity.

The Chairperson: Jane, thank you very much. You think that we should focus primarily on Peace IV. If we assume that we get over the line and Peace IV emerges, should we not also assume that it will be the final Peace programme? It is 2013 now, and we are 15 years on from the Belfast Agreement. An average world war lasts five years. We are 15 years on from starting a settlement. Peace IV might run until 2020. As a primary objective, does it not need an exit strategy to show how we will move away from it at the end?

Ms Morrice: I am not convinced. I will answer that by saying that the European Union is described as the greatest peace project in the world. It is 50 years old. It was set up in the aftermath of a world war, and it is still bringing new countries in, helping to shape democracies and doing peace work among its members. We have all heard it said that there have been 35 years of troubles; it could take as long as that to cement the peace. I am one of those who thinks that we should not walk away from it too easily and that we should not say that we have achieved stuff, because I think that it is quite

obvious that we have not and that there is an awful lot more to do. I want the programme to continue, and it would be valuable if it continues beyond Peace IV.

The Chairperson: Beyond 2020? Is there not value in outlining what we have achieved but also in being honest and outlining the list of things that are outstanding — there are some major outstanding issues — and saying that that is what we will tackle in Peace IV and that success will be in getting us over the line?

Ms Morrice: There is absolutely no harm in setting targets and benchmarks and everything that you talk about in business. However, as you well know, it is very, very hard to evaluate the success of peace building in the context of mind change, attitude change and community understanding. It is quite hard to get targets and benchmarks there. However, I definitely think that it would be useful in Peace IV to focus on issues such as integrated education, which happens to be one of my favourite topics, that will definitely contribute towards peace building. Showing that they work and finding ways to evaluate them would also be important. However, I do not think that we should necessarily think of 2020 as a cut-off point.

The Chairperson: That is interesting.

Mr Lyttle: Thanks, Jane. It is good to see you and to hear from you. I have a short question that I asked previously. There are people congregated in my constituency of East Belfast who say that the European Union Peace programme funds totalling £1 billion have been applied in a one-sided way. Would you care to comment on that?

Ms Morrice: Thank you, Chris. It is nice to see you. I know that the things that have been happening have been very difficult. I do not have a breakdown of the European Union funding in terms of sides. There is no doubt that that rumour existed at the beginning of the Peace programme, when I was more involved, but it seems as though the authorities were always able to say that there was equality. I am just surprised that there is no way that the statistics can be given to show that. I am sure that there are statistics to prove it, but I am sorry that I do not have them here today. For example, the Special EU Programmes Body must be able to come up with them and must be able to show something like a 50:50 split. It would be surprising if there were not.

Mr Lyttle: I know that there are some fantastic programmes that focus by and large on cross-community provision. I am thinking of the excellent work that the IFA community relations department has done in co-operation with the European Union Peace programme funding. I am aware of a lot of examples of that, and maybe it is important that we identify that information to reassure people that it has been the case.

Ms Morrice: In my experience, it has been a problem that we are not very good at putting the signs up saying "funded by", whether that is for a roundabout, a bridge or a training programme. There are a lot of training programmes and cross-community programmes, but people do not know that they are funded by the European Union social fund.

Mr Lyttle: The Ballybeen Women's Centre also does an excellent amount of work with European funds.

Ms Morrice: Absolutely. In fact, I remember that Commissioner Pádraig Flynn and I visited there years ago when we were looking at those community projects. A big problem is that there is not a big sign up now. Maybe it is hard to put signs up everywhere, but they should be up and showing.

The Chairperson: Maybe it is the elephant in the room, but the question should be asked of whether it is becoming almost inevitable that there will be some form of referendum on the UK's continued membership of the EU. You will know as well as I do that when we had the referendum back in the 1970s, Northern Ireland just voted in favour of EU membership, and I would not like to guess how an in/out referendum would play in Northern Ireland in 2014, 2015 or 2016.

Ms Morrice: It is interesting to put that into the context of my saying that there is more engagement and more realisation of the value of Europe. Yet, there is no doubt that there is an incredible amount of Euroscepticism, which is growing because of what is going on with banking and euros, etc. If the UK went to an in/out referendum on Europe, I cannot believe that people, even the sceptics, would vote out. I do not know what it is with me that thinks that people have realised that our future is there,

but whether you like it or not, we are in the European Union. Maybe it should be dealt with differently, which is what Cameron was talking about when he said about a Europe that is "two-speed" or one-speed or whatever. We are dealing with it differently. We do not have the euro, so there are different levels of dealing with it, but to decide to walk away is another consideration. I will throw back at you that the Scottish referendum will be an interesting issue in that context, because what happens there could lead to what happens Europe-wide. The word is that if Scotland voted to separate itself, it would have to reapply for European Union membership. That is something that I have heard, but I am not sure about it exactly. So, there are an awful lot of hypotheses to look at before we look at a referendum. I would definitely be out championing for Northern Ireland to have the UK stay in.

The Chairperson: The challenge, I suppose, for pro-Europeans, is to take the debate beyond the fisheries, farming and funding. In politics, you always have to ask what the finances in an issue are, and one thing that I find strange is that nobody seems able to say that for every individual — Northern Ireland has a population of 1.8 million people — we put into Europe x pounds and out of Europe we get y.

Ms Morrice: Those are the statistics again, and the additionality problem is an issue in that. That is why you are not able to do that. One side would say that it puts in more and does not get enough out, and the other side would say how it sees it. You asked earlier about seeing projects. The Peace bridge, the Lagan bridge, nearly every roundabout, the Newry bypass, and community project — so much out there is European funded, which, I think, proves that we are getting a lot out of it.

Here is an interesting thing that I was thinking of on farming, fishing and funding. What is changing? For farmers, the common agricultural policy is obviously hugely important. However, the task force helped with things such as the origin rules — the fact that we have Bramley apples and Comber potatoes — which are a new way of helping farming that is not just about money landing on the farmer's pay cheque. It is about a new way of recognising our products, whether they are Comber potatoes, Bramley apples or Portavogie prawns. It is a new way of dealing with it that is not about just money. All our ways of dealing with Europe should be about thinking along those lines, whether it is with research and innovation, student exchanges or sending more people to Brussels to learn more about it, how to get in, what to get out and what we can put in. That is also valuable.

The Chairperson: I just think that, at the moment, the challenge is to get people beyond an instinctive, emotional reaction to Europe to a more considered debate about what actually happens, what the potential is and what the benefits are.

Ms Morrice: What has resonance here is that it is instinctively emotional for an awful lot of people — obviously, in the UK — to think that getting closer to Europe means a loss of identity. That is the emotional issue. So often, I hear, "We do not want to become Europeans; we do not want to be wearing garlic over our shoulders." I say that there is no way that you will lose your identity by becoming more European. You can add to your identity that way. However, it is a hugely, hugely important issue and one that is hugely emotional and sensitive as well.

The Chairperson: You must be coming close to quoting John Hewitt.

Ms Morrice: Go on.

The Chairperson: Ulsterman, Irishman, British, European.

Ms Morrice: I do not know it.

The Chairperson: No? I do not do him justice, but that is the gist of it. And to deny one is to diminish me, I think is his line.

Mr Moutray: You are very welcome, Jane. It was estimated that, in 2008, it cost every man, woman and child in the United Kingdom approximately £1,000 a year for membership of the European Union. I notice that you shuddered, Jane, when Mike mentioned the possibility of a referendum. Are there no alternatives out there that we could be looking at?

Ms Morrice: Outside Europe?

Mr Moutray: Outside Europe. Is Europe such a Holy Grail that we must stay in it?

Ms Morrice: When it comes to the single market or our trade, it is possible that we could be Iceland — although Iceland is trying to get in — or Norway, which is out and had a referendum not to go in. Greenland is the only country that was in and then left. Yes, there are things out there that work. I must admit that I think that the UK is a thorn in Europe's flesh. There is no doubt about that. However, it is a valuable thorn. I think that, if you turn it around, you will find that it is quite good that the UK acts as a balance to Germany and France. So, I am turning it around and saying that Europe is better off with us in than we are better off out.

Mr Moutray: I know where Jane is coming from, and I respect that. She flagged up all the projects that Europe has financed, but let us not forget that there is a very considerable cost.

Ms Morrice: You quoted the figure of £1,000 a head a year.

Mr Moutray: Yes.

The Chairperson: Am I right in thinking that that is a UK-wide figure?

Mr Moutray: Yes, because we do not have a breakdown.

Ms Morrice: It is very hard to look at the statistics, but obviously it costs the wealthy parts of the UK more. The European Union is based on the premise that the rich help the poor. That is why, when the eastern European countries came in, we were expecting our money to be reduced. That is because the bottom line is that the Poles, the Romanians and the Bulgarians are an awful lot poorer than we are and we have to accept that they are more needy than us. By the same token, if you look at the UK, you will see that it is very possible that wealthier parts of the UK are funding more for Europe than Northern Ireland, Wales or parts of northern England. So, that £1,000 could be interpreted in different ways. Also, it is not just about money. What is your constituency?

Mr Moutray: Upper Bann.

Ms Morrice: I am trying to think of what vegetables or farming products come from there. I should know. Eels.

Mr G Robinson: Apples.

Ms Morrice: Yes, Bramley apples. What sort of value do you put on getting the Bramley apple status? Do you know what I mean? It is not all just money.

Mr Moutray: There is no doubt that there are value-added benefits. There are pros and cons. We are not going to agree on this, Chair.

The Chairperson: No. It is an issue that is out there. As you say, Jane, it might not be a question of going for an in/out-type approach but a renegotiated kind of approach.

Ms Morrice: That is not my suggestion, but it has been made.

The Chairperson: No, but that may be where we end up. Jane, thank you very much. I shall forward you the John Hewitt quote in full so that I am not maligning or misquoting him. Thank you very much.