

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

Report on Inquiry into Barroso Task Force

Together with Written Submissions

Ordered by the Committee for the Office of the First Minister and deputy First Minister
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Membership and Powers

Powers

The Committee for the Office of the First Minister and deputy First Minister is a Statutory Committee established in accordance with paragraphs 8 and 9 of the Belfast Agreement, Section 29 of the Northern Ireland Act 1998 and under Assembly Standing Order 48. The Committee has a scrutiny, policy development and consultation role with respect to the Office of the First Minister and deputy First Minister and has a role in the initiation of legislation.

The Committee has the power to;

- consider and advise on Departmental Budgets and Annual Plans in the context of the overall budget allocation;
- approve relevant secondary legislation and take the Committee stage of primary legislation;
- call for persons and papers;
- initiate inquiries and make reports; and
- consider and advise on matters brought to the Committee by the First Minister and deputy First Minister.

Membership

The Committee has eleven members, including a Chairperson and Deputy Chairperson, and a quorum of five members.

The membership of the Committee is as follows:

Mr. Mike Nesbitt (Chairperson)
Mr. Chris Lyttle (Deputy Chairperson)
Mr. Alex Attwood¹
Mr. Leslie Cree
Miss Megan Fearon
Mrs. Brenda Hale
Mr. Alex Maskey
Ms. Bronwyn McGahan
Mr. Stephen Moutray
Mr. George Robinson
Mr. Jimmy Spratt

¹ With effect from 7 October 2013 Mr Alex Attwood replaced Mr Colum Eastwood

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List of Abbreviations

AFBI	Agri-food and Biosciences Institute
AHA	Active and healthy ageing
BCC	Belfast City Council
BTF	Barroso Taskforce
BTWG	Barroso Taskforce Working Group
CAP	Common Agricultural Policy
CCBS	Centre for Cross Border Studies
CEF	Connecting Europe Facility
CFP	Common Fisheries Policy
CIVITAS	City, Vitality and Sustainability (initiative for clean and better transport in cities)
CONCERTO	Initiative for energy optimisation of districts and communities
DAE	Digital Agenda for Europe
DARD	Department of Agriculture and Rural Development
DE	Department of Education
DEL	Department for Employment and Learning
DETI	Department of Enterprise, Trade and Investment
DFM	Deputy First Minister
DFP	Department of Finance and Personnel
DG	Directorate General
DG AGRI	Directorate General for Agriculture and Rural Development
DG CLIMA	Directorate General for Climate Change
DG CNECT	Directorate General for Communication, Networks and Communications Technologies
DG COMP	Directorate General for Competition
DG EMPL	Directorate General for Employment and Social Affairs
DG ENTR	Directorate General for Enterprise and Industry
DG ENV	Directorate General for the Environment
DG MARE	Directorate General for Fisheries and Maritime Affairs
DG SANCO	Directorate General for Health
DG TAXUD	Directorate General for Taxation and Customs Union
DRD	Department for Regional Development

DSD	Department for Social Development
EED	Energy Efficiency Directive
EFF	European Fisheries Fund
eHAP	eHealth Action Plan
EIP	European Innovation Partnership
EMFF	European Maritime and Fisheries Fund
EPCU	European Policy Co-ordination Unit
ERASMUS	European Regional Action Scheme for the Mobility of University Students
ERDF	European Regional Development Fund
ESF	European Social Fund
ESIC	European Service Innovation Centre
ETC	European Territorial Co-operation
ETS	Emissions Trading System
EU	European Union
FIFG	Financial Instrument for Fisheries Guidance
FM	First Minister
FP7	7th Framework Programme for research and technological development 2007-13
Horizon 2020	Research and Innovation programme for 2014-20
ICT	Information and communication technology
IEE	Intelligent Energy Europe (initiative for sustainable energy solutions)
INEA	Innovation and Networks Executive Agency
JEREMIE	Joint European Resources for Micro to Medium Enterprises
JESSICA	Joint European Support for Sustainable Investment in City Areas
LIFE	EU Financial instrument for the environment
MEP	Member of the European Parliament
MFF	Multi-annual Financial Framework
MLA	Member of the Legislative Assembly
MoU	Memorandum of Understanding
NEET	Not in education, employment or training
NI	Northern Ireland
NICS	Northern Ireland Civil Service
NIERF	Northern Ireland European Regional Forum

NIES	Northern Ireland Economic Strategy
NILGA	Northern Ireland Local Government Association
NIMAC	Northern Ireland Massachusetts Connection
NITF	Northern Ireland Taskforce
NPP	Northern Periphery Programme
OFMDFM	Office of the First Minister and deputy First Minister
ONIEB	Office of the Northern Ireland Executive in Brussels
PBCRC	Peace Building and Conflict Resolution Centre
PEACE	European Union Programme for Peace & Reconciliation in Northern Ireland
PfG	Programme for Government
PSG	Permanent Secretary Group
REBM	Resource efficient business models
RES	Renewable Energy Sources
RTD	Research and technological development
RTFO	Renewable Transport Fuel Obligation
S3	Smart Specialisation Strategies
SBA	European Small Business Act
SEUPB	Special European Union Programmes Body
SFA	Selective Financial Assistance
SMART	Specific, Measurable, Achievable, Realistic, Timely
SME	Small/medium enterprise
TEN-T	Trans European Transport Networks
UK	United Kingdom
UKRep	Permanent Representation of the United Kingdom to the European Union
US	United States
VET	Vocational Education Training

Executive Summary

1. Given that the term of the current President of the European Commission, José Manuel Barroso is coming to an end in 2014, the Committee for the Office of the First Minister and deputy First Minister agreed to undertake an inquiry to examine the work of the Northern Ireland Taskforce. The Taskforce was established by President Barroso in 2007 to support Northern Ireland in its efforts to improve its economic competitiveness and to create sustainable employment.
2. The Northern Ireland Taskforce, or Barroso Taskforce as it came to be known, consists of representatives of the European Commission working with officials from the Northern Ireland Executive to strengthen Northern Ireland's engagement in European affairs. The work of the Taskforce is informed and guided by its report produced in 2008 which examined Northern Ireland's performance in EU affairs, compared where appropriate with other regions of the European Union (EU). That report also included a number of suggestions and recommendations as to how this performance could be improved. In response, the Northern Ireland Executive produced an Action Plan outlining its European priorities in 2009 and established an inter-departmental Taskforce Working Group (Barroso Taskforce Working Group) to implement the Commission's suggestions and recommendations.
3. The Committee agreed the terms of reference of the inquiry which were to:
 - Consider the work and structures of the Taskforce including the Barroso Taskforce Working Group (BTWG) since its inception in 2007
 - Identify the outcomes from the Taskforce and assess against the objectives
 - Identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso
4. In the evidence the Committee received it is clear that the Taskforce in Brussels and the Taskforce Working Group in Northern Ireland have stimulated a marked increase in engagement in European affairs by Executive departments. The European Commission provided in its evidence a number of examples across a range of policy areas where the Taskforce has directly or indirectly created positive outcomes for Northern Ireland.
5. Regarding the initiative in Northern Ireland, it is clear that the Taskforce Working Group in particular has proved to be a catalyst for increased focus from all Executive departments on EU matters, particularly with regard to the Programme for Government 2011-15 target to increase Northern Ireland's drawdown of competitive funds by 20% over the period. To date, performance has exceeded this target and the Committee welcomes this progress. The Committee also commends the efforts of the Taskforce and Taskforce Working Group in raising the profile of Northern Ireland, which is one of over 250 regions represented in Brussels, to facilitate access to decision makers in the Commission.
6. The Committee is strongly of the view that it is vital that at this juncture the expertise, experience and networks established through the Taskforce and Taskforce Working Group are not lost as a result of changes at the European Commission. While the Committee welcomes any review which seeks improvement, the Committee recommends that the Office of the First Minister and deputy First Minister continues to sustain an inter-departmental forum to support such a cohesive and coherent approach to European engagement across the Executive.
7. In gathering the evidence for the inquiry, it became clear that while there have been a number of successful outcomes for the Taskforce and the Taskforce Working Group, there are also a number of issues which the Committee recommends are addressed as soon as possible. These issues were raised by a number of respondents to the inquiry and a number of common themes emerged - targets and outcomes; communication; and profile and focus.

8. The Committee recommends the establishment of clear targets with clear outcomes. While accepting that much of the work of the Taskforce and Taskforce Working Group is qualitative, the Committee considers that measurement and evaluation of progress and success is vital to ensure that performance can be further improved. To this end, the current benchmarking exercise of performance in drawdown of competitive funds should be completed as a matter of urgency. The capturing of data is also vital to evaluation of performance and indeed would be a useful tool to highlight successes of the current mechanisms for engaging in EU affairs.
9. With regard to clarity of roles and communication, the Committee recommends that these issues in particular should be addressed as a matter of urgency. The Committee was concerned to learn of confusion and lack of clarity amongst Executive departments as to the roles and responsibilities accorded to the various structures. This lack of clarity can clearly have a detrimental effect on success in effective engagement on EU policy or funding matters. It is vital that all stakeholders are clear on their respective roles and responsibilities.
10. Furthermore, the issues raised in relation to communication with stakeholders, including statutory committees of this Assembly must be addressed. Assembly committees, in exercising their statutory functions, should be confident of receiving timely and accurate information on key departmental activity. The Committee hopes that the Taskforce Working Group will take urgent action to address this matter.
11. The Committee considers the profile of Northern Ireland can be raised through active participation in EU policy development and that opportunities to build capacity and to contribute to cross regional or cross national working should be actively explored and encouraged.

Summary of Recommendations

12. The Committee makes a number of recommendations for the support and enhancement of future engagement in European affairs. These are summarised below.

Recommendation 1

The Committee recommends that OFMDFM continues to support an inter-departmental forum to support a cohesive and coherent Executive wide approach to EU engagement for the benefit of Northern Ireland, thus ensuring the expertise, experience and networks established by the Barroso Taskforce and the Working Group are not lost but are further developed and enhanced. The focus and aims of any future group should be developed in consultation with all stakeholders.

Targets and outcomes

Recommendation 2

The Committee recommends that the benchmarking exercise to compare Northern Ireland's performance in drawdown of funds is completed as soon as possible and that the results of the benchmarking are shared with the Assembly committees. The Committee considers that it is imperative that absolute drawdown of funds as well as relative drawdown of funds on specific programmes can be measured in order to evaluate and monitor success.

Recommendation 3

The Committee recommends that the Executive publishes its annual European Priorities document in a more timely fashion, certainly within the first quarter of the respective year. The Committee also recommends that the Priorities and Implementation documents are regularly reviewed to facilitate the Executive in being responsive to changes and being proactive in horizon scanning.

Recommendation 4

The Committee recommends that the BTWG develop clearly defined annual targets for its own work which utilise SMART goals where outcomes are easily verified and measured. That said, the Committee acknowledges that there must be acceptance amongst all stakeholders that some goals will be qualitative in nature and more difficult to measure, particularly in terms of networking and influencing.

Recommendation 5

The Committee recommends that OFMDFM ensures that as far as possible data on funding applications, including those from third parties and arm's length bodies is captured. The Committee understands that OFMDFM has provided capacity building support for groups involved in the NIERF who are making applications and the Committee regards that given that funding is being used to build capacity, success or otherwise of these applications must be fully captured.

Recommendation 6

The Committee was previously advised by OFMDFM officials that information on applications is captured and shared through departments, thematic groups and the NIERF. The Committee recommends that comprehensive and cohesive monitoring systems are embedded in order to capture information on funding applications in order to inform, develop and enhance future performance. The BTWG must urgently consider how it can best ensure that correlating links between the work of the Taskforce and Taskforce Working Group in providing key information, advice and support and the success of applications can be more effectively captured and monitored.

Clarity of roles and responsibilities

Recommendation 7

The Committee recommends that the architecture of the EU engagement by the NI Executive is clearly defined and widely disseminated. The Committee recommends that the roles and responsibilities of each stakeholder are clearly defined and communicated.

Communication

Recommendation 8

The Committee recommends that a communications plan for the Taskforce and the Working Group is developed as a matter of urgency. The plan should include means of regular, timely and accurate communication of the work of the Taskforce and BTWG outwards to departments, Assembly Committees and key stakeholders. A formal and regular bulletin/newsletter for outward dissemination should be considered as a first step in improving communications.

Recommendation 9

Given the previous confusion on lines of authority and the mechanisms for Assembly committees to obtain information, this issue should be addressed as a matter of urgency with a view to facilitating effective and timely two way communication with Assembly Committees to facilitate support and further scrutiny.

Profile and focus

Recommendation 10

The Committee recommends that OFMDFM in leading on European affairs at the Executive actively pursues and considers opportunities for two way secondments to the European institutions. Such secondments ultimately benefit both parties in building capacity and knowledge.

Recommendation 11

The Committee recommends that opportunities for Northern Ireland to offer its experience and specialisms to other European partners in the development of EU policy is actively explored and such opportunities widely communicated to key stakeholders such as local government, research institutions and enterprises.

Introduction

13. The Northern Ireland Taskforce (or Barroso Taskforce) was established in 2007 and comprises a group of representatives from the European Commission working with officials from the Northern Ireland Executive departments to strengthen European engagement.
14. The Taskforce was announced by the President of the European Commission, José Manuel Barroso and was created to support Northern Ireland in its efforts to improve its economic competitiveness and to create sustainable employment.
15. The Taskforce itself is managed by the European Commission Directorate General for Regional and Urban Policy (DG REGIO). The founding European Commission Directorate Generals represented were Agriculture, Education and Culture, Transport and Energy, Employment and Social Affairs, Enterprise, Environment, Research and Innovation, Maritime Affairs and Fisheries and Regional and Urban Policy. This group has subsequently expanded to include Climate Action, Competition Policy, Communication, Networks and Communications Technologies, Health and Consumers, Home Affairs, Justice and Taxation and Customers Union.
16. The Northern Ireland aspect of the Taskforce operates through the Barroso Taskforce Working Group (BTWG) and thematic sub-groups. The BTWG is chaired by Junior Ministers Bell and McCann and leads on implementation of the Executive's European Priorities. The group comprises Senior Civil Service representatives from each Executive department.
17. At its meeting of 29 January 2014, the Committee for the Office of the First Minister and deputy First Minister ('the Committee') agreed to undertake an inquiry into the Barroso Taskforce and Taskforce Working Group.
18. The agreed terms of reference for the inquiry were to:
 - Consider the work and structures of the Taskforce including the Barroso Taskforce Working Group since its inception in 2007
 - Identify the outcomes from the Taskforce and assess against the objectives
 - Identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso
19. The Committee sought written evidence from key stakeholders addressing the terms of reference as well as announcing the call for evidence on the Committee webpage. The Committee also commissioned a research paper from Assembly Research and Information Service and this paper is contained within Appendix 4.
20. The Committee received 14 written submissions and copies of these submissions are contained in Appendix 3.
21. The Committee would like to thank all those who provided submissions to the inquiry.

Background

22. In considering the work of the Barroso Taskforce, it is useful to consider the mechanisms and structures for engagement in European affairs at the Northern Ireland Executive.
23. International relations with the European Union are a reserved matter and therefore the responsibility of the UK Government and UK Parliament as Member State. The UK Government however has given a commitment to involve the devolved administrations in the formulation of the UK policy position on EU matters which touch on devolved matters.
24. This commitment has the caveat that European engagement must take place without compromising the position of the UK Permanent Representation (UKRep) to the European Union which has primary responsibility for promoting and negotiating agreed UK policy positions with the EU institutions.
25. In March 2010, a Memorandum of Understanding (MoU) was signed setting out the mechanisms between the Westminster Government and the devolved administrations of Northern Ireland, Scotland and Wales, including with regard to the handling of European affairs.
26. The MoU states that *“As a matter of law, international relations and relations with the European Union remain the responsibility of the United Kingdom Government and the UK Parliament. However, the UK Government recognises that the devolved administrations will have an interest in international and European policy making in relation to devolved matters, notably where implementing action by the devolved administrations may be required. They will have a particular interest in those many aspects of European Union business which affect devolved areas, and a significant role to play in them..... The UK Government will involve the devolved administrations as fully as possible in discussions about the formulation of the UK’s policy position on all EU and international issues which touch on devolved matters. This must, obviously, be subject to mutual respect for the confidentiality of those discussions and adherence to the resultant UK line, without which it would be impossible to maintain such close working relationships.”*¹
27. Within the Memorandum of Understanding there is a ‘Concordat on Co-ordination of European Policy Issues’ for each of the devolved regions. The Concordat sets out the mechanisms between UK Government and the Northern Ireland Executive Committee for the handling of EU business. Specifically, the Concordat covers:
 - provision of information;
 - formulation of UK policy;
 - attendance at Council of Ministers and related meetings;
 - implementation of EU obligations; and
 - infraction proceedings.
28. The Memorandum of Understanding and the Concordat on Co-ordination of European Policy Issues has informed the development of the Northern Ireland Executive’s own structures and mechanisms for European affairs.
29. Responsibility for European affairs lies with the Office of the First Minister and deputy First Minister (OFMDFM). A European Division operates within OFMDFM comprising the European Policy and Co-ordination Unit (EPCU) based in Belfast and the Office of the Northern Ireland Executive in Brussels (ONIEB). The role of EPCU provides a central policy and co-ordination

1 Memorandum of Understanding and Supplementary Agreements between the United Kingdom Government, the Scottish Ministers, the Welsh Ministers, and the Northern Ireland Executive Committee, March 2010

role in relation to the European Union. It helps Northern Ireland fulfil its EU responsibilities and develop a positive approach to participation in the EU. This involves:

- Leading on the development of the Executive Committee's strategic approach to Europe.
- Maintaining effective liaison arrangements with Whitehall, the Scottish and Welsh devolved administrations, the Irish Department of Foreign Affairs, the Department of the Taoiseach and across NICS departments on European matters.
- Monitoring the transposition of European directives.²

30. The Office of the Northern Ireland Executive in Brussels (ONIEB), which opened in 2001, is a Northern Ireland Civil Service office based in Brussels. Along with the EU offices of the Scottish Government and the Welsh Assembly Government, the Office of the Northern Ireland Executive in Brussels operates under the umbrella of the UK Permanent Representation to the European Union (UKRep).
31. The fundamental vision of ONIEB is to assist the Northern Ireland Executive to further the aims of its Programme for Government through engagement with the European institutions in Brussels.³
32. The Northern Ireland Executive produces a 'European Priorities' document every year which sets out the key aims, EU policies, networks, funding streams and objectives. An Implementation Plan is also published each year which provides further details on the attainment of the objectives contained within the European Priorities document including the relevant responsible Executive departments.
33. The Northern Ireland Executive agreed its European Priorities 2013-14 on 19 September 2013 and these priorities continued to focus on the four priority thematic policy areas identified in the European Priorities 2011-12 document, namely
 - Competitiveness and Employment;
 - Innovation and Technology;
 - Climate Change and Energy; and
 - Social Cohesion.
34. These priority thematic areas reflect the European Union's Europe 2020 Strategy which is the EU's ten-year growth strategy. Europe 2020 has five key objectives in the areas of employment; education; research and innovation; social inclusion and poverty reduction; and climate and energy. Each Member State has adopted its own national targets in these areas.
35. OFMDFM has recently reviewed these four thematic priority areas and has moved to three priority themes to take account of policy and funding programmes in the environment, economy and social themes.
36. The Programme for Government 2011-15 also includes a target for the Executive to increase drawdown of competitive (i.e. non –structural funds) by 20% over the period. The task of increasing the drawdown of competitive funds falls to each individual department and the measuring and reporting of progress against the targets to the Executive is performed by EPCU.

2 Extract from OFMDFM website <http://www.ofmdfmi.gov.uk/index/co-operation/about-the-european-policy-and-co-ordination-co-operation.htm>

3 Extract from OFMDFM website <http://www.ofmdfmi.gov.uk/index/promoting-ni/onieb.htm>

Barroso Taskforce – Work and Structures Since 2007

37. The President of the European Commission, José Manuel Barroso announced a European Commission Taskforce for Northern Ireland on 1 May 2007. This inaugural Taskforce for a specific region in the EU was created in order to support the peace process, with particular emphasis on how to support Northern Ireland in its efforts to improve its economic competitiveness and to create sustainable employment. The Northern Ireland Taskforce (NITF) comprises a group of representatives from the European Commission working with officials from the Northern Ireland Executive departments to strengthen European engagement.
38. The vision for the Taskforce was: *“The NITF represents, in effect, a new and closer partnership between Northern Ireland and the Commission services as the region’s long period as major recipient of European regional aid is gradually phased out, and where it will increasingly rely on its own resources.*
- The specific remit of the NITF is to support efforts in Northern Ireland to improve competitiveness and create sustainable employment, mobilising the services of the Commission most concerned with the competitiveness and sustainable employment agenda. Particular importance is attached to reducing dependence on the public sector and to creating a more dynamic private sector. In taking this remit forward, and in preparing this report, the NITF symbolises a new partnership between the administration in the region and the Commission as well as being an attempt to stimulate a qualitative change in the region’s fortunes.”⁴*
39. The European Commission Directorates General involved in the NITF at the outset were Agriculture, Education and Culture, Transport and Energy, Employment and Social Affairs, Enterprise, Environment, Research and Innovation, Maritime Affairs and Fisheries, Regional and Urban Policy, the Secretariat General and, outside the Commission, the European Investment Bank also participated in early meetings.
40. From 2007-08, the NITF:
- Undertook, against a background of an analysis of the socio-economic profile of the region, a detailed stocktaking of the achievements of Northern Ireland in different EU policies, especially over the previous planning period, 2000-2006, set where appropriate in a comparative context with other parts of the EU;
 - Formulated, on the basis of this stocktaking, suggestions and recommendations on how the administration, the private sector, universities and research institutes and other economic actors can contribute to, and benefit more from, Europe.
41. The Taskforce, in undertaking its work carried out a comparison of Northern Ireland to five regions which were selected primarily on the basis that their populations were in the range of 1.6 to 1.8 million, similar to Northern Ireland. These regions were Jihovýchod (Czech Republic), Mittelfranken (Germany), Poitou-Charentes (France), Sardinia (Italy) and Västsverige (Sweden).
42. In April 2008, the European Commission produced a report on the Northern Ireland Taskforce which examined performance to date and included suggestions and recommendations for future activity.
43. “First Minister Rt. Hon Dr. Ian Paisley said *“This report clearly shows the way forward for Northern Ireland in Europe. The Taskforce has identified a number of areas in which it can assist us in making the most of the opportunities that Europe can offer. Competitiveness and innovation is a key priority for this Executive. It is essential therefore that we take advantage of*

4 Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Taskforce, April 2008

the countless business opportunities that the European single market represents. Today's report will show us exactly how to do this."

Deputy First Minister Martin McGuinness said *"Today's announcement goes beyond support and aid. It is about a new partnership with Europe. The report represents the next stage of that partnership and highlights the commitment to continue to work at a high level both politically and operationally. We want to continue this journey with our European partners. The Taskforce report provides us with a comprehensive roadmap to further co-operation, peace and prosperity."*

The Report assessed Northern Ireland's participation in the available EU initiatives most relevant to its needs. In response to the Taskforce Report, the First Minister and deputy First Minister formally presented the Executive's Action Plan outlining its European priorities to President Barroso in Brussels on 31 March 2009.⁵

44. The 2008 Taskforce Report stated *"Northern Ireland, in emerging from a prolonged period of conflict, faces many challenges of a socio-economic nature. While many of the headline economic indicators, for example, in relation to unemployment rates or GDP per head, compare very favourably today with the averages for the Union, the region bears the imprint of the period of conflict: a high dependence on the public sector, an inclination against risk-taking and a low level of entrepreneurship, the negative image of the region to international investors, and a high proportion of the population not engaged in economic activity. At the same time, the stability which has now been achieved provides the opportunity for a step-change in economic performance. It is against this background that the NITF has been examining how the region can become more involved in EU policies in order to help move the economy up the value chain and to enter the top league of innovative regions"*

45. The following extract from the 2008 report gives details of the work undertaken by the NITF from May 2007-March 2008:

"...the NITF, in parallel with its analytical work, has cooperated closely with the authorities in Northern Ireland since May 2007 in pursuit of the growth and jobs agenda.

First, the Commission services gave priority to obtaining rapid decisions on the new generation of socio-economic development programmes for 2007-2013:

- By the end of 2007, five out of the six programmes had been agreed: PEACE III, the Competitiveness and Employment programme, the Northern Ireland European Social Fund programme, the territorial cooperation programme with Western Scotland and Ireland and the rural development programme. The decision on the fisheries programme, which is organised nationally for the whole of the UK, is expected to be taken in the coming months, assuming the programme is submitted according to the agreed timetable.
- The total financial allocation from the EU for the six programmes is over 1 billion euros. The significance of the decisions taken on the programmes is that they cleared the way for the payment of advances in 2007 of EUR 42 million, which will help the region to kick start the new round of investment.
- Most encouragingly, the new ERDF Competitiveness and Employment programme, which is the largest of the six, with EU financial support of EUR 473 million, together with the Social Fund programme with EU support of EUR 165 million, have been set firmly within the context of the Lisbon agenda in the sense that more than 85% of the resources have been earmarked for investments directly targeting competitiveness. The Commission looks forward to the implementation of these important European programmes, with the prospect that Northern Ireland will become an example of best practice in the EU in using European regional policy to deliver the growth and jobs agenda.

5

Extract from OFMDFM website <http://www.ofmdfmi.gov.uk/co-operation-barroso-task-force>

- In an effort to increase the level of resources available for investment, the Commission has encouraged the authorities to explore the possibilities for loan-based financial support through the JEREMIE and JESSICA initiatives for small/medium enterprise (SME) and urban development, respectively. Contacts have already been held with the European Investment Bank (JESSICA) and the European Investment Fund (JEREMIE) to explore the possibilities.
- In addition, in the light of the major industrial closure (the Seagate factory); attention was drawn by the NITF to the new European Globalisation Adjustment Fund, which if the necessary criteria are met, can help to finance the costs of retraining, etc.

Second, the NITF has worked closely with the Northern Ireland administration in an effort to bring the region more firmly into EU networks:

- **Networking with the Commission.** Contacts with the Commission departments have been established on a more systematic basis and, as a result, there is improving awareness in Northern Ireland of the different possibilities offered by the EU policies and on how to compete for support in different fields. A number of actions are under consideration or already underway in this regard:
 - An early example was that of the call for tender under the Union's trans-European transport networks (TEN) policy where, in the past, the region had expressed relatively limited interest. By bidding in the framework of the UK proposal for the TEN-Transport programme, 2007-2013, the region secured support for a road project with an EU grant of €10.64m. The support rate will be the highest in the UK at 16% of total cost, compared to 5% for other UK road sections.
 - In the field of the knowledge economy, the possibilities offered by the Seventh Framework Programme for the universities, research centres and the private sector represent a particular priority for the region. The Commission supports the authorities in Northern Ireland on the principle of concentrating participation in calls for proposals in fields where the region enjoys particular strengths: aeronautics, nanotechnologies, information society, food quality and services. In the field of small businesses, the possibilities offered to enterprises under the Competitiveness and Innovation Programme have been highlighted, in particular, under the eco-innovation initiative and in the field of financial engineering. In parallel, in the light of the important human resources dimension to the development of the knowledge economy, attention has been drawn to increasing Northern Ireland's participation in the different EU education, training and youth-related initiatives. The record suggest that more could be done to prepare Northern Ireland's students for involvement in the ERASMUS programme, which offers the possibility for students from the region to develop language and other skills through studying in institutions in other EU Member States.
 - In the field of the environment and energy, contacts with the Commission have revealed potential interest in EU transport and energy programmes (Concerto, Intelligent Energy, Civitas) which could help to reinforce the important steps already taken by the region in the field of renewable energy and energy efficiency, while there is more scope for involvement in the framework of the sustainable development strategy through projects supported financially under Life+.
 - Other actions underway include a peer learning seminar on EU employment and social policy which is scheduled for April 2008. Preparatory work is also well advanced for a conference on antidiscrimination which will take place in Belfast in early June 2008.
 - In addition, in the important domain for Northern Ireland of agricultural policy, the promotion of quality food has been identified as a priority using geographical denominations. Accordingly, applications for quality food schemes have been prepared and their submission to the Commission is imminent.
- **EU-financed network programmes.** The attention of Northern Ireland has been drawn to the opportunities for participation in EU network programmes. In particular, the region has

expressed interest in taking the lead role in a network supported under the Regions for Economic Change initiative which is co-financed by the European Regional Development Fund. This is the first time NI has put itself forward as leading player, which reflects the fact that NI is gaining confidence in its own capacities in an EU context.

- **Sharing experience with other regions.** Northern Ireland has been encouraged to share its specific -and in many ways unique -experience in the field of conflict resolution with other regions. In this regard, a first step was taken with the organisation in October 2007 of a specific workshop in the annual regional event held in Brussels, known as the Open Days, on the theme of the PEACE experience in Northern Ireland in comparison with experience in Cyprus and the Western Balkans. As taken up again below, there is much interest in Northern Ireland in developing this area of activity into some form of European institutional facility for conflict resolution.
- **Combining forces with other regions.** As part of its integration into the less formal networks that characterise the EU economy, Northern Ireland has been encouraged by the NITF to engage, and exchange experience, with other regions on its own initiative. To start the process off, the NITF organised contacts with the successful Helsinki Innovation Strategy. “

46. The 2008 Taskforce report made recommendations for future activity which included addressing the socio-economic weaknesses, stimulating the private sector and encouraging the development of businesses, not only through supporting start-up businesses but helping to sustain competitive enterprises. The Commission suggested development of closer links between businesses and universities and research institutions on innovation and development of linguistic and other skills in the workforce in order to increase competitiveness. Addressing educational attainment gaps and increasing participation of inactive and marginalised groups in the workforce were also key recommendations. The report highlighted the need to continue to modernise the agri-food sector and addressing the legacy of under investment in transport and environmental infrastructure.
47. The Commission proposed to maintain the NITF to accompany Northern Ireland in this work and to monitor progress. An important element in the efforts was the work of the Office of the Northern Ireland Executive in Brussels (ONIEB) and also the exchange of officials between Executive departments and the European Commission. The NITF declared that it would support Northern Ireland in its objective of becoming more involved in the shaping of EU policy while acknowledging that success in this area would depend on the *'national context through which consultation on EU policy is organised, although the NITF can help by ensuring that the authorities and other actors are fully informed, for example, using the Commission's office in Belfast.'*⁶
48. In response to the report, the Northern Ireland Executive published its first Strategic Plan for European Engagement in March 2009 and established the Northern Ireland Executive inter-departmental Taskforce Working Group to draw up its own action plan to implement the Commission's suggestions and recommendations.
49. The objectives of the Working Group, known as the Barroso Taskforce Working Group (BTWG) were:
- Promoting Northern Ireland's interests with the European Union
 - Raising Northern Ireland's positive profile throughout Europe
 - Raising awareness and encouraging participation in Europe
 - Access to EU funding

6 Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Taskforce, April 2008

- Sharing experience of building peace and conflict resolution in a divided society with Europe and beyond⁷

50. At a meeting with the First Minister and deputy First Minister on 9 December 2010 President Barroso announced the continuation of the work of the Northern Ireland Taskforce in aligning the priorities of Northern Ireland with the priorities at EU level and linking them with the objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth. President Barroso re-affirmed the European Commission's commitment to Northern Ireland calling for action 'to renew and reinvigorate our collective effort'.

"Mr Robinson said: "President Barroso's announcement this morning is hugely significant for Northern Ireland. The Taskforce was a unique initiative originally setup in 2007 to ensure that Northern Ireland took full advantage of the opportunities that membership of the European Union offers. Since then, the Taskforce has enabled us to secure funding valued at €23.2million under the Framework 7 Programme, significantly surpassing our previous achievements. Over 2,000 projects, with a total value of €13million, have been approved under the Rural Development Programme and over 42,000 people have participated in skills programmes through the social fund so far. Even from these few examples, it is clear that the work of the Taskforce is making a significant difference."

Mr McGuinness said: "We need to build on our achievements to date. Given our objectives of growing the economy, tackling disadvantage and delivering efficient public services the Taskforce is an opportunity for our public, private and social sectors to up our game with Europe and fully realise the potential of European engagement."⁸

51. After the Executive took up their new mandate in May 2011, Junior Ministers Bell and Anderson assumed the Chair of the Barroso Taskforce Working Group, the aims of which are:

- Participation in EU policy development to benefit the region;
- Engagement in European networks, allowing us to benchmark our performance and learn from best practice across Europe in the delivery of services to citizens and businesses; and
- Drawdown of resource from competitive EU funding programmes, strengthening our economy and delivering competitive advantage for our businesses⁹

52. The Taskforce continues in both Brussels and Belfast. In Brussels it is managed on a day-to-day basis by the European Commission Directorate-General for Regional and Urban Policy (DG REGIO). Evidence provided to the Committee by the Office of the First Minister and deputy First Minister advised that the Commission Taskforce is asked to:

- Provide analysis and advice
- Prioritise NI issues
- Participate in NI events
- Increase accessibility to senior officials and commissioners
- Factor NI interests into key Commission decisions as far as it is possible to do so
- Provide endorsement of Northern Ireland policy and practice

53. In Belfast, the Taskforce operates through the Barroso Taskforce Working Group and thematic sub-groups. The BTWG is chaired by Junior Ministers Bell and McCann and leads on implementation of the Executive's European Priorities. The group comprises Senior Civil Service representatives from each Executive department. BTWG originally established four

7 'Priorities for European Engagement Action Plan 2008-09' Northern Ireland Executive

8 Extract from OFMDFM website <http://www.ofmdfmi.gov.uk/co-operation-barroso-task-force>

9 Official Report, 28 May 2012 – Ministerial statement on European Priorities 2012-13

policy sub groups with a focus on each of the thematic priority areas of competitiveness and employment; innovation and technology; climate change and energy; and social cohesion.

54. In addition, a Human Resources Sub-Group was established to oversee and support secondments and placements of NICS staff in Brussels institutions as well as development of enhanced EU training for NICS staff and a Finance sub-group to facilitate delivery of the 20% increased drawdown of competitive funds target.
55. To support the Executive in work on the four thematic priority areas defined in the European Priorities document four 'Barroso Taskforce Desk Officers' were appointed in March 2012, focusing on influencing and building Northern Ireland's profile in each of the thematic priorities.
56. A recent review of the Desk Officer initiative and in consideration of the cross cutting nature of the innovation and technology thematic priority, the BTWG has been restructured into three interdepartmental groups covering economic, societal and environmental challenges. Each of these groups is supported by a Liaison Officer in ONIEB. In addition, a fourth Liaison Officer has a cross cutting responsibility for coordinating work done on Horizon 2020.
57. OFMDFM is also joint Chair of the Northern Ireland European Regional Forum (NIERF) with Belfast City Council which comprises around 80 stakeholder groups and is a forum for decision makers from the public, private and voluntary sectors and provides a platform for strategic collaboration on EU funding and policy.
58. Evidence from OFMDFM describes the main architecture of the Taskforce initiative as comprising the European Commission Taskforce, the BTWG and its three thematic groups and Brussels based Liaison Officers and the NIERF.

Outcomes Against Objectives

59. In its written evidence to the inquiry, the European Commission views measuring the outcomes of the NITF as “*essentially about assessing the results of its new and closer partnership with the region*”.
60. As stated previously, the remit of the Taskforce was “*...to support efforts in Northern Ireland to improve competitiveness and create sustainable employment, mobilising the services of the Commission most concerned with the competitiveness and sustainable employment agenda. Particular importance is attached to reducing dependence on the public sector and to creating a more dynamic private sector. In taking this remit forward, and in preparing this report, the NITF symbolises a new partnership between the administration in the region and the Commission as well as being an attempt to stimulate a qualitative change in the region’s fortunes.*”
61. The Committee was pleased to note that the European Commission Director-General for Regional and Urban Policy Walter Deffaa stated “*On a personal note, I would like to say that it has been a pleasure to cooperate with the authorities in Northern Ireland and the attached submission leads me to conclude that there has been a renewed engagement on the part of the region with European policies and programmes which appears to have yielded many benefits. I feel sure that, as we enter the EU’s new planning period, 2014-2020, Northern Ireland will be more strongly placed than ever to participate in the new programmes and projects.*”
62. The Committee recognises that the outcomes of the Taskforce are often intangible in nature particularly with regard to accessibility of contacts, information and advice. The often informal nature of contact which may be directly between NI departments and specific Directorates in the Commission and thus bypass the formal Taskforce structures also means that outcomes may be difficult to capture.
63. In its evidence, the European Commission sought to highlight a number of important outcomes for Northern Ireland which resulted, directly or indirectly as a result of this relationship. These outcomes are outlined in brief below.

EU Research and Innovation Policy

64. The bulk of research and innovation projects which have been implemented in the life of the Taskforce were financed under Framework Programme 7 (FP7). In an effort to measure results, the Commission’s evidence compares performance by Northern Ireland under the previous research and innovation programme Framework Programme 6 (FP6) but does acknowledge that the data is not directly comparable due to differing structures and levels of funding in FP7.
65. The Commission used the indicators of the number of assisted projects; the number of grant holders; and the level of EU contribution. The Commission found, using the 5 comparative regions used in the 2008 Taskforce report that there has been a slight improvement in the international comparison.
66. Regarding participation in the leadership of projects compared to the five other EU regions, Northern Ireland came top in terms of the number of FP7 coordinators however came below the UK rate, Republic of Ireland rate, was lowest of the UK regions and was below the EU average rate.
67. When comparing the number of successful applications as a percentage of total projects, Northern Ireland is below the overall UK success rate and fifth out of the six comparable regions but is equal to the EU success rate which the Commission regards as an indication that the quality of the proposals submitted has been comparatively high and could reflect favourably on the remit of the NITF of providing information and advice.

68. Regarding participation of SMEs in FP7, Northern Ireland ranks at the bottom of the comparable regions, is 11th out of all UK regions, and is well below the SME participation rate in the UK, in the Republic of Ireland and the average of EU member states.

Innovation Union and the Digital Agenda

69. The health sector has been identified within Northern Ireland as a regional asset with potential for innovative development and the Commission advises that working through the Taskforce Northern Ireland has been able to access and contribute to the EU policies concerned: the 'Innovation Union' and the 'Digital Agenda'. Northern Ireland has been actively involved in the pilot 'European Innovation Partnership on Active and Healthy Ageing' and organisations from the public and private sectors and academia have actively contributed to the partnership. As a result, Northern Ireland has been named as a 'reference site' for the rest of Europe.
70. The Commission's evidence advises that with the help of the information and advice of the Taskforce, Northern Ireland has been a *'significant player in the EU health policy areas of eHealth'*. Within the Commission Northern Ireland is *'considered to be a strong advocate for connected health, covering digital health, eHealth, mHealth, telecare, telehealth and telemedicine, which places it at the forefront of using eHealth as 'transformative tool' in the delivery of more efficient and cost effective healthcare.'*
71. Working closely with the Taskforce Northern Ireland has played a very active role in the implementation of an EU-US Memorandum of Understanding to support global cooperation in the field of health and innovation and indeed an MoU has been signed between New York and Northern Ireland on 'Connected Health' which is expected to generate business opportunities presented by collaboration.

Enterprise Policy

72. Northern Ireland has been one of six demonstrator regions in the field of service innovation and was selected by the European Commission to receive advisory support services from the European Service Innovation Centre (ESIC). ESIC examined where service innovation could be used to develop innovative design, marketing, logistics, packaging and retail in the agri-food industry.

Regional and urban policy

73. The Sustainable Competitiveness Programme, supported by the European Regional Development Fund was the EU's main source of investment in the delivery of the Taskforce in terms of the emphasis on competitive and sustainable employment. This Northern Ireland Programme was considered a best practice example of a competitiveness orientated approach. The NITF considered that the programme was able to keep implementation on track so that high levels of programme funds had been committed by the end of 2014 and satisfactory levels of investment spending had been achieved. A number of key successes include flagship infrastructure projects such as the Giant's Causeway visitor centre, ICT Demonstration Centre projects, substantial return on investment from Northern Ireland Tourist Board promotional activity, exceeding targets on investment in research and technological development (RTD) and promotion of jobs through Selective Financial Assistance.
74. The Taskforce and the devolved institutions have jointly sought to create optimal considerations for the conception and implementation of the 2014-2020 regional programme. Northern Ireland has worked closely with the Commission's Joint Research Centre and was one of the first partner regions, seeking a peer review of its future smart specialisation strategies (S3)

for supporting innovation. The Taskforce was instrumental in ensuring that the UK High level technical conference on smart specialisation was held in Belfast in October 2013.

75. Since 1995 the EU has provided €1.3billion to support peace and reconciliation in Northern Ireland and the border region through three PEACE programmes. The Taskforce organised meetings between Northern Ireland officials Commission services and the European External Action Service with a view to securing the Peace Building and Conflict Reconciliation Centre (PBCRC) as one of the EU's main facilities for the implementation of international conflict resolution and mediation services. Given that the project has not proceeded, the Taskforce are liaising with the managing authority in an effort to ensure that the resources are transferred to projects that contribute to the overall aims of the PEACE programme.
76. The existence of the Taskforce helped to highlight the importance of the work of the EU in Northern Ireland and provide a context for the decisions taken by the Parliament and Council in respect of a fourth PEACE programme.
77. The Department of Finance and Personnel with the support of the Commission has aimed to increase Northern Ireland's participation in the Atlantic Area Programme and undertook efforts to widely publicise the opportunities available under this Programme, resulting in a successful project 'Batterie' in the field of transport with an EU contribution of €2.2million.
78. Northern Ireland also joined, for the first time, the Northern Periphery Programme which has as members Finland, Ireland, UK, Sweden and non-EU programme partners countries Faroe Islands, Greenland, Iceland and Norway.

Education and Training Policy

79. NITF has worked closely with the Department of Education and Department for Employment and Learning on education of young people and promotion of learning and skills and Northern Ireland has been an active player in education and training policies and programmes at EU level aimed at addressing attainment levels. Northern Ireland has participated in all the main EU training and education programmes and all four eligible higher education institutions participated in the ERASMUS programme.
80. Northern Ireland has been active in the EU's thematic working groups convened by national parliaments on themes of entrepreneurship education; ICT in education; quality assurance in adult learning; key competences and maths, science and technology. The European Commission also considers DEL's initiative in measuring and benchmarking the quality of provision to be a best practice example.

Employment and Social Policy

81. There have been intensive contacts between the Taskforce representatives and representatives of the devolved institutions. Through the Taskforce, Northern Ireland was selected as the venue for two European conferences: Employment and Social Policy in April 2009 and the 5th Annual Anti-Discrimination Conference in June 2008. There has also been close contact between the Department for Employment and Learning and the Taskforce on the long term plans for Northern Ireland in the field of employment and broader employment related policies.

Environment policy

82. There is evidence that with the information and advice channelled through the Taskforce contact point, Northern Ireland has deepened its relationship with the Directorate General for Environment. Northern Ireland has become more active in the LIFE programme which

supports environmental projects; indeed there are examples where Northern Ireland's involvement has been considered to represent best practice.

Energy policy

83. The UK has included one policy specific to Northern Ireland in its notification to the Commission on how it plans to implement part of the Energy Efficiency Directive – the Northern Ireland Sustainable Energy Programme.

Transport and Mobility policy

84. The European Commission has maintained regular contact with the Northern Ireland authorities and the implementation agency for the policy recently visited Belfast to meet the beneficiaries of on-going transport projects and monitor project implementation. In 2007-13 the TEN-T programme financed 7 projects in Northern Ireland with a total EU contribution of €28.4million. In the new funding instrument for transport infrastructure, the Connecting Europe Facility, the North Sea-Mediterranean core network corridor is of particular importance for the UK and one pre-identified project within this corridor is the upgrading of port and multimodal connections in Belfast.

Climate policy

85. The Directorate General for Climate Change (DG CLIMA) joined the Taskforce in 2011 and has facilitated contacts between the devolved institutions and the Taskforce on areas of interest such as available funding for demonstration projects to help influence future key EU policies in climate change and energy. DG CLIMA participated in the Cross Border Partnership Seminar for Northern Ireland and Ireland to present and advise on the importance of the integration of climate change mitigation and adaptation into the programming of EU structural and investment funds for 2014-2020.
86. The Taskforce has sought to keep the devolved institutions aware of support given to renewable energy source (RES) technologies.

Agriculture and Rural Development policy

87. The Directorate General for Agriculture and Rural Development (DG AGRI) has been active in the NITF throughout its existence. The importance of the Common Agricultural Policy (CAP) to the economy in Northern Ireland is one of the reasons for the close contacts between DG AGRI and the Northern Ireland institutions and indeed there are dedicated staff within the ONIEB. EU support was granted in the dioxin crisis of 2008 for assistance in the cull and approval of a hardship scheme for pigmeat processors. The Commission has also worked closely with Northern Ireland in building new auditing systems for the Single Farm Payment scheme.
88. The Rural Development Programme was revised in 2009 in a partnership between the Northern Ireland authorities and the Commission to focus on biodiversity, climate change, water management and restructuring in dairy farming. Tangible examples of EU support include the European Economic Recovery Plan under which €1.38million was allocated to next generation broadband access for rural businesses and the successful quality labelling applications for Bramley apples, Lough Neagh eels and Comber potatoes.
89. An information session specifically on post 2014 CAP was organised in Brussels in March 2012 with participation of the Department of Agriculture and Rural Development (DARD) and the Agri-food and Biosciences Institute (AFBI). Northern Ireland achieved considerable

regional flexibility in how it can implement CAP reform – for example in relation to greening, dual claims, definitions of active farmers and allocations to new producers.

Fisheries and Maritime Affairs policy

90. Northern Ireland representatives participate in the regular monitoring committee meetings regarding the fisheries programme's implementation. There has been a high success rate of payments to the Northern Ireland fishing sector 2000-2006. Around 200 projects have received support. Through the NITF, the Commission has maintained close contact with Northern Ireland providing information and advice relation to the European Fisheries Fund implementation. However, there has been a below expectation level of take up in Northern Ireland and some €2.2 million had to be removed.

Other EU policy areas

91. The Taskforce has also been involved in providing advice and information on direct taxation, notably corporate taxation. Through the NITF, there have been intensive contacts from the Northern Ireland institutions seeking information and advice with regard to competition case law, particularly state aid cases. The Directorate General for Competition has provided explanations on interpretations of the technical provisions of EU state aid law; the most recent case was in the context of Commission approval of €110million aid for upgrading of three sports stadia in Belfast.
92. In other evidence received by the Committee in the course of the inquiry, respondents highlighted the difficulty in identifying outcomes which were clearly defined and measurable. This could largely be attributable to the intangible nature of the remit of the Northern Ireland (Barroso) Taskforce which was said to *'symbolise a new partnership between the administration in the region and the [European] Commission as well as being an attempt to stimulate a qualitative change in the region's fortunes.'*
93. Evidence from OFMDFM states that *'it is difficult to isolate the unique contribution of the Taskforce against the range of other factors affecting the economy including the recession'*.
94. In the evidence received by the Committee, the outcomes identified can be grouped into a number of themes and these are detailed below.

Drawdown of EU funds

95. Much of the evidence received by the Committee commented on the progress made against the Executive's target of increasing drawdown of competitive funds by 20% over the 2011-2015 period. As of today, the annual targets have been exceeded and OFMDFM evidence highlights the financial gain of €14.5million at the halfway stage of the budget period. In addition, a PEACE IV programme worth €150 million, lobbied for by the Taskforce, has been secured.
96. The establishment of a target and monitoring achievement against this target is regarded as a successful outcome for the Taskforce Working Group.
97. However Belfast City Council did comment that it is unclear how successful the Taskforce has been in increasing drawdown of competitive funds given that the work of the Taskforce intensified towards the end of the 2007-13 EU funding period.

Fora and networks

98. In responding to the recommendations of the NITF in 2008, the Executive established a Barroso Taskforce Working Group to take forward implementation of the Taskforce's recommendations. The establishment of this Working Group is regarded as providing a useful network and forum for discussion and sharing of best practice between Executive departments.
99. The Northern Ireland Local Government Association (NILGA) stated *'The Barroso Taskforce has delivered what it had set out to do – the creation of a political and strategic platform that has allowed the foundation of a strong and vibrant network supporting outputs to create economic improvement of the Knowledge Economy in NI'*
100. The Department for Regional Development (DRD) states that it has been proactive in engaging with the EU institutions and has developed a strong and productive operating network which has been instrumental in securing EU funding for transport policy areas. DRD states that *" it is reasonable to state that this work has been bolstered by the collective efforts of the Taskforce rather than having been defined by it."*
101. As a result of the Executive's engagement in European affairs, other fora and networks have also been created, including the Northern Ireland European Regional Forum (NIERF), originally chaired by Belfast City Council. The NIERF includes decisions makers from the public, private and voluntary sectors and provides a platform for strategic collaboration on EU funding and policy. OFMDFM now co-chair the NIERF and have provided resources for a capacity building fund and a member of staff to support the Forum.

Profile and focus

102. OFMDFM views that a positive outcome is that Northern Ireland now has a detailed report adopted by and carrying the weight of the EU Commission to provide a roadmap for enhanced engagement with Europe.
103. A positive outcome for the Taskforce has been in raising the profile of Northern Ireland at the European institutions. OFMDFM believes that without the Taskforce *'we would not have had the same level of Ministerial and official engagement with the EU Commission, no encouraged and promoted Northern Ireland businesses and research establishments in so many diverse Brussels based events'*. The Department for Employment and Learning regard that the chairmanship of the Taskforce Working Group by the Junior Ministers has elevated the profile of the work being done.
104. The visibility of Northern Ireland, as one of many regions, among Commissioners and senior Commission officials as a result of the Taskforce is a clear beneficial outcome.
105. Several respondents to the inquiries viewed that a positive outcome of the Taskforce has been the greater focus on EU funding opportunities by Executive departments. The Department of Employment and Learning refers to *'creating a more focussed and more cohesive approach in Northern Ireland to engagement with Europe'* and the Department for Social Development refers to the Taskforce as *'a catalyst for raising the profile of EU engagement in DSD'*.
106. The Centre for Cross Border studies states that *"The Barroso Taskforce Working Group (BTWG) has assisted to a significant extent in bringing a greater degree of focus to the engagement of the Northern Ireland Executive and, above all, individual Departments with the European Union and to the task of maximising the benefits Northern Ireland may derive from that closer engagement. This is particularly evident in relation to efforts aimed at increasing the draw-down of competitive EU funding."*

107. Belfast City Council referred to *'energising NI government departments and agencies to up the ante in terms of promoting EU funding opportunities, both within the departments and with stakeholders'* This focus is also evident in the production of an annual Executive European Priorities document and associated implementation plan which provides details of the thematic and specific priorities for the Executive.

Structures

108. The evidence received by the Committee also highlighted positive developments in the structures of the ONIEB with the appointment of four 'Desk Officers' to work on each of the Executive's thematic priorities. DRD referred to the Office as *'operating effectively as a de facto agency of the Taskforce in many respects'*.
109. In contrast, evidence from the Committee for Enterprise, Trade and Investment highlighted difficulties in obtaining adequate, appropriate, timely, accurate and relevant information from the mechanisms and structures currently in place. The Committee regarded that the deficiencies in the systems were leading to significant delays and to a paucity of information which would hinder stakeholders in taking advantage of opportunities presented by the EU.
110. OFMDFM highlight that the Taskforce created the opportunity for secondment of a senior European Commission office to the Northern Ireland Civil Service to provide local advice and intelligence on navigating the Commission's networks and processes.

Lessons Learned

111. Looking to the future, many of those who responded to the Committee's call for evidence highlighted areas which present opportunities for enhancement of the Taskforce and the Executive's future engagement in European affairs. These are grouped in themes below.

Targets and outcomes

112. Martina Anderson MEP stated that *'setting of continuing ambitious targets for Executive drawdown must continue, so that stretching ourselves to increase uptake of EU monies becomes part of the culture of all our Departments'*. A similar view was expressed by the Department for Employment and Learning who stated that *'There is an opportunity to refresh focus and better clarify Northern Ireland's aspirations for future European interaction. It is important that the same focus is given to all three objectives of the Barroso Taskforce Working Group.'*
113. DRD stated that *'strong consideration should, therefore, be given to the precise nature and terms of reference for any successor group and plans put in place to ensure, a) the communication of these and; b) the delivery of these within SMART parameters.'*
114. The need for clear objectives is underlined by the Centre for Cross Border Studies who stated that *"Conceptual, procedural and chronological problems in the setting of objectives do not readily permit an accurate consideration of specific outcomes and their relational nature to those objectives. Given those problems, whilst it may be possible to state that the target for the draw-down of EU funds will be achieved, for instance, it is not really possible to indicate precisely how that positive outcome maps onto individual objectives that are often framed as discrete tasks (such as the organisation of a specific number of seminars)"*.

Clarity of roles and responsibilities

115. Department for Employment and Learning refer to *'a lack of clarity at times'* including in relation to confusion in the methods to calculate drawdown of funding, lack of clarity as to the roles and responsibilities of the Desk Officers and lack of clear guidance around the benchmarking exercise.
116. Several respondents emphasised that the role of the supporting mechanisms for Northern Ireland's EU engagement in European affairs should be clear including the role of the Liaison Officers in order to avoid duplication and unnecessary delays in obtaining information.
117. DRD also share DELs view that clarity is needed about what any future Working Group or structure is seeking to achieve – be that influencing EU policy making, increasing drawdown of funding in existing programmes or exploring opportunities in new funding programmes.
118. The Department of Justice response refers to the new EU budget period and the new term of the European Parliament and the fact that a possible future task for the Taskforce Working Group would be in seeking out opportunities to influence EU policy development, through for example participation in working groups or through provision of funding for Seconded National Experts in priority areas for Northern Ireland, while acknowledging the limitations of our regional rather than Member State status. OFMDFM also highlights that Northern Ireland must contribute to effective working relations with the EU institutions by sharing experience and expertise which could be beneficial to others.

Communication

119. The Committee for Enterprise Trade and Investment asked that the Committee for OFMDFM considers whether the problems encountered in obtaining accurate and timely information on

the work of the Taskforce, the Taskforce Working Group and the Desk Officers relate directly to ineffectiveness of the mechanism that is in place, including the systems and processes that have been established, or if the problems result from a lack of information coming to the Desk Officers from departments. The Committee for Enterprise, Trade & Investment regards that urgent action needs to be taken to improve the current mechanisms to identify, collate and share relevant information between Northern Ireland stakeholders and Brussels or to provide an alternative which better meets the needs of stakeholders.

120. The Centre for Cross Border Studies (CCBS) shared these concerns regarding communication of the work of the BTWG referring to an insufficient degree of imprint in its outworkings especially in terms of its outward facing contacts and that this failing undermines the ability of the Working Group to highlight its positive outcomes. CCBS highlighted the comment of Jane Morrice, Vice President of the European Economic and Social Committee in previous evidence to the Committee when she stated *'The Barroso Taskforce is key... and increased awareness of its existence among stakeholders would be valuable'*.

Effective structures

121. The Committee was briefed on the adjustments to the structures in the ONIEB by the Head of the Office in January 2014. The installation of a new team of 'Liaison Officers' rather than Desk Officers focused on each one of the three priorities and one Liaison Officer focusing specifically on Horizon 2020 is a welcome development. Indeed, evidence from Martina Anderson MEP commented on this as a positive change which would *'provide another opportunity for an upward step change in our engagement'*
122. The Department for Regional Development regard the move to a three stranded structure with thematic priorities focusing on economic, social and environmental as timely and appropriate in order to sensitise the work of the Taskforce to more closely reflect on EU policy priorities.
123. The Department for Regional Development has asked officials on the thematic groups to consider if involving non-governmental representatives onto the thematic groups of the Taskforce Working Group would both broaden the perspective and raise the profile of the Taskforce.
124. OFMDFM recognises that the need to continuously review the structures for the Executive's engagement in EU affairs to ensure that the desired outcomes are achieved. Inward and outward secondments will be one element in ensuring continued momentum.

Recommendations

125. In reviewing the evidence received during the inquiry, the Committee makes a number of recommendations for the support and enhancement of future engagement in European affairs.
126. Given that President Barroso's term is coming an end, it is vital that the Executive makes proactive plans for effective Executive engagement in EU affairs, with particular regard to the maintenance and where possible enhancement of the valuable networks established through the Taskforce and the Taskforce Working Group. The Committee acknowledges the challenges ahead to maintain the focus and profile for Northern Ireland which was granted by the Taskforce.

Recommendation 1

The Committee recommends that OFMDFM continues to support an inter-departmental forum to support a cohesive and coherent Executive wide approach to EU engagement for the benefit of Northern Ireland, thus ensuring the expertise, experience and networks established by the Barroso Taskforce and the Working Group are not lost but are further developed and enhanced. The focus and aims of any future group should be developed in consultation with all stakeholders.

Targets and outcomes

127. The focus and momentum provided by clear targets was a clear theme emerging from the evidence received by the Committee. The Committee welcomes the clearly defined Programme for Government target in relation to drawdown of competitive European funds. The Committee also welcomes the annual European Priorities and attendant Implementation Plans however is concerned at the lack of timely agreement of these documents noting that the Executive's Priorities for 2013-14 were agreed in June 2013 and that the 2014-15 Priorities document has not yet been published as we enter the second quarter of the year. This issue in relation to the Executive's annual European priorities was highlighted by the Centre for Cross Border Studies "... the lack of timeliness in formulation, communication and evaluation of objectives, means that they appear to be published as if they were simultaneously being set, receiving their mid-year progress update, and their final outcomes."

Recommendation 2

The Committee recommends that the benchmarking exercise to compare Northern Ireland's performance in drawdown of funds is completed as soon as possible and that the results of the benchmarking are shared with the Assembly committees. The Committee considers that it is imperative that absolute drawdown of funds as well as relative drawdown of funds on specific programmes can be measured in order to evaluate and monitor success.

Recommendation 3

The Committee recommends that the Executive publishes its annual European Priorities document in a more timely fashion, certainly within the first quarter of the respective year. The Committee also recommends that the Priorities and Implementation documents are regularly reviewed to facilitate the Executive in being responsive to changes and being proactive in horizon scanning.

Recommendation 4

The Committee recommends that the BTWG develop clearly defined annual targets for its own work which utilise SMART goals where outcomes are easily verified and measured.

That said, the Committee acknowledges that there must be acceptance amongst all stakeholders that some goals will be qualitative in nature and more difficult to measure, particularly in terms of networking and influencing.

Recommendation 5

The Committee recommends that OFMDFM ensures that as far as possible data on funding applications, including those from third parties and arm's length bodies is captured. The Committee understands that OFMDFM has provided capacity building support for groups involved in the NIERF who are making applications and the Committee regards that given that funding is being used to build capacity, success or otherwise of these applications must be fully captured.

Recommendation 6

The Committee was previously advised by OFMDFM officials that information on applications is captured and shared through departments, thematic groups and the NIERF. The Committee recommends that comprehensive and cohesive monitoring systems are embedded in order to capture information on funding applications in order to inform, develop and enhance future performance. The BTWG must urgently consider how it can best ensure that correlating links between the work of the Taskforce and Taskforce Working Group in providing key information, advice and support and the success of applications can be more effectively captured and monitored.

Clarity of roles and responsibilities

128. The Committee welcomes the architecture which has been established by the Northern Ireland Executive since the European Commission's report in 2008 and acknowledges the recent review of the thematic priorities and the role of the officials supporting the BTWG. It is clear however, from evidence from statutory committees, external organisations and from Executive departments themselves that there is a lack of clarity on the structures.
129. This lack of clarity of the role of the BTWG, the Liaison Officers (formerly Desk Officers) and to a lesser extent of the Commission Taskforce is detrimental in a number of aspects. Firstly, in order to reap the benefits of the unique nature of the Taskforce, all stakeholders involved in EU engagement must be clear on the roles of the key mechanisms for engagement. It is only when the roles are clearly defined that stakeholders can undertake effective planning and engagement. Secondly, important successes and outcomes of the work undertaken by the Executive in EU engagement can be unclear which can have a negative effect on the momentum and enthusiasm in engagement in EU matters. Thirdly, the importance of sharing of information is key to support all stakeholders in their individual activities which will ultimately contribute to Northern Ireland's overall goal of strengthening the economy.
130. The Committee is extremely concerned to note that Executive departments regard that there is a lack of clarity around roles and responsibilities, creating the potential for confusion and duplication of effort. Clarity is needed for each department to be clear on its specific role in achieving Northern Ireland's aims.
131. The Department for Regional Development's suggestion on the inclusion of non-governmental representatives on the groups has value in adding a further dimension to the work of the thematic groups and the BTWG should actively consider this suggestion.

Recommendation 7

The Committee recommends that the architecture of the EU engagement by the NI Executive is clearly defined and widely disseminated. The Committee recommends that the roles and responsibilities of each stakeholder are clearly defined and communicated.

Communication

132. The issue of the effectiveness of communication was raised in evidence. This was an issue which the Committee itself raised during the 2013-14 Assembly session given significant delays in receiving timely reports from the Brussels based Desk Officers. The attribution of positive outcomes to the work of the BTWG is more difficult as a result of the paucity of information on its work. The Committee noted that most recent 'Barroso Taskforce News' bulletin had been produced in summer 2012 and also noted that the 2011 review of the European Division within OFMDFM highlighted the need for a Communication Plan which would *'address the needs not only of Ministers and their Departments but also examine how it might best assist the wider stakeholder community including the OFMDFM Committee, NI MEPs and other NI Reps in the EU institutions and local government'*

Recommendation 8

The Committee recommends that a communications plans for the Taskforce and the Working Group is developed as a matter of urgency. The plan should include means of regular, timely and accurate communication of the work of the Taskforce and BTWG outwards to departments, Assembly Committees and key stakeholders. A formal and regular bulletin/newsletter for outward dissemination should be considered as a first step in improving communications.

Recommendation 9

Given the previous confusion on lines of authority and the mechanisms for Assembly committees to obtain information, this issue should be addressed as a matter of urgency with a view to facilitating effective and timely two way communication with Assembly Committees to facilitate support and further scrutiny.

Profile and focus

133. The Committee notes OFMDFM comments on the benefits of the secondment of a senior Commission official to the NICS to provide information, guidance and expertise on the working of the European Commission and also notes the comments from the Department of Justice on Seconded National Experts.

Recommendation 10

The Committee recommends that OFMDFM in leading on European affairs at the Executive actively pursues and considers opportunities for two way secondments to the European institutions. Such secondments ultimately benefit both parties in building capacity and knowledge.

134. In addition, the Committee notes OFMDFMs comments on the two way relationship with Northern Ireland having much to offer potential partners across Europe, for example Northern Ireland is a Reference Site Region for Connected Health.

Recommendation 11

The Committee recommends that opportunities for Northern Ireland to offer its experience and specialisms to other European partners in the development of EU policy is actively explored and such opportunities widely communicated to key stakeholders such as local government, research institutions and enterprises.



Northern Ireland
Assembly

Appendix 1

Minutes of Proceedings

Wednesday 29 January 2014

Room 30, Parliament Buildings

Present: Mr Mike Nesbitt (Chairperson)
Mr Chris Lyttle (Deputy Chairperson)
Mr Alex Attwood
Miss Megan Fearon
Mr Alex Maskey
Ms Bronwyn McGahan
Mr Stephen Moutray
Mr George Robinson

Apologies: Mr Leslie Cree
Mrs Brenda Hale
Mr Jimmy Spratt

In Attendance: Mrs Shauna Mageean (Assembly Clerk)
Mr Keith McBride (Assistant Assembly Clerk)
Mr Stephen Magee (Clerical Supervisor)
Mrs Marion Johnson (Clerical Officer)

2.07pm The meeting began in public session

3.20pm Mr Maskey left the meeting.

4.27pm Miss Fearon left the meeting.

8. Forward Work Programme

The Committee noted the Forward Work Programme.

The Committee considered draft Terms of Reference for an Inquiry into Uniting Communities and an Inquiry into the Barroso Taskforce.

Agreed: The Committee agreed that it would undertake an Inquiry into Uniting Communities and an Inquiry into the Barroso Taskforce and that Committee staff would prepare Terms of Reference and inquiry plans for consideration.

4.33pm The Chairperson adjourned the meeting.

Wednesday 19 February 2014

Room 30, Parliament Buildings

Present: Mr Mike Nesbitt (Chairperson)
Mr Chris Lyttle (Deputy Chairperson)
Mr Alex Attwood
Mr Leslie Cree
Miss Megan Fearon
Mrs Brenda Hale
Mr Alex Maskey
Ms Bronwyn McGahan
Mr Stephen Moutray
Mr George Robinson
Mr Jimmy Spratt

Apologies: None

In Attendance: Mrs Shauna Mageean (Assembly Clerk)
Mr Keith McBride (Assistant Assembly Clerk)
Mr Stephen Magee (Clerical Supervisor)
Mrs Marion Johnson (Clerical Officer)

2.03pm The meeting began in public session

4.25pm Miss Fearon left the meeting.

10. Inquiry into Barroso Taskforce

The Committee considered the draft Terms of Reference for its Inquiry into the Barroso Taskforce.

Agreed: The Committee agreed the Terms of Reference for its Inquiry.

Agreed: The Committee agreed to write to key stakeholders to seek their views on the Inquiry.

Agreed: The Committee agreed to write to all statutory committees to seek their views on the Terms of Reference.

Agreed: The Committee agreed to write to Ministers to advise of the Committee's Inquiry.

4.31pm The Chairperson adjourned the meeting.

Wednesday 2 July 2014

Room 30, Parliament Buildings

Present: Mr Chris Lyttle (Deputy Chairperson)
Mr Alex Attwood
Mr Leslie Cree
Miss Megan Fearon
Mr Alex Maskey
Ms Bronwyn McGahan
Mr Stephen Moutray
Mr George Robinson
Mr Jimmy Spratt

Apologies: Mrs Brenda Hale
Mr Mike Nesbitt

In Attendance: Ms Karen Jardine (Senior Assistant Assembly Clerk)
Mr Keith McBride (Assistant Assembly Clerk)
Mr Stephen Magee (Clerical Supervisor)
Mr Joe Westland (Clerical Supervisor)
Miss Sabra Wray (Clerical Officer)
Ms Shauna Mageean (European Project Manager) Item 2 only
Ms Roisin Kelly (Bill Clerk) Item 3 only
Mr Alyn Hicks (Assistant Assembly Clerk) Item 3 only
Mr Jonathan McMillen (Legal Advisor) Item 3 only

2.12pm The meeting began in closed session.

2. Draft Report – Inquiry into the Barroso Task Force

The Committee considered its draft Report on its Inquiry into the Barroso Taskforce.

14.19 pm Mr Cree joined the meeting.

Agreed: The Committee agreed the Membership and Powers.

Agreed: The Committee agreed the list of Appendices to be included in the Report.

Agreed: The Committee agreed the Executive Summary.

Agreed: The Committee agreed the Summary of Recommendations.

Agreed: The Committee agreed the Introduction and Background.

Agreed: The Committee agreed “Barroso Task Force - Work and Structures since 2007”.

Agreed: The Committee agreed “Outcomes against Objectives”.

Agreed: The Committee agreed “Lessons Learned”.

Agreed: The Committee agreed “Recommendations”.

Agreed: The Committee agreed that an extract from the Minutes of Proceedings of this meeting should be included in Appendix 1 of the report and that the Deputy Chairperson approve that extract for inclusion.

Agreed: The Committee agreed that the Report be printed as the Twelfth Report of the Committee.

Agreed: The Committee order the Report to be printed.

Agreed: The Committee agreed to table a motion for a 'Take Note' debate on the Report at the start of the next session. The Committee agreed to table the following motion:

"That this Assembly notes the Report of the Committee for the Office of the First Minister and deputy First Minister (NIA 179/11-15) on its Inquiry into the Barroso Taskforce; and calls on the Office of the First Minister and deputy First Minister to implement the recommendations contained in the Report".

Agreed: The Committee agreed to embargo the Report until the debate in Plenary, but to publish the written submissions to the Inquiry on the Committee's webpage in the meantime.

2.30pm Mr Moutray joined the meeting.

2.48pm Mr Spratt joined the meeting.

2.56pm Mr Maskey joined the meeting.

5.02pm The Deputy Chairperson adjourned the meeting.



Northern Ireland
Assembly

Appendix 2

Minutes of Evidence

30 April 2014

Members present for all or part of the proceedings:

Mr Mike Nesbitt (Chairperson)
 Mr Chris Lyttle (Deputy Chairperson)
 Mr Leslie Cree
 Ms Megan Fearon
 Mrs Brenda Hale
 Mr Alex Maskey
 Mr George Robinson

1. **The Chairperson:** The next item on the agenda is our consideration of the responses we have received to our request for written evidence in our inquiry into the Barroso task force. The terms of reference are threefold: consider the work and structures of the task force, including the working groups, since its inception in 2007; identify the outcomes from the task force and assess those against objectives; and identify and consider lessons learned from the functioning of the task force in order to inform recommendations for any future engagement in EU affairs post-Barroso.
2. So far, we have had 10 written responses, and we are expecting a response from the European Commission at any time. Members will find the Clerk's briefing paper in their packs, which gives a summary of the responses. The responses are also in the packs. In members' tabled papers, we have a response from the Department for Regional Development.
3. We agreed that this would not be a long and particularly burdensome inquiry. Do members wish to receive oral evidence from any of the stakeholders or are you content that the Committee staff take the full set of responses and work them up into a paper?
4. **Mr G Robinson:** I think that that would be the best way.
5. **Mr Lyttle:** That is a good idea.

6. **The Chairperson:** Then we might consider bringing forward a take-note debate at some point.

Members indicated assent.

7. **The Chairperson:** Thank you very much.



Northern Ireland
Assembly

Appendix 3

Written Submissions

Written Submissions

1. Anderson Martina MEP
2. Belfast City Council
3. Centre for Cross Border Studies
4. Committee for Enterprise, Trade and Investment
5. Committee for Environment
6. Committee for Social Development
7. Department of Culture Arts and Leisure
8. Department for Employment and Learning
9. Department of Finance and Personnel
10. Department of Justice
11. Department for Regional Development
12. European Commission
13. Northern Ireland Local Government Association
14. Office of the First Minister and deputy First Minister

Anderson Martina MEP



Member of the European Parliament

Mike Nesbitt MLA

OFMDFM Committee Chairperson

1st April 2014

Dear Mike, a chara.

Thank you and your Committee for this opportunity to input into your deliberations around the functioning of the Barroso Taskforce.

As Junior Minister from 2011-12 I was the co-chair of the Taskforce, and in my current role as one of the north's three MEPs, I have continued – in liaison with my party colleague Jennifer McCann MLA – to keep an interest in how the Taskforce is performing in its stated role of increasing the drawdown from our Executive Departments from the wide range of European funding streams available.

In my own work, I have seen the potential of the competitive funding streams emanating from the Commission in Brussels. I have been highlighting to as many groups and agencies as possible the need for them to learn about these funding programmes and to engage with those who can open the doors for them to learn more, prepare to submit bids and to identify the partners needed in such applications.

I have recently launched my own document, "A Gateway to EU funding" to try to assist this work, and would commend organisations like the NI European Forum and the officials from Invest NI who provide the Enterprise Europe facility to our small and medium businesses who are in such need of assistance in these times of economic downturn and austerity.

So I am glad of this opportunity to share some observations on the Taskforce, how it has progressed and lessons for the future.

I was one of those, both before and during my tenure as Junior Minister with those responsibilities, who was extremely critical of the slowness of many of our Departments to grasp the opportunities which President Barroso had offered us. I felt that not all Departments saw the need for new thinking and were continuing to do what they had done in the past in terms of engaging with Europe – with predictable results.

However, the setting of an Executive target for an increased drawn down of 20% for the 2011-2015 can clearly have been seen to focus minds, and I am glad to see from the mid-term report of the Taskforce's activity released in January 2014, that 64% (£41.3m) of the target figure has been drawn down to date, and that of the 113 targets set for this activity in the 'European Priorities

Implementation Plan 2013/14' that 27% of targets are achieved and 98% are on track to be achieved or achieved with minor delays.

I would also welcome some of the specific initiatives which have contributed to the progress so far. These include the inception of the NI European Regional Forum initiated by Belfast City Council, and now co-chaired by OFMDFM and the launch of the European Centre for Delivering Social change.....

While all of this is encouraging, complacency must not be allowed to set in, and the oversight provided at the BTWG meetings chaired by Ministers McCann and Bell must be maintained.

In terms of the scrutiny of Departments needed, I'm also encouraged by some of the recommendations of the report of the Assembly's European Project manager last year, who called for greater engagement by Assembly committees, with, amongst others, the Barroso officers in Brussels and with the individual departmental representatives on the Barroso Taskforce Working Group, to increase the Committees' awareness of this work.

I believe the role of the officers based in the NI Executive office in Brussels, with whom I have regularly engagements, along with Heidi-Beth, is a key link in the chain. I am aware that there are some changes in personnel in this group ongoing at the moment, and a reduction from four to three thematic objectives coming out of that process. However I believe that the installation of the new team can provide another opportunity for an upwards step change in our engagement. In their first manifestation, these positions were described as 'desk officers' which I always felt was a misnomer as the key to their role in Brussels was being active – being out and about, networking – not being perceived as being tied to their desks. So I welcome the new designation as 'liaison officers' which more accurately reflects what we need –liaising with officials from other similar offices to build networks, and particularly with the relevant commission officials in the relevant DGs. The NI Exec office is potentially a tremendous resource, and awareness of what it can offer to groups who might be thinking of travelling to Brussels is a key ask for them, and us.

As your letter stated, we also have to be conscious of a post-Barroso future. We have been fortunate in the President's original announcement in 2007 and it's continuation to this day, but it will not last forever. So much of what is being done now in the guise of the BTWG in the Assembly and the Brussels officers must be maintained into the future. The structure is there, under the management of the Junior ministers, and the setting of continuing ambitious targets for Executive drawdown must continue, so that stretching ourselves to increase our uptake of EU monies becomes part of the culture of all our Departments.

Best Regards



Martina Anderson MEP

Belfast City Council

Development Department

Our Ref: Docs 166902

Date: 27th March 2014

Being dealt with by: Deirdre Ferguson

Telephone: 02890320202 ext 3480



Mike Nesbitt MLA
Committee Chairman
Office of the First Minister and Deputy First Minister
Room 435
Parliament Buildings
Stormont
Belfast, BT4 3XX

Dear Mr Nesbitt

Inquiry into the Barroso Taskforce

Thank you for the opportunity to provide a response to the above inquiry. Please find our provisional response below pending final ratification by Council on 1st April.

As you may know, Belfast City Council, through our European Unit, has worked closely with the Barroso Taskforce since its establishment in 2007, and its subsequent re-invigoration in 2011. The work of the Unit is cited in the NI Assembly's 'Winning in Europe' strategy and the annual NI Executive EU priorities with respect to the Barroso Taskforce work.

Our work with the Barroso Taskforce may be summarised as follows:

- Attendance and input at the Barroso thematic working group meetings although these have not been regularly held.
- Attendance and input at the NI Assembly EU Advisory Panel chaired by the chair of the OFMDFM committee.
- Taking a lead role in supporting the NI EU funding priority work by way of organising an annual conference at the Brussels Open Days programme in October each year for NI stakeholders.
- Leading the establishment of the NI European Regional Forum (NIERF) in May 2012. The Forum is led by the European Unit of Belfast City Council and the Office of the First and Deputy First Minister, and provides a strategic platform for collaboration on EU policy and funding. Its objectives are to:
 - maximise EU funding opportunities
 - shape EU policy to the benefit of the region and
 - influence future funding calls to the benefit of regional stakeholders
- Lead thematic working groups to mirror the 4 working themes of the Barroso Taskforce, namely:
 - Social Cohesion
 - Competitiveness and Employment
 - Innovation and Technology
 - Climate Change and Energy

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**INVESTORS
IN PEOPLE**

- Establish links with the 4 Barroso desk officers located within the NI Executive Bureau in Brussels.

We are currently revising the focus of the NI European Regional Forum to reflect the change of the Barroso thematic working areas to focus on:

- Economy
- Social Cohesion
- Environment

The over arching aim of the Barroso Taskforce has been to heighten N Ireland's engagement in drawing down the competitive EU funds. It is unclear how successful this has been given the Taskforce work really intensified towards the end of the EU funding period 2007-2013.

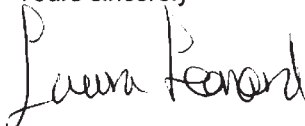
It is the EU Units opinion that the Taskforce has certainly been successful in the following areas:

- Raising Northern Ireland's profile at the level of the EU Institutions in Brussels.
- Having direct personal access to named individuals in 17 of the EU Commission departments (Directorate Generals).
- Energising NI government departments and agencies to up the ante in terms of promoting EU funding opportunities, both within departments and with stakeholders. Two examples of this are the solid DETI preparation to promote and support access to the new Horizon 2020 innovation and research programme, and the establishment of the Task and Finish Health and Prosperity Board and subsequent Health Eco System in NI.
- OFMDFM's decision to co chair the NI European Regional Forum and provide resources to create a post to support the growing work of the Forum and to create an NI EU Capacity fund to help Forum members improve their access to EU funds.

The EU Unit believes that the NI Barroso Taskforce will bear a legacy through the continued work of the Forum but would strongly encourage a more visible and strengthened role for the desk (now known as liaison) officers in Brussels, by way of creating and delivering a communications plan on EU funding and policy similar to the highly successful approach taken by the Irish Regions Office.

Once again, thank you for the opportunity to respond. Should you wish to follow up on anything please don't hesitate to get in touch.

Yours sincerely



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The Centre for Cross Border Studies

1



**The Centre for
Cross Border Studies**

Written Evidence to the
Committee for the Office of the First Minister and Deputy First Minister
Inquiry into the Barroso Task Force

This document has been prepared by The Centre for Cross Border Studies as a contribution to the Inquiry into the Barroso Task Force being undertaken by the Committee for the Office of the First Minister and Deputy First Minister.¹

About The Centre for Cross Border Studies

The Centre for Cross Border Studies, based in Armagh, has a strong reputation as an authoritative advocate for cross-border cooperation and as a valued source of research, information and support for collaboration across borders on the island of Ireland, Europe and beyond.

The Centre empowers citizens and builds capacity and capability for cooperation across sectors and jurisdictional boundaries on the island of Ireland and further afield. This mission is achieved through research, expertise, partnership and experience in a wide range of cross-border practices and concerns. A significant amount of its work has been enabled through EU funding (principally PEACE and INTERREG).²

In Summary, the Centre for Cross Border Studies considers that:

1. The European Commission's Northern Ireland (Barroso) Task Force has provided **privileged and timely access to a wide range of European Union policy areas** and, crucially, to informed channels dealing with the formulation and management of European Union funding programmes. This has offered policy makers and drivers in Northern Ireland the **potential for exploiting invaluable EU support to improve socio-economic indicators** and to bring them into line with better performing European regions.

¹ Authored by Dr Anthony Soares and Thomas Haverty.

² For further information, please visit www.crossborder.ie.

2. The Commission's Northern Ireland Task Force offered the Office of the First Minister and Deputy First Minister and the Northern Ireland Executive a **clear and wide-ranging set of areas in which the EU could assist** in enabling Northern Ireland to make a successful transition from a European region that had been receiving significant amounts of structural funds. A number of recommendations were also made by the Northern Ireland Task Force arising from its exploratory work.³
3. The Northern Ireland Task Force underlined **the importance of cross-border cooperation and joint Northern Ireland/Republic of Ireland governmental efforts in addressing problems common to both jurisdictions**, and in contributing towards peace and stability on the island of Ireland.
4. The Barroso Task Force Working Group (BTWG) has assisted to a significant extent in bringing a **greater degree of focus to the engagement of the Northern Ireland Executive and, above all, individual Departments with the European Union** and to the task of maximising the benefits Northern Ireland may derive from that closer engagement. This is particularly evident in relation to efforts aimed at increasing the draw-down of competitive EU funding (however, see 5 below).
5. The BTWG has **not achieved a sufficient degree of imprint in its outworkings, especially in terms of its outward facing contacts**. This undermines its efforts as it becomes difficult to attribute directly to the Group's activities positive outcomes achieved by a wide variety of agents (governmental and non-governmental) in terms of EU engagement.
6. Conceptual, procedural and **chronological problems in the setting of objectives do not readily permit an accurate consideration of specific outcomes and their relational nature to those objectives**. Given those problems, whilst it may be possible to state that the target for the draw-down of EU funds will be achieved, for instance, it is not really possible to indicate precisely how that positive outcome maps onto individual objectives that are often framed as discrete tasks (such as the organisation of a specific number of seminars).
7. By addressing the concerns outlined in 5 and 6, and by using this Inquiry as an important part of a critical but forward-looking audit of the Barroso Task Force and the BTWG that captures their positive experiential outcomes, **the Northern Ireland Executive can ensure that the channels of communication that have been opened up with Brussels, and the knowledge that a range of officials from various government departments have gained since the Task Force was brought into operation, can be profitably maintained in the post-Barroso era**.

Each of these issues will now be considered in greater depth.

³ Commission of the European Communities, 'Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Task Force' (07/04/2008); Commission of the European Communities, 'Commission Staff Working Document on the Report of the Northern Ireland Task Force' (07/04/2008).

1.**The Barroso Task Force:**

“a new and closer partnership between Northern Ireland and the Commission”⁴

There is ample evidence to support the conclusion that the creation of the Barroso Task Force has provided Northern Ireland with additional opportunities to access key decision-makers in the European Commission, resulting in important channels of communication that simultaneously allow for EU policy to be closely informed of the region’s specific needs and for relevant information on EU initiatives and funding programmes to be fed back to Northern Ireland in a timely manner.

Recognition of this can be seen in the Department for Enterprise, Trade and Investment’s strategy for maximising draw-down from the Horizon 2020 programme, for example. Having identified that ‘Access to early information, key networks/partners and the ability to disseminate these details to parties within NI is critical to the ambition of increasing NI’s innovation performance’, the Department states that it will do this by ‘Working in partnership with the Barroso Task Force [...] to ensure that Northern Ireland secures access to specific Commission working groups’.⁵ Central to this process since their appointment in 2012 are the four Barroso Task Force Desk Officers who, in accordance with their respective thematic responsibilities, have been alerting Executive Departments to information relevant to them as it has arisen in Brussels. That information can then be disseminated, where appropriate, to external organisations and potentially allowing them to exploit opportunities that can contribute to the achievement of the Northern Ireland Executive’s European Priorities.

The existence of the Barroso Task Force has also accelerated the channelling of information from Northern Ireland to the European Commission, allowing the latter to reach speedier decisions in relation to matters of concern to the Northern Ireland Executive. This was illustrated recently by an OFMDFM official in a departmental briefing to the Committee for the Office of the First Minister and Deputy First Minister, in which he stated:

“Without having broken the rules, the Commission will give priority to considering issues that are of importance to us. One example that comes to mind is that of state aid in the funding of Bombardier. We managed to get a Commission decision on that relatively quickly, and I am confident that the task force was important in that regard and it continues to be so in getting us access to meetings and officials and decisions on a shorter timescale than might normally apply”.⁶

⁴ ‘Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Task Force’, p.1.

⁵ DETI, ‘Horizon 2020: Northern Ireland Action Plan 2013’, p.5.

⁶ Hansard, ‘Committee for the Office of the First Minister and Deputy First Minister – European Union Priorities 2013-14: Departmental Briefing’, 29 January 2014.

The Barroso Task Force represents a direct and speedy channel to the European Commission that places Northern Ireland in a comparatively privileged position, and one that must not be underexploited.

2.

The Task Force's Recommendations:

“The Commission looks forward to the implementation of these important European programmes, with the prospect that Northern Ireland will become an example of best practice in the EU”⁷

Since the Barroso Task Force compiled its original report in 2007/08, the context in Northern Ireland and in Europe generally has undoubtedly changed due to the financial crisis and the resulting economic downturn. Similarly, the Northern Ireland Executive's Programme for Government is no longer the same since its objectives have had to address the effects of a depressed economy. Nevertheless, much of what that report contained and its overall ethos still remain valid, as does the assessment made by the Executive and the conclusion that it reached:

“The Task Force Report [...] contains many direct practical suggestions as to how Northern Ireland might improve its relationship with the European Union. It gives us unique assistance in documenting the range of policies, schemes and initiatives in the European Union; many of which Northern Ireland has little history of participating in. Taking these opportunities is our responsibility”.⁸

The report is comprehensive in its analysis of the socio-economic realities of Northern Ireland within the context of a European Union framework of measures and tools capable of altering those realities. However, it is also mindful from the outset that its overarching purpose is to support the Barroso Task Force in assisting Northern Ireland to transition successfully through a period in which ‘the region's long period as major recipient of European regional aid is gradually phased out, and where it will increasingly rely on its own resources’.⁹ In order to do this, and integral to its aim of supporting the peace process, the European Commission placed particular emphasis on how the Task Force was to assist in ‘helping the region in its efforts to improve its economic competitiveness and to create sustainable employment for its people’, and ‘to generate more growth and jobs in line with the Union's overall Lisbon Strategy’.¹⁰

It is to point towards the fulfilment of these broad objectives that the Task Force's report set out a significant number of specific objectives (phrased as “suggestions and

⁷ ‘Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Task Force’, p.4.

⁸ Northern Ireland Executive, *Priorities for European Engagement: Action Plan 2008-2009*, p.6.

⁹ ‘Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Task Force’, p.1.

¹⁰ ‘Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Task Force’, p.1.

recommendations”) for a range of policy areas, including agriculture and rural development, education, employment, and enterprise. The Northern Ireland Executive’s 2008-2009 Action Plan was ‘the Executive’s formal response to the European Commission’s Report of the Northern Ireland Task Force’,¹¹ and as such could be considered as the first in a series of subsequent Action Plans constituted by the annual European Priorities, which audit progress towards the fulfilment of the Barroso Task Force objectives, although also framed as progress in terms of the relevant Programme for Government.

It is not the intention of the Centre for Cross Border Studies’ submission to the Inquiry to identify each individual recommendation contained in the original Barroso Task Force Report (in the section dealing with agriculture and rural development alone, there are ten general recommendations, with some then containing more specific recommendations within them), and to then provide an assessment as to what extent they have been carried out. Instead, it is important to take into proper consideration the fact that those objectives were set in a significantly different economic context, and that the intervening crisis may have affected the rate of progress in terms of their fulfilment.

3.

The Barroso Task Force and Cross-Border Cooperation:

“We [...] have a history of managing cross-border programmes that is recognised positively by the Commission and other regions in Europe”¹²

Within the European Union and in relation to its citizens, where borders become obstacles to the free movement of people, goods and services, they undermine efforts to achieve greater social, economic and territorial cohesion. Since one of the central aims of the EU, as it is declared in Article 174 of the Treaty of the Functioning of the European Union, is of ‘reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions’, impediments to cohesion will be regarded as preventing the proper functioning of the Union. This is particularly relevant to Northern Ireland as a region that has historically suffered from significant levels of disparity in relation to other European regions, as well as to other parts of the United Kingdom, and which the financial crisis helped to exacerbate.¹³

It is in view of these factors that the Task Force Report repeatedly pointed to a cross-border dimension in the approach to improving competitiveness and skills across all sectors. Thus, when addressing the need for Northern Ireland to increase its participation in EU programmes and to raise the skills base, the report suggests that ‘cross-border

¹¹ Northern Ireland Executive, *Priorities for European Engagement: Action Plan 2008-2009*, p.4.

¹² Northern Ireland Executive, *Priorities for European Engagement: Action Plan 2008-2009*, p.9.

¹³ See OECD, *Regions at a Glance, 2013*, and European Commission, *The Urban and Regional Dimension of the Crisis: Eighth progress report on economic, social and territorial cohesion* (Luxembourg: Publications Office of the European Union, 2013).

cooperation mechanisms in the field of skills already in place [...] can [...] contribute to maximise the effect of this policy’ (p.40). Similarly, it pointed to how ‘Animal and plant health should also be considered on the basis of an all-island approach’ (p.33), whilst in the area of the economy and employment, having noted examples of good practice in cross-border cooperation, it recommended that there could be ‘more emphasis on integrated activities in order to decrease obstacles to the mobility of cross-border commuters’ (p.52). Crucially, the report underlined the need for a joint jurisdictional approach to the development of the economy:

“Given its small size and peripheral location, the development of the economy depends on a balanced openness to neighbouring regions, to the rest of Europe and to the rest of the world. In this context, the all-island economy approach clearly represents an opportunity to be exploited and developed in the framework of the European cross-border cooperation programmes” (p.91).

In recent years the Centre for Cross Border Studies has had the opportunity to work closely with a range of organisations and local authorities involved in cross-border initiatives, many of them funded by EU programmes. More recently, the Centre has been assisting a number of local authorities and relevant partners to explore potential cross-border projects related to a variety of areas, including renewable energy, the creative industries, and landscape heritage. In line with the Task Force’s original recommendations, these projects are being designed with the intention of bidding for EU funding.

Indeed, although recognising the fact that ‘Promoting cross-border regional innovation policy is difficult given a number of barriers, including those created by policies themselves’, a recent OECD report on innovation and the regions identifies our own border region as a site where exemplary cross-border innovation is taking place.¹⁴ The report sees InterTradeIreland in particular as playing ‘the key role in implementing cross-border innovation efforts’, and helping to ensure that ‘Cross-border economic cooperation has acquired a high level of legitimacy’ (p.196). Nevertheless, the report’s authors also point out that on the island of Ireland ‘Cross-border flows are below their potential at present in terms of trade, commuting, business networks, access to public procurement, sales of design services, students and tourists, collaboration between research, technology and development (RTD) centres and between these centres and industry’ (p.196).

The Centre for Cross Border Studies considers that the Barroso Task Force, and by extension the Barroso Task Force Working Group, may have contributed to sustaining an environment where a strong base of individual cross-border initiatives are able to prosper. However, there is still space for a more overarching cross-border economic framework that could be supplied by the creation of a Border Development Zone, as outlined in the 2012 Bradley/Best report, *Cross-Border Economic Renewal: Rethinking Regional Policy*

¹⁴ OECD, *Regions and Innovation: Collaborating Across Borders* (2013), p.3.

in Ireland, commissioned by the Centre for Cross Border Studies. This would assist in remedying the unfulfilled potential of cross-border flows identified by the OECD, and represent a significant legitimisation of an all-island economy that was seen by the Task Force as an opportunity to be exploited.

4.

The Barroso Task Force Working Group and Engagement with Europe: “Focusing on influencing and building Northern Ireland’s profile”¹⁵

The existence of the Barroso Task Force Working Group (BTWG) has encouraged the channelling of information and communication with and from the European Commission through a dedicated body, thereby maximising the possibility of achieving a strategic engagement with the EU that will not only increase the likelihood of Northern Ireland profiting fully from that engagement in its current form, but that will also potentially offer a strong platform for the future. Under its thematic structure, the BTWG has placed Executive departments at the forefront of drives to realise European priorities, and has facilitated the regular updating of progress towards the achievement of those priorities.

Moreover, to some extent the BTWG has also brought a greater focus on engagement with the EU and, above all, its funding programmes, to non-governmental organisations. This aspect can be seen in the structuring of the Northern Ireland European Regional Forum, which has been organised according to the themes of the BTWG, and brings together a range of governmental and non-governmental agents in pursuit of the Executive’s European priorities.

The degree of focus that the BTWG offers can be seen succinctly in the introductory remarks to the mid-year update on the Executive’s current European priorities: ‘The Executive’s 2013-14 European Priorities maintain the thematic approach established in previous years, identifying 29 objectives to be pursued by the four cross-departmental sub-groups of the Barroso Task Force Working Group’.¹⁶ Focus in this case allows for greater clarity in terms of areas of responsibility and the identification of the tasks to be accomplished. It also regularly places Executive Departments in a position that obligates them to account for their own progress in fulfilling their responsibilities towards the objectives pursued by BTWG’s sub-groups.

Therefore, when the 2013-14 mid-year progress report states that the ‘Thematic Sub-Groups report that 98% of all targets are on track to be achieved or to be achieved with minor delays’, and that ‘30 targets (**27% of the total**) are already fully achieved and none are rated as being at high risk of failure’, it can be presumed that the drive provided by the BTWG is responsible to a considerable degree for such success. Indeed, that success

¹⁵ Northern Ireland Assembly, *Report of the European Project Manager* (June 2013), p.33.

¹⁶ Northern Ireland Executive, *European Priorities 2013-2014 Mid-Year Progress Report*, p.3.

is particularly evident in relation to the target for increased drawdown of competitive EU funding, which currently appears to be on track for being exceeded.¹⁷ Considerable efforts are being made by a significant range of governmental departments, higher education institutions, SMEs, local authorities, and third sector organisations, and it is likely that behind much of this lies the drive supplied by the BTWG. Therefore, where the European Project Manager's 2013 report states that 'Engagement in European affairs should be based on a methodical approach, fully integrated into the systems and procedures of the Assembly rather than on an ad hoc basis' (p.5), it is the Centre for Cross Border Studies' judgements that the BTWG goes some way to providing the desired integration of European engagement into departmental policy-making – if not into the wider Assembly.

5.

The BTWG and External Recognition:

“Increased awareness of its existence [...] would be valuable”¹⁸

Although it is also implicitly suggested on several occasions in the European Project Manager's 2013 report that the BTWG's engagement with Assembly Committees may have room for improvement, it is its involvement with external actors that is of greater concern here. In her response to a request for her views from the Committee for the Office for the First Minister and Deputy First Minister, Jane Morrice, a member of the European Economic and Social Committee, makes the following comments on how Northern Ireland can sustain its working relations with the European Commission:

“This can be helped by making greater use of the valuable resources on the ground in Brussels and Belfast to keep lines of communication and cooperation open at the political and practical level. The Barroso Task Force is key in this respect and increased awareness of its existence among stakeholders would be valuable”.¹⁹

This lack of awareness amongst *external* stakeholders – i.e. those outside government – extends particularly to the BTWG. Whilst due to the fact that OFMDM co-chairs with Belfast City Council the Northern Ireland European Regional Forum, this body (of which the Centre for Cross Border Studies is a member) may be in a privileged position to give due recognition to the roles of the Barroso Task Force and the BTWG, it is doubtful whether other actors may be able to do the same.

¹⁷ See, for example, Hansard, Committee for the Office of the First Minister and Deputy First Minister, Programme for Government and Business Plan: OFMDM Briefing, 26 February 2014.

¹⁸ Jane Morrice, member of the EESC, in her response to the Committee for the Office of the First Minister and Deputy First Minister, *Report on Assembly Committee Priorities for European Scrutiny 2014*, p.112.

¹⁹ Committee for the Office of the First Minister and Deputy First Minister, *Report on Assembly Committee Priorities for European Scrutiny 2014*, p.111-12.

Crucially, the initial driving force of the BTWG, and its channels of communication with the European Commission, may in many instances have created the conditions that allow a range of organisations to benefit from EU funding due to their better state of preparedness when applying for funds. Many organisations may also have benefited from direct engagements with relevant actors in Brussels, made possible through the auspices of the BTWG and/or the Barroso Desk Officers. However, these organisations may in many cases not be aware of the role played by the BTWG in supporting their activities, and consequently will not pay due recognition to the BTWG when those activities lead to positive outcomes.

Evidence of this problem can be seen for example in a recent briefing to the Committee for the Office of the First Minister and Deputy First Minister by OFMDFM officials. Questioned by the Chairperson as to their apparent lack of knowledge of the details of the current recipients of EU competitive funding, the officials respond: ‘We are not aware of it centrally, because our locus and interface is the hard tangibles around how much drawdown was secured for the region’.²⁰

In the view of the Centre for Cross Border Studies, this is symptomatic of a structure that encourages a unidirectional flow. The BTWG serves as a focus for all departmental energies on the delivery and enactment of crucial information regarding European funding streams, where the recipients and ultimate enactors of that information are not always aware of the original delivery agent of their information, and therefore are not bound to inform that agent of the results of their actions. Consequently, although some government departments may be made aware of successful funding bids, there is no guarantee that detailed information will flow back to the BTWG or to OFMDFM. This not only means that it is likely that OFMDFM and the BTWG will only have knowledge of the overall total of EU competitive funding received, but also that no detailed trace can be made between the BTWG’s actions and successful individual projects in receipt of funding.

6.

BTWG and the Problematic Setting of Objectives:

“Do you have a preference for the softer, qualitative ones?”²¹

Although, as discussed in Section 2, the original report from the Barroso Task Force contained a range of detailed recommendations, the evaluation of the work of the Barroso Task Force Working Group is complicated by the general lack of appropriate outcome indicators which arises as a consequence of the functional nature of the group’s specified objectives. It is difficult to attribute successes under the NI Executive’s European

²⁰ Hansard, Committee for the Office of the First Minister and Deputy First Minister, European Union Priorities 2013-14: Departmental Briefing, 29 January 2014.

²¹ Committee for the Office of the First Minister and Deputy First Minister, European Union Priorities 2013-14: Departmental Briefing, 29 January 2014.

Priorities to the work of the BTWG directly (in part for the reasons described above in Section 5); the procedural character of the group's work together with the nature of its role in supporting existing European administrative processes makes a strict determination of the BTWG's effect with regard to concrete deliverables for Northern Ireland difficult. Due to the difficulties in tracing outcomes with clarity to the work of the BTWG, it is not possible to determine in individual instances whether the absence of the BTWG would have any effect on the end result. In other words, can some successful outcomes be due to factors that have no relation to the BTWG – or to the Barroso Task Force?

The objectives themselves, constituted by the annual European priorities, are also undermined by conceptual and chronological difficulties. In terms of the latter, the lack of timeliness in formulation, communication and evaluation of objectives, means that they appear to be published as if they were simultaneously being set, receiving their mid-year progress update, and their final outcomes. As to the former, and taking as an example the objective "*Participate in at least 3 EU themed weeks in Brussels by the end of March 2014*", the Chairperson of the Committee for the Office of the First Minister and Deputy First Minister asks OFMDFM officials:

"I am not disputing that there is a value in participating in EU-themed weeks in Brussels, but, as a target, do you accept that that is an input, and how do you measure the output and the outcome of attending that? Given that you are using taxpayers' money to run the operation and that improving the economy is at the heart of everything that we do, how does that target, which is actually an input, have a measurable outcome at the end of it?"²²

Setting out the intention to hold a specific number of seminars, for example, represents the mapping of discrete tasks without necessarily making clear what the intended outcomes of those tasks are or how they relate to each other. This in no way means however, that *quantitative* outcomes should take precedence over *qualitative* ones. Indeed, this is the underlying reasoning behind the response to the Chairperson's questions above:

"A lot of this is qualitative, in that you cannot readily identify the increase in partnerships, consortia, and so on, that results from participation in events such as themed weeks, but undoubtedly it happens. Conversely, if we were not present in Brussels, it is unlikely that we would make contact with potential partners for such projects. Our reputation would not get the enhancement that it has received through our participation in those events. Bear in mind that they are opportunities for us to show off our innovation, our industry and our competitiveness. In a qualitative sense, it is important that we have that opportunity".

²² Committee for the Office of the First Minister and Deputy First Minister, European Union Priorities 2013-14: Departmental Briefing, 29 January 2014.

Nevertheless, unless objectives are not framed in a more timely and conceptually sound manner, it will continue to be difficult to properly evaluate beyond the most global terms the change brought about by the Barroso Task Force or, more importantly, the BTWG.

7.

The Post-Barroso Era: “A marathon rather than a sprint”²³

The creation of the Barroso Task Force and of the BTWG, as well as the (perhaps somewhat belated) recruitment of four Barroso Desk Officers, has over recent years provided policy-makers in Northern Ireland with a wealth of information and experience related to the European Union, and particularly of EU funding programmes. The possibility of the discontinuation of the Barroso Task Force should not present itself as a return to the pre-Barroso era, nor should it mean the abandonment of the kind of focus currently provided by the BTWG.

As was made clear in the Northern Ireland Executive’s initial action plan following the report of the Barroso Task Force, it was understood that the forging of productive relationships with the European Union was a long-term project, and therefore it should not be assumed that the departure of President Barroso will mark an end to that process. ‘Relationships’, as that action plan notes, ‘are not built overnight’ (p.6).

The Centre for Cross Border Studies believes that the knowledge, experience and channels of communication that have been created since the formation of the Barroso Task Force should not be needlessly discarded. Instead, and using the current Inquiry as a valuable exercise in identifying existing strengths as well as areas where improvements can be made (some of which have been referred to in this document), that knowledge, experience and those channels of communication need to be maintained within a post-Barroso Working Group.

Although it would be hoped that the European Commission would continue to provide Northern Ireland with the privileged access that has been enabled by the Barroso Task Force, the Northern Ireland Executive has acquired sufficient knowledge and experience to represent our interests in Brussels. The only significant risk to this is if the focus provided by the BTWG were to be abandoned. Consequently, and in order for Northern Ireland to stay in the marathon, the Centre for Cross Border Studies recommends that the BTWG – or its successor – should continue to operate.

²³ Northern Ireland Executive, *Priorities for European Engagement: Action Plan 2008-2009*, p.1.

Committee for Enterprise, Trade and Investment



**Committee for Enterprise, Trade & Investment,
Room 375
Parliament Buildings**

Tel. 028 9052 1230
Email jim.mcmanus@niassembly.gov.uk

To: Shauna Mageean
Clerk to the Committee for the Office of the First Minister and deputy
First Minister

From: Jim McManus
Clerk to the Committee for Enterprise, Trade & Investment

Date: 24th March 2014

Subject: **Inquiry into Barroso Taskforce**

The Committee for Enterprise, Trade & Investment considered correspondence from the Committee for OFMDFM at its meeting on 27th February. The Committee welcomes the opportunity to respond to the Inquiry.

During a Committee visit to Brussels in April 2013, the Committee for Enterprise, Trade & Investment engaged with the Barroso Desk Officers on matters relating to the work of the Department of Enterprise, Trade & Investment. Desk Officers informed members that they not only have a role in Brussels but also have a role in Northern Ireland to ensure information is disseminated appropriately across the region. This includes work being done by DETI and Invest NI. It was stated that Desk Officers also have a role in relation to the work of local councils and the Invest NI client base. Members were informed that departments also have a role in keeping Desk Officers up to date on what is going on in Northern Ireland. According to the Desk Officers, some departments are better at this than others.

The Committee welcomed the approach of having the Desk Officers in place in order to share information and keep stakeholders in Northern Ireland better informed about what is going on in Brussels and helping Northern Ireland stakeholders engage with the EU.

At its meeting on 7th November 2013 the Committee considered the first report from the Desk Officers covering April to June 2013. The report was made up largely of a list of activities undertaken by the Desk Officers with little indication of any benefits having been accrued by their activities. The Committee therefore sought clarification on a number of issues in the report which were of interest to members. Correspondence to that effect issued to OFMDFM on 21st November 2013.

At its meeting on 12th December 2013 the Committee considered a response from OFMDFM indicating that it would be preferable for the information sought to be requested through the relevant committee and thereafter departmental official. It was stated that this route would ensure departments are fully aware of both the request and the information provided. In doing so, OFMDFM conceded that this did, in fact,

make the process somewhat complex. The Committee agreed to respond to OFMDFM clarifying that the Committee had requested the information from the Barroso Desk Officers based on progress reports they provided and that it would therefore be more appropriate for the Desk Officers to comment in detail on the progress they have made, rather than individual departments. Having not received a response by the Committee meeting of 6th February 2014, the Committee agreed to contact OFMDFM to determine when a response may be expected.

At the meeting on 13th February 2014 the Chair informed members that the Clerk had contacted the OFMDFM DALO and had been informed that OFMDFM is awaiting information from DETI before the response to the Committee's queries can be completed. DETI, in turn, informed the Committee that the required information had recently been forwarded to OFMDFM. The substantive response was received on 5th March 2014 and considered at the Committee meeting on 13th March 2014. The response from OFMDFM raised a number of additional queries from the Committee regarding a lack of detail on some of the issues covered. The Committee has therefore sought additional information from OFMDFM on the matter.

Considering the protracted delays in providing the initial information, the Committee was very disappointed at the timeliness and quality of the response to its request. During the time the Committee awaited the response two additional Desk Officer Reports were received. The Committee received the Report covering July to September 2013 on 16th January 2014 and considered it at its meeting on 23rd January 2014. The Report covering October to December 2013 was received on 12th February 2014 and considered at the Committee meeting on 20th February 2014.

In summary, the Committee is concerned that the promise raised by the establishment of the Barroso Desk Officers in Brussels is not being delivered. If a statutory Committee cannot receive a detailed response until up to a year after the activities to which that response relates, the facility cannot hope to provide adequate, appropriate, timely, accurate and relevant information to businesses in the Invest NI client base which are seeking to take advantage of opportunities presented by the EU.

The Committee suggests that the Inquiry considers whether the problems encountered relate directly to ineffectiveness of the mechanism that is in place, including the systems and processes that have been established, or if the problems result from a lack of information coming to the Desk Officers from departments. As stated earlier, the latter problem was identified by the Committee at meetings with Desk Officers during the Committee visit to Brussels. In either case, on the experience of the Committee for Enterprise, Trade & Investment, urgent action needs to be taken to improve the current mechanisms to identify, collate and share relevant information between Northern Ireland stakeholders and Brussels or to provide an alternative which better meets the needs of stakeholders.

Committee for Environment



**Northern Ireland
Assembly**

**Committee for the Environment
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Parliament Buildings**

**Tel: +44 (0)28 9052 1783
Fax: +44 (0)28 9052 1795**

To: Shauna Mageean
**Clerk to the Committee for the Office of the First and Deputy First
Minister**

From: Sheila Mawhinney
Clerk to the Committee for the Environment

Date: 3 March 2014

Subject: Inquiry into the Barroso Task Force

1. At its meeting on 27 February 2014 the Committee for the Environment considered the terms of reference for the OFMDFM Committee Inquiry into the Barroso Task Force.
2. The Committee rigorously discussed the terms of reference and was mindful of the significance of the issue.
3. The Committee wishes you well with the inquiry and would urge members to ensure that the outcomes of the Task Force closely reflect the objectives and initial action plans to which they relate.

Shelia Mawhinney
Clerk
Committee for the Environment

Committee for Social Development



COMMITTEE FOR SOCIAL DEVELOPMENT
Room 284, Parliament Buildings, Stormont, Belfast BT4 3XX
Tel: 028 9052 1864

To: Shauna Mageean, Clerk to the Committee for the Office of the First Minister and deputy First Minister

From: Kevin Pelan, Clerk to the Committee for Social Development

Date: 28 February 2014

Subject: Inquiry into Barroso Task Force

At its meeting of 27 February 2014, the Committee for Social Development noted your memo of 20 February 2014 and the accompanying information regarding the Inquiry into Barroso Task Force.

The Committee provided no comment on the Terms of Reference and I am therefore writing to advise you of a nil response.

Dr Kevin Pelan
Ext 21864

Department of Culture Arts and Leisure

FROM THE MINISTER



Causeway Exchange
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Your Ref: C32/14
Our Ref: COR/66/14

12 March 2014

Ms Michelle McIlveen MLA
Chairperson
Committee for Culture, Arts and Leisure
Room 344
Parliament Buildings
Ballymiscaw
Stormont
BELFAST BT4 3XX

Michelle, a chara

Re: OFMDFM Committee Inquiry into the Barroso Task Force

Thank you for your letter of 3rd March seeking my Department's comments on the terms of reference for an OFMDFM Committee Inquiry into the Barroso taskforce.

I am aware of the Inquiry and terms of reference which I understand were agreed by that Committee on 19th February 2014.

The Inquiry will:

- Consider the work and structures of the Taskforce including the Barroso Taskforce Working Group (BTWG) since its inception in 2007;
- Identify the outcomes from the Taskforce and assess against the objectives;
- Identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso.

The proposed Inquiry therefore appears comprehensive as it is concerned not only with the effectiveness of the BTWG since 2007 but will also seek to make recommendations for future engagement with the EU after the Barroso Presidency ends.

I welcome the OFMDFM Committee Inquiry and look forward to receiving its recommendations.



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Is mise le meas

CARÁL NÍ CHUILÍN.

CARÁL NÍ CHUILÍN MLA
Minister of Culture, Arts and Leisure



A confident, creative, informed and healthy society

Department of Employment and Learning

Mrs Cathie White
Clerk to the Committee
Committee for Employment and Learning
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

Our Ref: COR/085/14

March 2014

Dear Cathie,

At their meeting on 26 February 2014, the Committee considered correspondence from the Committee for the Office of the First Minister and deputy First Minister setting out the Terms of Reference for the Inquiry into the Barroso Taskforce and requesting views on the work of the Taskforce and on future engagement on European issues. The Committee agreed to forward the correspondence to the Department for comment. It should be noted that the Barroso Taskforce Working Group is currently considering how its work can be reshaped to make it more effective.

Work of the Barroso Taskforce - DEL Experience

The work of the Taskforce has been worthwhile in terms of raising Northern Ireland's profile in Europe and in creating a more focussed and more cohesive approach in Northern Ireland to engagement with Europe and, in particular, drawdown of competitive European funding. Chairmanship of the Barroso Taskforce Working Group by the Junior Ministers has helped to keep the profile of the work elevated.

The development of the European priorities, annual implementation plan and the associated objectives has ensured that efforts are focused on achieving Departments' individual targets which help to ensure that the overarching priorities are met.

Some challenges experienced include a lack of clarity at times. This may be because of the unknown nature of the work at the outset and other factors such as changes in personnel which would naturally have an adverse effect on continuity. Particular examples include some confusion in the methods used to calculate drawdown of funding, lack of clarity as to the roles and responsibilities of the Desk Officers and, more recently, lack of clear guidance around the benchmarking exercise.

Future Engagement on European Issues

As indicated above, the Barroso Taskforce Working Group has given focus to European issues making Departments accountable for achieving their related objectives. The same cohesive approach across the Departments going forward would be of benefit; however, lessons can be learned from the challenges experienced.

There is an opportunity to refresh focus and better clarify Northern Ireland's aspirations for future European interaction. It is important that the same focus is given to all three objectives of the Barroso Taskforce Working Group. It is vital that each Department is clear on its role in achieving Northern Ireland's aims.

In addition, it is important that the methods in terms of measuring drawdown and benchmarking are well thought through and agreed at the outset. The role of supporting mechanisms should also be clear. For example, the roles and responsibilities of the Brussels-based Liaison Officers should be made clear to all concerned in order to avoid duplication and unnecessary delay in getting the information and inputs required to achieve objectives.

Yours sincerely

FIONA STANLEY
Departmental Assembly Liaison Officer

Department of Finance and Personnel

Assembly Section

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Mr Shane McAteer
Clerk
Committee for Finance and Personnel
Room 419
Parliament Buildings
Stormont

Our Ref: CFP/302/11-15

11 March 2014

Dear Shane,

DFP INVOLVEMENT WITH THE BAROSSO TASK FORCE AND WORKING GROUP.

DFP (European Division) engages with the Interreg IVB and C programmes but it does not drawdown any European funding; responsibility for all such drawdown lies with the department associated with each of the funded projects. DFP participates on the Northern Periphery and Atlantic Area Monitoring Committees, and has established strong networks and relationships with UK and Ireland Contact Points and programme authorities in order to raise Northern Ireland's profile as an active participant and potential source of project partners.

DFP also co-sponsors the Special EU Programmes Body which is the Regional Contact Point for the Northern Periphery Programme and which assumes a guidance role for other Interreg/Transnational programmes. Both DFP and SEUPB disseminate information, advice and guidance to promote the programmes and encourage applications.

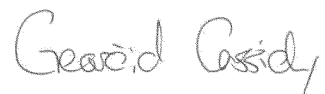
DFP is represented in the Barroso Taskforce Working Group by European Division who attend the three thematic working groups (i) Social, (ii) Economic, (iii) Environmental as well as the generic Group. Contributions are, however, generally of an advisory nature as it has no role in the drawdown of funding.

Given the absence of a role in drawing down funding, DFP has had a limited interaction with the BTWG but appreciates, in the wider NI perspective, that the Group has been successful in establishing a target and monitoring the achievement in the drawdown of EU funding. BTWG has helped departments

to focus on the need to draw down more EU funding and to be more active in the European arena.

DFP will continue to engage fully with BTWG providing it with advice and information on European Structural Fund matters as required.

Yours sincerely,

A handwritten signature in cursive script that reads "Gearóid Cassidy".

Gearóid Cassidy

Department of Justice

FROM THE OFFICE OF THE JUSTICE MINISTER



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Our ref SUB/455/2014

Christine Darrah
Committee Clerk
Committee for Justice
Northern Ireland Assembly
Parliament Buildings
Stormont Estate
Belfast
BT4 3XX

11th April 2014

Dear Christine

COMMITTEE FOR THE OFFICE OF THE FIRST MINISTER AND DEPUTY FIRST MINISTER INQUIRY INTO THE BARROSO TASKFORCE

Thank you for your letter of 3 April 2014 inviting comments from the Department on the Barroso Taskforce Inquiry.

The Department believes the Barroso Taskforce Working Group (BTWG) has served to focus and promote the drawdown of European funding and has provided the Department with a forum to share European priorities and learn from best practice. The Group may wish to consider, with a new budget and new Parliament imminent, whether there are new opportunities to influence policy development.

This might involve the European Commission Taskforce and BTWG asserting their influence by, for example, seeking to be part of working groups on specific negotiations, or funding Seconded National Experts and other similar posts in priority areas for Northern Ireland within the Commission.

FROM THE OFFICE OF THE JUSTICE MINISTER



Department of
Justice
www.dojni.gov.uk

That said, it is recognised that as a region our influencing power is limited.

I trust the Committee will find these comments helpful.

Tim Logan

**TIM LOGAN
DALO**



**NORTHERN IRELAND
ASSEMBLY
COMMITTEE FOR JUSTICE**

Tim Logan
DALO
Department of Justice
Castle Buildings
Stormont Estate
Belfast
BT4 3SQ

3 April 2014

Dear Tim

**Committee for the Office of the First Minister and Deputy First Minister Inquiry
into the Barroso Task Force**

At its meeting on 27 February 2014 the Committee for Justice considered correspondence from the Committee for the Office of the First Minister and deputy First Minister providing a copy of the terms of reference for its Inquiry into the Barroso Task Force.

The Committee agreed to refer the correspondence, a copy of which is enclosed, to the Department of Justice for comments on any justice related issues relevant to the Inquiry.

I would appreciate a response by 14 April 2014.

Yours sincerely

Christine Darrah

**Christine Darrah
Clerk, Committee for Justice**



**COMMITTEE FOR THE OFFICE OF THE FIRST MINISTER
AND DEPUTY FIRST MINISTER**

Room 435
Parliament Buildings
Tel: 028 90521903

Email: committee.ofmdfm@niassembly.gov.uk

FROM: Shauna Mageean - Clerk to the Committee for the Office of the First Minister and Deputy First Minister

DATE: 20 February 2014

TO: **Statutory Committee Clerks**

SUBJECT: **Inquiry into Barroso Task Force**

1. At its meeting of 19 February 2014, the Committee for the Office of the First Minister and deputy First Minister agreed the Terms of Reference for an Inquiry into the Barroso Task Force.
2. Given the cross-cutting nature of European issues and involvement by all Departments in the Barroso Task Force Working Group, the Committee agreed to write to all statutory committees to seek views on the Inquiry.
3. Attached is a copy of a letter sent to all stakeholders and provides further information on the Inquiry and the Terms of Reference.
4. All responses to the Inquiry should be received by Friday 6 April 2014.
5. I would be grateful if you would bring this information to the attention of your committee.

Regards

Shauna Mageean
Committee Clerk



Mike Nesbitt MLA, Chairman

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

Date: 20 February 2014

Dear Sir/Madam

Inquiry into the Barroso Taskforce

The President of the European Commission, José Manuel Barroso announced a European Commission Task Force for Northern Ireland on 1 May 2007. This inaugural task force for a specific region in the EU was created in order to support the peace process, with particular emphasis on how to support Northern Ireland in its efforts to improve its economic competitiveness and to create sustainable employment. After the Executive took up their new mandate in May 2011, Junior Ministers assumed the Chair of the Barroso Task Force Working Group (BTWG).

At its meeting on 19 February 2014, the Committee for the Office of the First Minister and Deputy First Minister agreed the following terms of reference for an Inquiry into the Barroso Taskforce:

- Consider the work and structures of the Taskforce including the Barroso Taskforce Working Group since its inception in 2007
- Identify the outcomes from the Taskforce and assess against the objectives
- Identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso

I should be grateful if you would submit a response in MS Word format by e-mail to: Committee.ofmdfm@niassembly.gov.uk

The Committee is seeking the views of representatives in the European Institutions and from key stakeholders on the work of the Barroso Taskforce and views on future engagement on European issues. **Submissions should arrive by 2 April 2014.** Written evidence submitted to the Committee should be kept confidential until published by the Committee.

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

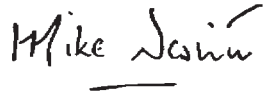
Room 435, Parliament Buildings, Ballymiscaw, Stormont, Belfast, BT4 3XX

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Should you require any further clarification please do not hesitate to contact the Committee Office on (028) 90521904.

Yours sincerely

A handwritten signature in black ink that reads "Mike Nesbitt". The signature is written in a cursive style with a horizontal line underneath the name.

Mike Nesbitt MLA
Committee Chairman

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

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Department of Regional Development

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Your reference: DALO 31/3/13
Our reference: SUB/366/2014

29 April 2014

Dear Mr Nesbitt

INQUIRY INTO THE BAROSSO TASK FORCE

The Department of Regional Development has been invited to comment on the Inquiry into the Barosso Task Force commissioned by the Committee for the Office of the First Minister and deputy First Minister within the context of the following *terms of reference*:

- a. *Consider the work and structures of the Taskforce including the Barosso Taskforce Working Group since its inception in 2007;*
- b. *Identify the outcomes from the taskforce and assess against the objectives;*
- c. *Identify and consider lessons learned from the functioning of the taskforce in order to inform recommendations for future engagement in EU affairs post Barroso.*

The Department for Regional Development has been particularly proactive in engaging with the institutions and organisations of the European Union and has, therefore, developed a strong and productive operating network across a range of (primarily transport related) policy areas. The establishment of this network has been instrumental in delivering high success levels for the Department in terms of securing EU funding and it is reasonable to state that this work has been bolstered by the collective efforts of the Taskforce rather than having been defined by it.

The Taskforce has been helpful in giving focus and drawing attention to the issue of EU relationship building and influencing the drawdown of competitive EU funds with the Office of the Northern Ireland Executive operating effectively as a *de facto* Agency of the Taskforce in many respects.

The structures and functions of the Taskforce have, to an extent, and as would be expected over the course of time, been re-shaped and evolved as a consequence of (the almost constantly) shifting dynamics of the European Commission and its various agencies. The move towards a three-stranded structure focusing on economic, social and environmental dimensions is, in the view of this department, timely and has the potential to more effectively sensitise the work of the Taskforce to more closely reflect EU policy priorities. This view is, of course, predicated on the assumption that in policy (and by extension funding) terms, the search for Northern Ireland and EU commonalities must continue and be built upon thereafter.

The Department has, in the course of its Taskforce related activities, contributed to different thematic groups and has recently invited relevant officials to consider the potential for inviting non-governmental members on to thematic groups as a means of simultaneously broadening perspective and raising the profile of the Taskforce itself.

The Taskforce 'brand' is unique, and the Department is, through its own experiences, conscious of the need to constantly upgrade the corporate memory of the European Commission; simply because of the constant 'churn' of key personnel and contacts within its various entities. It is, therefore, considered highly important that the Taskforce continues to address this particular challenge in order to retain its profile and effectiveness in the future.

In looking forward, any successor group would, in the opinion of the Department, benefit from a clear understanding of what precisely it seeks to achieve, whether this is, for example, to successfully influence EU policy-making, to access higher levels of funding from 'traditional' sources or to develop a presence within historically unexplored programmes. Strong consideration should, therefore, be given to the precise nature

and terms of reference for any successor group and plans put in place to ensure, a) the communication of these and; b) the delivery of these within *SMART* parameters.

In summary, and within the context of an existing departmental strategy that seeks to proactively engage at a European level, the Department has found the Taskforce to be a usefully supportive mechanism for its work.

This letter is fully disclosable under FOI.

I am copying this letter to the Clerk of the Committee for Regional Development.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Doherty', with a horizontal line underneath the name.

ALAN DOHERTY
Departmental Assembly Liaison Officer

European Commission



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
REGIONAL AND URBAN POLICY
The Director-General

Brussels,
REGIO/regio.pa (2014)1611091

Subject: Assembly Inquiry into the Northern Ireland Task Force

Dear Mr. Nesbitt

Thank you for your letter of 20 February 2014 requesting a written submission on the work of the Northern Ireland Task Force (NITF) established by President Barroso in May 2007. I wish to thank you also for the extension of the original deadline for forwarding the submission, of 2 April 2014, which was necessary for us to have the time to coordinate responses across the 18 services of the Commission which are, today, members of the NITF.

Please note that while your request was originally addressed to two of my colleagues in the Commission, Colette Fitzgerald, Head of our Belfast Office and Ronnie Hall, my Principal Advisor and day-to-day Chairman of the NITF, the attached submission represents a single response on behalf of the whole of the services of the institution.

On a personal note, I would like to say that it has been a pleasure to cooperate with the authorities in Northern Ireland and the attached submission leads me to conclude that there has been a renewed engagement on the part of the region with European policies and programmes which appears to have yielded many benefits.

I feel sure that, as we enter the EU's new planning period, 2014-2020, Northern Ireland will be more strongly placed than ever to participate in the new programmes and projects.

Yours sincerely

signé

Walter Deffaa

Cc: Ms C. DAY, Secretary General of the European Commission
Ms C. FITZGERALD, Head of Commission Representation, Belfast

Mike NESBITT MLA
Chairman of the Committee for the Office of the First Minister
and deputy First Minister
Room 435, Parliament Buildings,
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European Commission

April 2014

**Written submission to the Northern Ireland Assembly Committee for the
Office of the First Minister and deputy First Minister
on its Inquiry into the work of the
European Commission's Northern Ireland Task Force
established by President Barroso**

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I. Preliminary remarks

This written submission is a response from the European Commission to the request of 20 February 2014 from Mr Mike Nesbitt MLA, Chairman of the Northern Ireland Assembly Committee for the Office of the First Minister and Deputy First Minister, "seeking views of representatives of the EU institutions and from key stakeholders on the work of the Barroso Taskforce and views on future engagement on European issues".

The Committee set as its terms of reference:

- "Consider the work and structures of the Taskforce including the Barroso Taskforce Working Group since its inception in 2007;
- Identify the outcomes from the Taskforce and assess against the objectives;
- Identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso".

This document represents a single submission for the European Commission as a whole.

II. Introduction: remit of the Northern Ireland Task Force (NITF)

Aims

The origins of the Northern Ireland Task Force lie in the agreement to re-establish power sharing arrangements in Northern Ireland in May 2007 involving the two largest political parties, the Democratic Unionist Party (DUP) and the Republican party, Sinn Fein (SF). Commission President Barroso was the first senior international political figure to visit the then incoming First Minister, Dr Ian Paisley (DUP), and his Deputy First Minister, Martin McGuinness (SF). He offered to set up a Task Force within the Commission in order to examine how Northern Ireland could benefit more from EU policies, and how it could participate more actively in the EU policy process in order to generate greater prosperity.

In April 2008, the Commission published a report (hereafter "the 2008 report") on its work under the NITF¹. It said, "The specific remit of the NITF is to support efforts in Northern Ireland to improve competitiveness and create sustainable employment, mobilising the services of the Commission most concerned with the competitiveness and sustainable employment agenda. Particular importance is attached to reducing dependence on the public sector and to creating a more dynamic private sector. In taking this remit forward, and in preparing this report, the NITF symbolises a new partnership between the administration in the region and the Commission as well as being an attempt to stimulate a qualitative change in the region's fortunes."

In his foreword to the 2008 report, President Barroso said "*In a Union that is founded on preserving and promoting the principles of peace and prosperity in Europe, I feel that the Commission is performing its natural role*".

The existence of the Task Force represents a first for the Commission in terms of the formation of a close partnership specifically with one region covering several key EU policy fields.

¹ European Commission (2008): "COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND TO THE EUROPEAN PARLIAMENT on the Report of the Northern Ireland Task Force". COM(2008)186

Composition within the European Commission

In accordance with the remit of promoting competitiveness and sustainable employment, and after close consultation with the devolved institutions, the policy fields, and founding Directorates General, involved in the NITF at the outset were: Agriculture, Education and Culture, Transport and Energy, Employment and Social Affairs, Enterprise, Environment, Research and Innovation, Maritime Affairs and Fisheries, Regional and Urban Policy, the Secretariat General and, outside the Commission, the European Investment Bank also participated in early meetings. However, one of the positive aspects of the NITF has been its flexibility and the initial group of 10 Commission services subsequently expanded, largely at the request of Northern Ireland, to 18 (counting Transport and Energy as two, following their separation administratively in 2010) to include Climate Action, Competition Policy, Communications Networks and Communications Technologies, Health and Consumers, Home Affairs, Justice and Taxation and Customs Union.

Methods

The NITF has operated within the Commission under the authority of the Commissioner for Regional Policy and, as indicated, in close cooperation with NI authorities. It is managed on a day-to-day basis by the DG for Regional and Urban Policy (DG REGIO).

For the Commission, a key moment was the publication of the report in April 2008, which set out a number of ideas and leads to be explored by Northern Ireland in the different policy fields. It also drew attention to the region's past record in participating in actions under these policy fields. The information received by the Commission suggested that the report was received very favourably in Northern Ireland. Importantly, the region reacted by setting up an inter-departmental Task Force Working Group drawing up its own action plan to implement the Commission's suggestions and recommendations.

The latter is consistent with the intentions of the Commission's report whereby the devolved institutions of the region would implement, as appropriate, the Commission's suggestions and recommendations, drawing on the NITF's network of contact points within the Commission for information and advice as required. After the publication of the report, the initiative therefore shifted to Northern Ireland itself, although the Commission continued to bring to the attention of the region new developments in European policies and programmes of potential interest. In facilitating the latter process, the Office of the Northern Ireland Executive in Brussels (ONIEB) has been a very important, and pro-active, point of contact. Equally, the presence in the devolved institutions of a seconded official from DG REGIO, as NITF advisor successively in the Department of Finance and Personnel (2007-08), the Department of Enterprise, Trade and Investment (2008-09) and the Office of the First Minister and Deputy Minister (2010-2012), helped considerably in facilitating contacts, developing ideas and moving the policy agenda forward. The Commission thus followed up on the 2008 report proposal to engage in an exchange of officials and this has resulted in a significant increase in the number of seconded officials from NI within the Commission on an ongoing basis as well as dedicated NI Task Force officials in the ONIEB.

In order to establish and consolidate relations with senior officials in Northern Ireland, the NITF members participated in two visits to the region as a group (respectively, December 2007 and March 2010). The visits were regarded as beneficial on both sides in terms of promoting the exchange of information and a better understanding of the challenges faced in the region. Members were also able to see projects supported by the EU on the ground and to brief their Northern Ireland counterparts on opportunities under EU policies, present and future.

The NITF has also maintained close links with the European Parliament, notably with the three MEPs representing Northern Ireland, providing information on EU policy, speakers for events organized by the MEPs, etc.

Over the years, the NITF has worked steadily, often informally in the light of the broader political process unfolding in the region as the new institutions, and the political leaders and representatives involved, bedded down and established the necessary working relationships. Although after the publication of the report of the Commission the initiative shifted to Northern Ireland, the Commission has always sought to maintain momentum in the partnership. Thus for example, when President Barroso met the new First Minister, Peter Robinson, and the Deputy First Minister, Martin McGuinness, in Brussels on 9 December 2010, he re-affirmed the European Commission's commitment to Northern Ireland calling for action "to renew and reinvigorate our collective effort".

III. Outcomes

Preliminary considerations

Measuring the impact of the NITF, for the Commission, is essentially about assessing *the results of its new and closer partnership* with the region. The NITF has provided a dense network of contacts across the Commission available to Northern Ireland in pursuit of the suggestions and recommendations contained in the original 2008 report, which have multiplied in the subsequent period, not least because of the almost doubling in the size of the member Directorates General. From the Commission's point of view, a successful outcome of the existence of the NITF would therefore come in the form of a positive, hopefully very positive, response to the following two questions:

- for the devolved institutions, has the existence of the NITF improved the accessibility of Commission staff, and of policy information and advice?
- has the quality of this information and advice been such as to enable Northern Ireland to participate more effectively, or to a greater extent than before (compared, for example, to the planning period 2000-2006), in EU policies and projects?

As such, the impacts tend in general to be somewhat qualitative and intangible (for example, advice), and, *above all*, information on these impacts is accessible principally within the region itself. This is especially the case since many contacts have been bilateral between Northern Ireland Departments and individual Commission Directorates General, and have not passed through the NITF chairmanship, which is consistent with the desire to maintain the NITF as a flexible, open and non-bureaucratic framework.

That being said, from the Commission's point of view, through the different, usually informal, contacts, exchanges of information and joint meetings, a renewed relationship of confidence between the Commission services and the NI administration has been established. Moreover, **this new relationship appears on the evidence to have led, directly or indirectly, to a number of important outcomes for the region even if direct cause and effect is not always easy to establish.**

(a) EU Research and Innovation Policy

A key European policy field for Northern Ireland is that of research and technological development (RTD) which is essential to retain and develop the region's position in the international value chain.

The bases for European interventions to raise levels of RTD are the succession of so-called Research Framework Programmes. The bulk of projects that have been implemented during the life of the NITF have been financed under the Seventh Framework Programme (FP7) covering the period 2007-2013. For the new planning period, the next Framework Programme has been agreed under the new title of Horizon 2020.

The Commission has always underlined that, unlike EU regional, employment and rural development policies, under the RTD Framework Programmes there are no fixed national or regional allocations. Funds are disbursed through competitive calls for proposals under the various individual programmes and actions in a given FP. This reflects the aim of encouraging excellence, independently of geographical location. The task for any region is therefore to compete effectively, and for Northern Ireland, to use the NITF network as a source of information and advice on RTD programmes and projects as they emerge.

In recent years, increasingly close relations have been developed between the relevant Commission services and the Northern Ireland administration, through meetings with visiting senior officials and, notably, contacts with the ONIEB. In this regard, an important development has been the appointment to the ONIEB of staff dealing specifically with FP7. The NITF contact point in DG RTD has undertaken three visits to the region: first in January 2008 shortly before the adoption of the NITF report; again in March 2011 for a visit of the NITF and finally in October 2013 for the UK national Smart Specialisation event mentioned below.

Northern Ireland and the Seventh Framework Programme

In terms of the headline figures, the results for Northern Ireland comparing FP7 with FP6 are encouraging². **Thus, in current prices, the region has a draw-down of € 83.8 million under FP7 whereas in FP6 it was € 34.2 million, an increase of 145%.**

In examining in more detail the significance of this result under FP7 in an international comparative context, the data for the following indicators have been examined, comparing FP7 performance against that of FP6: the number of assisted projects involved; the number of grant holders and the level of EU contribution. The international comparative context is that of Northern Ireland in relation to the five regions of equivalent population used in the 2008 report: Poitou-Charentes (FR); Sardinia (IT); Mittlefranken (DE); Västsverige (SE) and Jiovýchod (CZ).

The results in relation to the three indicators show that Northern Ireland between FP6 and FP7 advanced to second place in terms of number of assisted projects (248), from third last time, retaining both second place on the number of grant holders (273) and third place on level of EU contribution (the € 83.8 million referred to above). As under FP6, Västsverige remains in first place on all three indicators while Poitou-Charente remains in last position. There has thus been a slight improvement in the international comparison.

² The data available for FP7 are not directly comparable to the FP6 data in the 2008 report due to a longer period of implementation and a different structure and level of funding in FP7

Comparing these results with (the eleven) other UK regions (the national comparative context) or with Ireland, is not seen as pertinent in view of the fact that results tend to vary according to the size of the region. Northern Ireland is the smallest UK region, with an average population of 1.8 million just under one-third of the average of 5.2 million for the UK as a whole, and two-fifths of the population of Ireland of 4.6 million.

Concerning participation in the leadership of projects, 46 Northern Ireland FP7 participants, out of 273 in the region, take the role of project coordinator (16.8 %); an increase from 15.1 % under FP6. The international comparison reveals that this places Northern Ireland in first place in terms of the number of FP7 coordinators (as a percentage of grant holders) compared to the 5 other EU regions, but below the UK rate (28 %) or the other UK regions (ranging from 36 % in the West Midlands to 22.2 % in the North West) while Ireland is at 22.4 %. Finally, Northern Ireland scores somewhat below the EU average rate of 18.7 %.

For the national comparison, perhaps, a more pertinent indicator, not mentioned in the 2008 report, relates to the success rate in relation to project proposals, presented in a comparative context regarding the national success rate and internal national ranking. These indicators provide hints as to the *quality* of the proposals submitted. Within the UK, Northern Ireland with a success rate of 15.3 % is somewhat below the national success rate of 19.6 % and is ranked last of the 12 NUTS 1 regions, with London in first place at 24 %. The success rate for Ireland is 17.2 % while the overall EU rate is 19.1 %. These data measure the success rate in terms of the funding drawn down as a percentage of the level of requested funding in the proposals. If the data are expressed in terms of the number of successful applications as a percentage of total projects then the Northern Ireland success rate rises to 20.4% close to the overall UK success rate of 22.7% and equal to the EU-28 success rate (20.5%). As indicated this would tend to suggest that the quality of the proposals has been comparatively high, and could reflect favourably on the remit given to the NITF of providing information and advice (see also below).

In the international comparison regarding success rates, Northern Ireland ranked 5th of the six regions, with a success rate of 15.3 % considerably inferior to 28.6 % for Västsverige and Mittlefranken at 25.1 % but considerably superior to Sardinia (9 %).

A further issue which is worth highlighting is that of the level of **participation of SMEs** in FP7. On the international comparison, Northern Ireland trails the other EU regions examined, occupying last place with an SME share of 13.2 %, compared to 27 % for Jiovýchod, closely followed by Mittlefranken at 26.8 %. On the national comparison, the UK average share of SME participation is 17.9 %, Northern Ireland occupies 11th place, just ahead of the South-West (11.7 %) and considerably behind the leading share of the East Midlands (27.1 %). In Ireland, the SME participation rate is 25 % while the EU average is 19.6 %. These figures probably reflect the relatively small size of the private sector in the Northern Ireland economy.

Some examples of innovative projects involving Northern Ireland are described in the annex, which draw attention to the region's role in acting as coordinator for international collaborative projects, as well as to the all-island dimension which can be important for achieving critical mass.

Northern Ireland's research capacity

For the purpose of this report, on the basis of data provided by the relevant Commission services, it appears that Research, Technology and Development (RTD) is a leading factor explaining involvement in EU RTD programmes, now and in the future.

The data concerned describe Northern Ireland's research intensity (regional RTD expenditure as % of GDP); share of researchers in total employment; share of the wider measure known as Human Resources in Science and Technology (HRSTC) in total employment.

Research Intensity: The international comparison reveals that compared to the five other small regions, NI ranks 4th, at 1.53 % of GDP, some distance behind Västsverige, the highest (4.27 %), although well ahead of the lowest figure for Sardinia (0.68 %). Under the national comparison, Northern Ireland is in 7th position with East of England highest (3.66 %) and London lowest (1 %) and an overall UK average of 1.78 %. The rate for Ireland is somewhat above that of Northern Ireland at 1.66 % while the overall EU rate is 2.03 %.

Share of researchers (full-time equivalent): NI is again in 4th place (0.37 % %) with Västsverige highest (1.31 %) and Sardinia and Poitou-Charentes lowest (0.32 %). In the UK, NI is in 9th place with London highest (0.87 %) and West Midlands lowest (0.36 %) and an overall UK rate of 0.86 %. The rate for Ireland is 0.82 % and the EU rate is 0.73 %.

HRSTC: This time NI is in 3rd place (21.2 %) with Västsverige and Sardinia retaining their positions as highest and lowest at 23.5 % and 11.5 % respectively. In the UK, NI is in 4th place with London highest (31.7 %) and Wales lowest (18 %) and an overall UK rate of 22.3 %. The rate for Ireland is 22.3 % and the EU rate is 18.4 %.

Northern Ireland's favoured sectors

Comparing the FP6 participation data under the previous research framework programme applied until 2006 - FP6 with the latest information under FP7 until 2013 is difficult due to the difference in composition, and the existence of new sectors covered under FP7 such as the European Research Council³. The data suggest, however, that ICT is still the largest sector. It is followed by Health and with Food & Agriculture in third position, a reversal of their respective rankings under FP6. This probably reflects the emphasis that NI has placed on research in the domain of health (see next section). Human resource development is still important with a strong participation in the EU's "Maria Skłodowska-Curie" actions⁴ representing nearly 19 % of total funding. The latter can be expected to contribute to building capacities in Northern Ireland, longer-term.

³ The European Research Council is a major innovation of FP7 and deals with frontier research (the only criterion is scientific excellence). With a budget of € 7.5 billion under FP, to be almost doubled for Horizon 2020, the ERC has now become a major European success and the reference to high-quality scientific research (basic and fundamental). See <http://erc.europa.eu>

⁴ Actions to support the career development and training of researchers, with a focus on innovation skills covering all scientific disciplines and promoting worldwide and cross-discipline mobility

As indicated below, there are important interrelationships between the actions supported by the EU under the heading of regional policy, and the Framework Programmes in RTD. In this respect it was found necessary to transfer some funding away from RTD activities under the regional programmes (mainly in regard to support for firms) due to technical difficulties with aid schemes but also low absorption, probably linked to the impact of the economic crisis.

Outlook

Horizon 2020 represents a renewed opportunity for involvement in the EU's research framework programmes. In this context, the ONIEB and the NITF organized a visit in January 2014 for key Commission staff to Northern Ireland to help the region prepare for the Horizon 2020 programmes and projects, giving presentations on: "*Setting the Scene – Horizon 2020, Service Innovation, EIP Policy Tool (DG RTD); Supporting Innovations: EIP on Active and Healthy Ageing (DG SANCO); From Service Innovation to Emerging Industries (DG ENTR)*". A further Horizon 2020 event (DG RTD) will take place in May 2014 to present the opportunities for regional involvement in Horizon 2020 to an audience of the major stakeholders in research and innovation, with a particular focus on awareness raising among SMEs.

What is important for a successful involvement in Horizon 2020 is first and foremost a strong national commitment to sustained investment on R&D and innovation, combined with increased exposure to international networks (and an open mind to listen to their expertise), better links between academia and the business communities and more sophisticated support to the research and innovation communities through new financial instruments.

For the new generation of programmes for 2014-2020, a positive development has been the active participation of NI in the preparation of the smart specialisation process through its participation in the work of the Smart Specialisation Platform in Seville. Through the auspices of the NITF, Northern Ireland was the host for the UK Smart Specialisation conference in October 2013 which brought outside expertise to bear on Northern Ireland's plans for research and innovation for the next period.

In moving forward, attention is drawn to the relatively low level of participation of NI SMEs in the Framework Programmes, as indicated above, both nationally and internationally. This underrepresentation of a significant economic sector constitutes a weakness for the region and for future participation in Horizon 2020 where the SME is expected to be an important player. In this context, the Horizon 2020 event in May 2014 is seen as of particular interest.

(b) The EU's Innovation Union and the Digital Agenda policies (including IT-enabled Transformation of Healthcare)

As indicated in the previous section, the health sector has been identified within Northern Ireland as a regional asset with potential for innovative development and for export earnings. As such, it is a field consistent with the aims of key EU policies and working through the NITF, Northern Ireland has been able to access, and contribute to, the EU policies concerned: the "Innovation Union" and the "Digital Agenda". Northern Ireland's involvement is therefore of particular interest because it has enabled the region not only to benefit from the opportunities derived from the policy, it has also

meant that the region has contributed in an important way to advancing the EU agenda, as illustrated below.

Northern Ireland and Innovation Union policy

Under the "**Innovation Union**" policy, part of the broader Europe 2020 strategy, Northern Ireland has been actively involved in the pilot "European Innovation Partnership on Active and Healthy Ageing" (EIP on AHA). The EIP is already in its implementation stage with more than 3000 partners involved who have put forward EIP action plans spanning the areas of prevention and early diagnosis, care and cure and independent living and active ageing. In an ageing society, with falling number of working age and rising health care needs, the project is seen as highly important.

Organisations from Northern Ireland, from the public, private and academia sectors, including the Department of Health, Social Services and Public Safety have actively contributed to the Partnership. They have pooled their resources and professional expertise to identify and support the scaling up of good practices in a number of areas such as seeking to promote adherence to treatment, prevention of falls and integrating different aspects of care.

In fact, under the EIP on AHA, Northern Ireland was awarded a "Reference Site" status for the rest of Europe. Through a peer review exercise, Northern Ireland was awarded the maximum accolade of three stars in appreciation of its innovative solutions especially in the following fields through the reform strategy (Integrated Care Partnerships) of Integrated Citizen Centred Health and Social Care for Older People, Medicines Management for Older Citizens and Integrated Long Term Conditions for Older Citizens.

The 2008 report drew attention to the need for Northern Ireland to intensify its networking activities and under the EIP on AHA, the region has developed valuable links with the Basque Region, Catalonia, Finland and Scotland, and has found some potential investors for its initiatives.

Northern Ireland and the Digital Agenda policy

Under the "**Digital Agenda for Europe**"⁵ (DAE) a major aim is the development and implementation of ICT-enabled benefits for society including the promotion and uptake of "eHealth"⁶. ICT can contribute by providing European citizens with better and cheaper services for health contributing to a better ageing process. The policy is implemented according to an eHealth Action Plan, 2012-2020⁷ (eHAP). It focuses on supporting research, development and innovation; promoting international cooperation; achieving wider interoperability of eHealth services; ensuring wider deployment & facilitating uptake.

The vision behind eHAP is to utilise and develop eHealth (Health IT) in order to address many of the most pressing health system challenges of the first half of the 21st Century. This includes improvement of chronic disease and multi-morbidity management, increasing the sustainability and efficiency of health systems by unlocking innovation, enhancement of patient/citizen-centric care and citizen empowerment and encouragement of organisational changes, the fostering of cross-

5 <http://ec.europa.eu/digital-agenda/en>

6 <http://ec.europa.eu/digital-agenda/en/ehealth-and-ageing>

7 <https://ec.europa.eu/digital-agenda/en/eu-policy-ehealth>

border health-care and health security and the improvement of legal and market conditions for developing eHealth products and services.

With the help of the information and advice of the NITF (Directorates General for Communications Networks and Communications Technologies (CNECT) and for Health and Consumers (SANCO), Northern Ireland has been a significant player in the EU health policy areas indicated above. The Northern Ireland Healthcare Policy document 'Transforming Your Care' highlights the need to place the individual at the centre of a transformative healthcare model through promoting a better outcome for the user, carer and their family, and the importance of integrated care and maximising the use of technology. This is very much in line with the eHAP which emphasises the role that eHealth can play in the delivery of personalised 'citizen-centric' healthcare, for example, using telemedicine for managing chronic conditions, mental health and health promotion.

Indeed, within the European Commission, Northern Ireland is considered to be a strong advocate for connected health, covering digital health, eHealth, mHealth, telecare, telehealth and telemedicine, which places it at the forefront of using eHealth as a 'transformative tool' in the delivery of more efficient and cost-effective healthcare. It has led to the signing of a MoU between the Department of Health, Social Services and Public Safety and the development agency, Invest NI, in order to exploit the potential of eHealth to improve patient outcomes and promote local economic opportunities. The MoU follows the eHAP priority of supporting actions to improve the market conditions for entrepreneurs developing products and services in the fields of eHealth and ICT for well-being, and also the EIP's partnership approach for facilitating the deployment of innovative solutions for active and healthy ageing.

The result of the cooperation among the providers of eHealth solutions and the 'users' in the healthcare system, in addition to the research and innovation in the universities, has been the creation of what is considered to be a vibrant healthcare innovation ecosystem in Northern Ireland. Under the auspices of the European Connected Health Alliance, work is ongoing to inter-connect similar ecosystems with other ecosystems in several other European regions.

EU-US MoU on eHealth/Health IT

The work has taken on an important extra-EU international dimension and the EU and the US are cooperating to promote better individual and community health standards while fostering innovation and economic growth. The two sides have agreed an eHealth Memorandum of Understanding (under the auspices of the Transatlantic Economic Council) and an associated Roadmap of concrete actions. Both the US and the EU wish to facilitate more effective use of health-related ICT to support the health of the population, and to strengthen their relationship and support global cooperation in this area.

Based on the objectives of the MoU, DG CNECT and the US Department of Health and Human services HHS have decided to implement the following specific cooperative action plans:

- **Advancing eHealth/health IT Interoperability** – collaboration to accelerate progress towards the widespread deployment and routine use of internationally recognized standards that would support transnational interoperability of electronic health information and communication technology; and
- **eHealth/health IT Workforce Development** – collaboration to identify approaches in reaching common goals for achieving a robust supply of highly proficient eHealth/health IT professionals and assuring health care, public health, and allied professional workforces have the eSkills needed to make optimum use of their available eHealth/Health IT.

These collaborative efforts are very much in line with the eHealth Action Plan 2012-20 which calls on the European Commission to promote policy discussions on eHealth internationally to foster interoperability, the use of international standards and the development of ICT skills (in the healthcare workforce).

Working closely with the NITF, and given the region's historic ties with the US, Northern Ireland has been able to play a very active role in the implementation of the EU-US MoU Roadmap. The eCHALLIANCE⁸ and partners, including NIMAC⁹ have helped to organise a series of EU-US eHealth/Health IT events¹⁰ in both Europe (during the EU Presidency) and in the US, bringing together stakeholders (politicians, policy makers, medical practitioners and businesses) to discuss the implementation of the MoU Roadmap. The eCHALLIANCE has been leading eHealth MarketPlace¹¹ events to promote transatlantic business-to-business opportunities. The general framework of the EU-US cooperation has led to the signing of a MoU between New York and Northern Ireland on "Connected Health" which is expected to generate business opportunities presented by the collaboration.

As indicated, from the point of view of the EU's policies under the Innovation Union and the Digital Agenda and IT-enabled Transformation of Healthcare, Northern Ireland is considered a success story. The region has not only been able to access, but also to contribute to, the implementation and development of the EU's policy framework in these areas. DG CNECT and DG SANCO have engaged throughout with the Department of Health, Social Services and Public Safety and the Northern Ireland Horizon 2020 Contact Point Network, working closely with ONIEB.

The region has also been visited by the European Commissioner for Health and Consumer Policy, Mr Tonio Borg on 13-14 May 2013 where he met the FM and DFM as well as Mr Edwin Poots, Minister for Health, Social Services and Public Safety.

Outlook

As indicated above, in January 2014 in Belfast, the representative of the relevant Commission services presented the new policy framework for 2014-2020 under the heading of "*Supporting Innovations: EIP on Active and Healthy Ageing*". It is expected that Northern Ireland will continue to innovate in this important field, and to contribute to overall progress at EU level..

(c) The EU's Enterprise policy

Northern Ireland in EU Enterprise Policy

Northern Ireland has been one of six demonstrator regions in the field of service innovation. Service innovation is held to play an instrumental role in the transformation and upgrading of traditional economic sectors and industries into more productive, competitive and high value-adding businesses. Service innovation comprises innovation in services, service sectors or service industries

⁸ <http://www.echalliance.com/>

⁹ <http://www.nimaonline.com/NIMAC/Home.html>

¹⁰ <https://joinup.ec.europa.eu/event/eu-us-ehealth/health-it-cooperation-assembly>

¹¹ <http://www.b2match.eu/eu-us-ehealth-marketplace-boston2013>

that are provided by service entrepreneurs and service firms. This activity can also take place within manufacturing enterprises. In an effort to develop policy in this field, including at the regional level, the European Service Innovation Centre (ESIC) was created as a two-year initiative commissioned by the Directorate-General for Enterprise and Industry (DG ENTR).

As indicated, Northern Ireland participated as one of six model demonstrator regions (along with the Canary Islands, Emilia-Romagna, Limburg, Luxembourg, and Upper Austria) selected by DG ENTR to receive customised advisory support services from ESIC. The lessons learned are intended to provide policy information also to other EU regions to help them to make better use of service innovation, for example, in developing their smart specialisation strategies or cluster strategies.

In Northern Ireland, ESIC looked at the agri-food industry where service innovation could be used across the value chain, in terms of developing innovative design, marketing, logistics, packaging and retail. For example, in the region's meat sector, efforts are being made to improve quality based on developing research on genetics and selection. This is entirely a new area for the sector where software and data analytics could be used as tools for changing processes. Within "agri-tech", ESIC also looked at the region's expertise relating to data analysis, including on disease resistance which has potential spill-overs into other sectors.

Outlook

Particular attention is drawn to the new developments in EU SME policy. SMEs have been for some time at the centre of the EU's policies for the promotion of growth and jobs and the development of the SME sector is a known priority in Northern Ireland. The decisions regarding the European Small Business Act (SBA) are only the most recent manifestation of this priority.

The SBA as recently revised foresees a slimmed-down governance structure comprising two elements: a network of SME Envoys and a yearly conference to check the status of implementation of the SBA and to create new impetus for future actions.

Member States have each nominated an SME Envoy who are scheduled to meet four times a year, the most recent having taken place in Munich, Germany in April 2014. The Envoys are the focal point for the Commission and for the representation of their own constituents - such as SME owners, business organisations or other stakeholders - for all issues relating to the implementation of the SBA (and on related issues beyond). The creation of a single focal point is seen as beneficial for all involved for the purpose of information-sharing and coordination.

Certain regions in the larger Member States have also appointed Envoys for their regions, mostly within their existing administrative structures to avoid duplication. The NITF sees this as a positive development for the implementation of European SME policy, as the Director General of DG ENTR confirmed on his visit in March 2014 to Northern Ireland.

Nominating an Envoy for Northern Ireland as the single individual responsible for the implementation of the SBA in the region could bring positive benefits, given the desire within the region to strengthen its economic fabric and promote a greater density of SMEs. It should be understood that each member state is represented by a single SME Envoy, who is responsible for coordination within his or her own country¹². It would be practically impossible for the Commission to extend this network to the regional level. That being said, taking account of the major differences in size of the 28 member states, the Commission will happily cooperate directly with the regional SME coordinator wherever the role exists and where their existence has been made known to the Commission.

¹²For the UK, the Envoy is based in the Department of Business, Innovation and Skills

Attention is also drawn to EU policies in the field of social innovation. Social innovation seeks to develop new ideas (concerning products, services and socioeconomic models) to meet societal challenges (health, mobility) against a background of financial pressures on public service alternatives. It also represents a potential source of growth and jobs.

In this context, under the Framework Programmes for Research the Commission has organized European Social Innovation Competitions in 2013 and 2014 which attracted, respectively, 605 and 1,254 entries. The competitions act as a networking opportunity and source of information and inspiration in the field. The winners are provided with financial support to develop their ideas (3 prizes, expected to be of the order of EUR 50,000 in 2015), while for the best 30 projects mentoring and networking opportunities are provided which could be helpful in finding investors. The competitions are foreseen annually until 2017.

In addition, a European platform and on-line community, Social Innovation Europe, managed by the Directorate General for Enterprise, has been established to connect innovators in Europe and share information and good practice. The platform as such will continue until mid-2016.

A further policy area of interest is that in the field of raising the quality of public administration especially with regard to its relationship with the private sector. Successful market economies require an efficient, effective and transparent public administration environment. In Europe, there appears to be room for improvement in this regard, and the private sector can be confronted by an unhelpful operating environment characterized by features such as lengthy and uncertain legal procedures, corruption, excessive bureaucracy in the administration and lost time and higher costs in setting up a new venture.

In this context the Commission is undertaking a number of actions including a benchmarking exercise, the public administration scoreboard, looking at key performance indicators across countries and over time and a data base of good policy practices.

(d) The EU's Regional and Urban Policies

Northern Ireland and the EU's regional development programme 2007-13

The general aim of EU regional and urban policy is to strengthen cohesion by reducing economic, social and territorial disparities among regions and Member States. The emphasis in the EU's regional aid programmes is to ensure that all regions can compete *internally* in Europe in order to benefit from the opportunities for trade created by the single market and *externally* with the rest of the world in the face of the challenges of globalization. In political terms, EU regional policy is an expression of European Union solidarity, and of the drive for increased competitiveness throughout the Union.

For the period 2007-2013, the programmes took as their point of reference the EU's Growth and Jobs Strategy. To this end, they were based on the Community Strategic Guidelines agreed by all Member States in October 2006, the document on which the UK, like the other Member States, drew up its own the national strategy ("National Strategic Reference Framework"). The national strategy served therefore as the basis for each regional programme, including that for Northern Ireland.

This means that the programmes are intended to act as delivery mechanism, and the EU's principal source of investment finance, for the EU's policy priorities. There is therefore considerable overlap between what has been achieved under the regional programme and the policy initiatives discussed in other sections which have been at least partly delivered through the regional programme.

Moreover, it is not just a question of finance (although the contribution from the European Regional Development Fund (ERDF) to the programme was substantial at €282M) and the programmes have had to be implemented in accordance with EU law, rules and policy in fields such as the environment or equal opportunities.

In this light the role of the European regional programme in Northern Ireland, known as the Sustainable Competitiveness Programme (hereafter the "regional programme"), supported by the ERDF, was to support the Lisbon strategy objectives in the region of promoting investment in research and technological development and encouraging enterprise and entrepreneurship in an overall context of sustainable development. In that sense also, the regional programme was the EU's main source of investment in the delivery of the remit of the NITF in terms of the emphasis on competitiveness and sustainable employment, and this helped to focus minds on both sides during the negotiations of the programme that were completed in 2007, and in the subsequent implementation phase. Indeed, the Northern Ireland regional programme was considered a best-practice example of a competitiveness-orientated approach, allocating 85% of resources to "Lisbon-compatible" investments.

The regional programme initially focused on providing the environment for businesses to flourish and establishing the links between research bodies and companies with a view to encouraging innovation in products and services. Residual investment targets the tourism sector and extension/modernisation of broadband in rural and peripheral areas. Not least due to the global financial and economic crisis after 2008, and its effect on the business sector, a number of difficulties in programme implementation were encountered. These resulted in a series of programme modifications reducing the extent of funding for business support measures and providing for a greater extent of investment in transport infrastructure than initially foreseen. € 24m in ERDF funding was also transferred to the Northern Ireland European Social Fund programme in order to bolster the response to Northern Ireland's chronic unemployment and inactivity rates (see below).

It is of course too early to provide an impact evaluation of the programme which is still being implemented. The NITF considers that the programme, after the adjustments described, was able to keep implementation in financial terms on track, so that by end-2013 high levels of programme funds had been committed, satisfactory levels of investment spending achieved and modified programme targets well on the way to being reached. The programme can lay claim to some notable successes including:

- The completion of a number of flagship infrastructure projects in Northern Ireland, including the Giant's Causeway Visitor Centre and the proposed extension of business conference facilities on the Belfast Waterfront;
- An ICT Demonstration Centre project which exceeded the target of 9,500 action plans for participating SMEs with 10,191 action plans in place and a 16% increase in "e-sophistication" amongst target companies;
- A substantial return on investment from Northern Ireland Tourist Board promotional activities was achieved with a leverage of £12 for every £1 spent, against a target ratio of 4:1 with Northern Ireland benefitting from such as the Titanic centenary (and the opening of the Signature Museum Building) and the Irish Open Golf tournament. These activities and associated marketing campaigns have resulted in the higher return reported;
- Invest Northern Ireland investment in RTD exceeded the target by over 23% while the number of research jobs supported has exceeded the target by over 18%.

- The number of jobs promoted to date through Selective Financial Assistance (SFA) is 1,800 against a target of 1,500. These include substantial numbers in the creative/media sectors with Northern Ireland benefiting from the location in Belfast and the Northern Ireland countryside of a number of blockbuster film and television productions.

Outlook

In terms of the 2014-2020 regional programme, Northern Ireland has been quick to grasp the implications stemming from a significantly modified delivery system, as described in the regulations adopted by the European Parliament and the member states at the end of 2013 on the EU's Structural and Investment Funds. In particular, compliance with requirements for reinforced targeting is expected to lead to a concentration of funding in a more limited number of investment areas than previously, taking particular account of development needs based on the EU's 2020 strategy. There has been substantial progress in refining the strategic thrust of the future ERDF programme for which the devolved institutions, in close cooperation with Commission services, have identified the following priority areas:

- Strengthening/adaptation of electricity infrastructure in Northern Ireland in order to support increased use of renewable (primarily wind) energy sources and thus increasing the share of renewables in final energy consumption to (beyond) 20% in a Northern Ireland context.
- Concentrating research and innovation funding on five key export-led growth sectors in the Northern Ireland economy, namely: stratified medicine and connected health, advanced engineering, electrical and electronic engineering products, agri-food technology and computer software and services;
- Supporting the capacity of SMEs to engage in growth in regional, national and international markets, and in innovation processes.
- Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators.

Northern Ireland was also an early adherent to the new ideas for supporting innovation under the heading of smart specialisation strategies (known as "S3"). Such strategies are a pre-condition to be met by regions *before* they can be granted European investment in research, technological development and innovation. The devolved institutions, on the one hand, and the Commission and the NITF on the other, have jointly sought to create optimal conditions for the conception and implementation of the regional programme, 2014-2020, working closely with the Commission's Joint Research Centre (JRC) in Seville. The JRC runs an S3 support "platform" to lend practical help to the regions. Northern Ireland was one of its first partner regions, and has had a "peer review" of its future S3 plans in Seville in Spring 2012. More recently, and as already mentioned, the NITF was instrumental in ensuring that the UK's high-level technical conference on smart specialisation was held in Belfast (October 2013), an international event where the welcome address was given by Arlene Foster, Minister for Enterprise, Trade and Investment.

Northern Ireland and the PEACE III programme, 2007-13

Since 1995, the EU has been providing substantial financial contributions amounting to € 1.3 billion in support of the peace and reconciliation process in Northern Ireland and the Border Region of Ireland through three PEACE programmes representing a package of measures that complement the work of regional and national policies (such as the Northern Ireland policy for "A shared future") with a very strong emphasis on partnership and local involvement.

The overarching strategic aim of the three PEACE programmes has been to reinforce progress towards reconciliation and a peaceful and stable society by promoting economic development and employment, promoting urban and rural regeneration, developing cross-border cooperation and extending social inclusion.

One of the key features of the PEACE programmes is that they applied a strategic approach to address the legacy of the conflict. This means that the programmes were not supporting a series of isolated projects but rather embedded them in an integrated, medium-term (seven-year) strategy which took into account local and regional needs as well as the given institutional context in which they had to operate. The programmes represent a package of measures that complement the work of regional and national policies (such as the Northern Ireland policy for "A shared future").

Secondly, there has always been very strong emphasis on partnership and local involvement. One of the main outcomes of the PEACE Programmes has been to encourage the development of new ways of working together among different stakeholders. While some partnership models were not without their difficulties, they established a genuine bottom-up involvement in the delivery of the Programmes. Involving key stakeholders in partnership governance facilitates the participation at the local level and provides a forum for working together and resolving common issues. In PEACE III part of the funding is, for instance, allocated to clusters of councils and local authorities across Northern Ireland and the Border Region of Ireland. It is incumbent upon these clusters to develop local Peace & Reconciliation Actions Plans and to allocate funding to localised peace and reconciliation projects that target the specific needs of local communities across the region.

The unique features of the PEACE programme were brought to European, and indeed global, attention, when the Commissioner for Regional Policy, Johannes Hahn, organized a major conference under the heading of "Bringing Divided Communities Together – Sharing the experience of the EU PEACE programme" in Brussels in January 2013, where keynote addresses were given by the First Minister and Deputy First Minister of Northern Ireland and the Irish Minister for Public Expenditure and Reform.

The programmes are managed by the Special European Union Programmes Body (SEUPB), a cross-border authority established under the 1998 Agreement.

In terms of implementation, the PEACE III programme is considered to have proceeded well, and was already largely exceeding some of its targets in terms of outputs by the end of 2012. These include over 1,800 events supporting victims and survivors, over 2,000 workshops on conflict resolution and over 5,000 people receiving trauma counselling.

Again, it is too early to provide an impact evaluation of the programme which is still being implemented, but there have been some notable successes including:

- The construction of the 'Peace Bridge' in Derry-Londonderry which attracted over € 11 million in EU funding from the ERDF. The foot and cycle bridge physically and symbolically unites both sides of the River Foyle and has become one of the flagship projects under PEACE III. Commissioner Hahn formally opened the new bridge in June 2011 in the presence of the Irish Taoiseach and the First Minister and Deputy First Minister of Northern Ireland.
- The 'Reconciling Communities Through Regeneration (RCTR)' programme, which began a process of community engagement in 2009 with a view to building relationships at the local level within fractured communities and facilitating the regeneration of community interfaces. Groundwork NI was awarded € 800,000 in EU funding for this. September 2011 marked a milestone in the progress towards peace and reconciliation in North Belfast and

the peace wall which has divided the Alexandra Park in the north of the city is no longer an impassable barrier since a new "peace gate" was opened in the wall.

- Through 'Teaching Divided Histories', the Nerve Centre developed a pilot programme that demonstrates how teachers can use creative approaches and digital pedagogies to engage pupils in the study of international conflict and offer them stimulating ways of interrogating myths and challenging sectarian stereotypes. The project is working with the CCEA in NI and CDU in Dublin and received € 380,000.

Northern Ireland and the EU's international conflict resolution and mediation policy

The 2008 report particularly highlighted the work which had started in the area of networking and sharing experience on peace-building with other regions, in particular with a PEACE workshop which was held in Brussels during the annual Open Days of Regions and Cities of October 2007. The NITF has encouraged Northern Ireland to continue this work, which has been reflected in the allocation of speaking opportunities and workshops during successive Open Days, a major annual EU policy discussion and networking event for cities and regions, such as "Building PEACE Across Borders" (2008), "The PEACE network" (2009) and "Reaching the Margins – Building Inclusiveness within Hard-to-reach Communities" (2011).

The strategic aim of the PEACE Network is to communicate the experience of managing, implementing and evaluating EU PEACE programmes in Northern Ireland and thereby enabling participants to learn, exchange and transfer knowledge relevant to their various policy needs. The "PEACE network" has remained operational, and its activities have included study visits by interested groups to Northern Ireland and Ireland, including from Albania, the Western Balkans, South Africa and others. In November 2009, the Peace Network held a seminar and a workshop in Cyprus which provided examples of best practice and highlighted some of the innovative ways the EU PEACE programmes in the region have supported young people.

The unique and symbolic nature of the PEACE programmes within EU policy was highlighted when, in January 2013, the Commissioner for Regional and Urban Policy hosted an international conference under the heading of: "*Sharing the experience of the PEACE programmes - Bringing Divided Communities together*" which provided an international platform to disseminate the experiences of the EU PEACE programme and stimulate a debate on whether these experiences could be adapted to other relevant situations throughout Europe and beyond. The event specifically helped to promote Northern Ireland's expertise in peace-building to an international audience and to those within and without the EU institutions.

As indicated, the Commission has been supportive of Northern Ireland's idea to develop a facility to provide research and advice on the theme of conflict resolution and peace-building. The project, which became known as the Peace Building and Conflict Resolution Centre (PBCRC) was awarded over € 14.6 million for capital works under the PEACE III programme. In 2012, Commission President Barroso, High Representative Ashton and Commissioner Hahn personally sent their congratulations to Northern Ireland's political leaders on their decision to establish the PBCRC at the Maze-Long Kesh site. Several meetings were organized by the NITF between Northern Ireland officials, Commission services and the European External Action Service with a view to securing the PBCRC as one of the EU's main facilities for the implementation of international conflict resolution and mediation services. The facility had the potential to ensure that Northern Ireland had a major role in the delivery of an important area of EU external policy, sharing its unique experience of peace-building on a global scale.

However, political conditions on the ground in Northern Ireland have meant that the project could not go ahead in the short-term at least, and it was removed by the managing authority from the PEACE III programme towards the end of 2013. This has also had the effect of adding pressure on the programme to make full use of the EU resources available within the deadlines (still ongoing) and the Commission and the NITF are liaising with managing authority in an effort to ensure that the resources are transferred to projects that contribute to the overall aims of the PEACE programme.

Outlook

Under the EU's budget agreement for 2014-2020 (the Multi-annual Financial Framework (MFF)) some € 150 million was allocated to a fourth PEACE programme. At no stage could the support for a further PEACE programme been taken as a given, but the existence of the NITF helped to highlight the importance of the work of the EU in Northern Ireland and provide a context for the decisions taken by the Parliament and Council. In addition to the new programme, and in the context of its new economic pact for Northern Ireland launched in June 2013, the UK government decided to contribute an additional € 50 million from its European Territorial Cooperation (ETC) allocation from the EU budget to PEACE IV, which is indicative of the national importance attached to continuing this important work led by the EU.

The new ETC regulation, adopted at the end of 2013, explicitly foresees that under the thematic objective of promoting social inclusion and combating poverty, the PEACE cross-border programme should contribute to promoting social and economic stability in the programme area, in particular through actions to promote cohesion between communities. The programme will continue to cover Northern Ireland and the Border region of Ireland and will be implemented as a stand-alone cross-border co-operation programme.

A series of public consultations with a wide range of stakeholders have taken place, including with the local government sector, community and voluntary organisations, political parties and business. A summary of the first round of consultations was published in 2013 by the managing authority, the SEUPB, and brought forward several themes which will inform the development and structure of the new programme. Themes that emerged very strongly during the consultation focused on shared education of children and assistance to young people who are economically excluded as well as on civil society actions and the regeneration and creation of shared spaces. A second round of consultations on the draft programme is foreseen during summer 2014.

The deadline for the official submission of the new programme to the Commission is 22 September 2014. The Commission services have invited the programme developers to examine in particular the possibilities given in the new regulation for greater simplification of programme delivery procedures.

Northern Ireland and transnational cooperation programmes

In Northern Ireland, the Department of Finance and Personnel (DFP) is responsible for the transnational cooperation programmes, one of which is the Atlantic Area Programme. In the period, 2007-2013, DFP has aimed, with the encouragement of the Commission, to increase the region's participation in the Atlantic Area programme and took the decision to publicize more widely the opportunities under the programme for project development. In this sense, several initiatives can be recalled: developing a close relationship with the SEUPB to foster North/South partnerships; disseminating advice and guidance to prospective local applicants; organising events to promote the programme and facilitate applications.

SEUPB produces and distributes a monthly "Interregional Newsletter". Furthermore, in 2012, the SEUPB organised, as part of European Territorial Co-Operation Day 'Sharing Borders, Growing Closer' a major conference highlighting the positive impact that European funded projects are having across the region. This renewed interest in transnational cooperation has resulted a notable success including the project "*Batterie*" in the field of transport with an EU contribution of € 2.2 million. The project addresses the priority of the Atlantic Area transnational cooperation programme (2007-2013) aiming to *Improve accessibility and internal links - Promote interoperability and continuity of existing transport networks, and sea/road/rail/air inter-modality*.

When completed at the end of 2014, *Batterie* will establish the impact of applied smart technologies (such as e-journey planning) and alternative fuels and design scenarios and models of changes to policy, behaviour and transnational strategies in order to help optimise transnational trips for passengers. *Batterie* will involve tangible transnational cooperation with all of the partners in all of the Atlantic Area Regions.

In the light of the EU goal to reduce Green House Gas (GHG) emissions to at least 20% below 1990 levels by 2020, and *Batterie* will deliver against all of these shared common themes. This project intends to make a contribution towards delivering this target in an innovative way, by providing fact based information and guidance for local, regional and national policy advisors.

There are two key innovative aspects to *Batterie*: the web based journey planning tool and the pilot journeys. The innovation of this web based journey planning tool is that it will for the first time enable, for example, a journey to be planned using an electric car, from Northern Ireland to Portugal. So the tool will be regional and inter-regional / cross border. No other web based journey planning tool is cross border.

The *Batterie* project will establish highly innovative pilot networks to demonstrate and test best practice models of inter-modality. The aim of the pilot journeys will be to identify and design scenarios and models of changes to policy, behaviour and transnational strategies which will improve information about public transport services and help to optimise international trips for passengers and better complementarity between services provided by various operators.

In December 2012, SEUPB attended the launch of the *Batterie* project, which is led by Action Renewables in Northern Ireland. NB: The Minister for Enterprise in Northern Ireland, Arlene Foster MLA and the Minister for Regional Development, Danny Kennedy MLA were in attendance.

With regard to the interregional cooperation actions (for networking on common themes between regions and cities) during 2007-2013 under the heading of the "Interreg IV C" programme, the Commission considers "B-TEAM" project (Brownfield policy Improvement Task Force) to be of particular interest¹³. Team aimed to influence existing and future policies on Brownfields through examples derived from successes and experiences of the partners. In this project (where the lead partner was Belfast City Council), 14 partners (which include a variety of cities and academic institutions from across Europe) drawn from 11 different countries, aimed to improve and transfer Brownfield policies in partner regions and beyond.

Among the activities developed in the context of this project, it is worth underscoring the impact of the Brownfield days (the 7th edition was held in Dublin, in May 2012). The focus of this event was on the role of urban spaces in the regeneration process. Sub-themes discussed the role of urban design, connectivity, diversity and vitality, and heritage and natural environment.

¹³ <http://bteaminitiative.eu/programme/>

Northern Ireland also participated in the North West Europe transnational programme with partners from Belgium, France, Germany, Ireland, Luxembourg, Netherlands, Switzerland and the rest of the United Kingdom. The region has participated in six projects under the programme, most which involve at least 8 partners, with a strong focus on those relating to the environment such as in waste management or renewable energies.

Northern Periphery Programme 2007-2013

Northern Ireland's renewed engagement with Europe was reflected in the decision to join, for the first time in 2007, the Northern Periphery Programme (NPP) 2007-2013, increasing this vast and important area of the EU. The NPP now encompasses the EU member states of Finland, Ireland, United Kingdom (Northern Ireland and Scotland as programme partner countries) and Sweden and Non-EU programme partner countries Faroe Islands, Greenland, Iceland and Norway. The Programme Secretariat is located in Copenhagen, Denmark with an international staff of 4 people. The role of the Programme Secretariat includes many aspects of programme administration and is responsible for the coordination of the 9 NPP Regional Contact Points.

One specific action designed to ensure that projects are being developed to meet the objectives of the programme is "partenariats" (partnership meetings), in which a hands-on development of project ideas is carried out, normally via intensive, two-day sessions between idea holders and representatives of the programme. The NPP's first partenariat was held in Derry/Londonderry, Northern Ireland in April 2007, where approximately a total of 140 participants attended. The event was also combined with an awareness-raising action which was principally designed to attract participants from Northern Ireland and Ireland, while acting for the other programme areas participants as a first opportunity to meet partners from the island and to learn about their organisational structures and exchange information and eir knowledge.

The event turned out to be strategically important demonstrating the opportunities under NPP. Over the period since then, several joint Northern Ireland-Ireland awareness events have been held by the Regional Contact Points for the NPP 2007 – 2013.

Under the NPP, the "Recruit and Retain" project was singled out for praise by the Northern Ireland Minister of Enterprise, Trade and Investment, Arlene Foster, as a good model for recruiting and retaining professionals in rural areas. The Recruit and Retain project addresses the difficulties in recruiting and retaining high quality people to work in the public sector in remote and rural areas. It does so by providing training and professional development geared towards rural areas, ways of combatting isolation, and ways of securing social and family stability.

Outlook

With regard to the cross-border, transnational and interregional programmes (in which Northern Ireland will be involved) for the period, 2014-2020, the Commission is emphasising, on the one hand, the need to improve programme management to achieve better delivery of results against objectives, and on the other hand, to reduce the number of, and achieve more focus within, the priorities identified for support under cooperation programmes.

While discussions on the new cooperation programmes is ongoing, it is expected that the cross-border cooperation involving Ireland, Northern Ireland and Scotland would focus on issues concerning: strengthening research, technological development and innovation; protecting the environment and promoting resource efficiency and promoting social inclusion and combating poverty.

With regard to the transnational programme, the "Atlantic Area" programme, this will be managed in conformity with the overall Atlantic sea-basin Strategy and would aim: to promote innovation and competitiveness in the Atlantic Area; to increase resource efficiency in the Atlantic Area (through actions mainly concerning renewable energies and energy efficiency); to promote "green growth", eco-innovation and environmental efficiency would also be considered; to strengthen risk management systems.

With regard to the new interregional programme ("Interreg Europe") priorities would concern the promotion of: research, technological development and innovation; competitiveness of small and medium-sized enterprises; the low carbon economy; environment and resource efficiency.

For the programming period 2014-2020, cooperation projects developed in the framework of the "Interreg Europe" programme would be detailed in regional action plans where the aim is to ensure that the projects supported have practical relevance, for example, by informing future policy. Furthermore, under this programme a Policy Learning Platform will be established to act as the collective memory of the projects and to create sources for continuous learning where regional and urban development actors can seek information on best practices and in that way improve the implementation of public policies in this field.

(e) The EU's Education & Training policy

The Commission, and the NITF, have worked extensively with the Northern Ireland's Departments of Education (DE) and Employment and Learning (DEL) which are responsible for the education of young people and the promotion of learning and skills.

The data suggest that seeking improvements in these fields is a priority area for the region. For example, using the figures drawn from the Programme for International Student Assessment (PISA), in mathematics, unlike England and Scotland, Northern Ireland's score dropped from 492 points in 2009 to 487 in 2012, which is below UK average of 494. The score for reading in 2012 was 498 points and therefore comparable to that of 2009, and slightly lower than England and Scotland. With 507 points, the score for science was also lower than in England (516) and Scotland (513) and little changed on 2009 (511).¹⁴

An ongoing feature in Northern Ireland is that of the relatively high share of people of working age with no qualifications. Rates are almost twice the UK average and the highest of all UK regions. Compared to the UK average of 10.9%, Northern Ireland had the highest proportion of the population with no qualifications (10.8 percentage points above the UK average). The increasing demand for higher level skills suggested by skills forecasting will place additional demands on this area of activity.

Against this background, Northern Ireland, working with the NITF, has been an active player in the many education and training policies and programmes at EU level that specifically address the region's weaknesses, while building on its strengths.

Northern Ireland in the Erasmus, Comenius and Leonardo da Vinci programmes

¹⁴The OECD Programme for International Student Assessment (PISA) is an international standardised assessment that is administered to 15-year-olds in schools in the areas of reading, mathematical and scientific literacy.

With regard to the main programmes, Northern Ireland participated in all the main EU education and training programmes: Erasmus (Higher Education); Comenius (Schools); Leonardo da Vinci (Vocational Education and Training) and also in Gruntvig (Adult Learning). It will continue to participate in the new Erasmus+ programme uniting all previous programmes under several "Key Actions" (see below).

Under the ERASMUS mobility scheme, all four eligible higher education institutions participated in the period 2007 and 2013 (Queen's University, University of Ulster, St Mary's University College and Stranmillis University College). Altogether, 1,936 students and staff participated, obtaining experience outside the UK.

Under the Comenius programme, 252 multilateral and bilateral international school partnerships and 4 regional partnerships were established among schools from Northern Ireland. Equally successful were the in-service training possibilities that benefited 677 teachers. Northern Ireland's schools also hosted 84 visiting assistants from schools abroad.

The Leonardo da Vinci programme has seen 184 Vocational Education Training (VET) students take part in international exchanges, as well as 44 employed professionals being trained in a company abroad and 91 VET teachers doing shorter study visits in organisations abroad to share best practice examples.

Northern Ireland in EU education and training policies

With regard to policies, Northern Ireland has also contributed to EU policy cooperation in education. While in general Northern Ireland is represented at EU level by the UK national authorities, representatives from the Northern Ireland's devolved institutions, government agencies and independent experts have nevertheless participated in the EU's Thematic Working Groups (convened by national governments under the "Open Method of Coordination"). Northern Ireland was active in the working groups covering the themes of Entrepreneurship Education, ICT in Education, Quality Assurance in Adult Learning, Key Competences and Maths, Science and Technology.

Northern Ireland has also taken on board the key policy priorities of EU education and training policy in its own policies in this field.

The importance of skills is clearly recognised in the Northern Ireland Executive's Programme for Government (2011-2015) and it is reinforced in the Northern Ireland Economic Strategy (NIES).¹⁵ It is embedded in the 2011 skills strategy for Northern Ireland: "*Success through Skills: Transforming Futures*". It is also reflected in the targets set for increasing uptake in STEM subjects (science, technology, engineering and maths) in order to upgrade the qualifications of the working-age population while combating economic inactivity and supporting employment through skills development. The Commission considers DEL's initiative in measuring and benchmarking the quality of provision to be a best practice example, and an essential step towards improving standards. DEL monitors and reports progress in this regard, along with a range of other relevant data, to the NI Assembly and publishes annual analyses of the quality and performance of its programmes and provision.

At a provider level, DEL's quality improvement strategy, "*Success through Excellence*", sets out steps towards improving quality and quality assurance for its programmes, and is the over-arching strategy for VET quality assurance in Northern Ireland.

¹⁵ UK Partnership Agreement for the European Social Fund (2014-2020)

In April 2012, DEL published "*Graduating to Success*", the higher education strategy for Northern Ireland, which outlines the policy direction until 2020. The strategy's four guiding principles are responsiveness, quality, accessibility and flexibility. Key strands of the strategy include making higher education more responsive to the needs of the economy, ensuring a high quality learning experience and making the higher education sector more accessible.

In September 2012, the Northern Ireland Executive published "*Access to Success*"¹⁶, a new integrated regional strategy for widening participation in higher education, which includes the development of non-traditional routes into higher education through Adult Access Courses and increased part-time opportunities. Northern Ireland has also instituted a range of measures to help engage employers, particularly those from small and medium-sized enterprises, in the field of skills development.¹⁷

A particular focus of EU policy in the light of the impact of the global financial and economic crises is that of youth inactivity and specifically the issue of young people not in education, employment or training (NEET). The "*Pathways to Success*" strategy agreed by the Northern Ireland Executive in 2012 seeks to tackle this issue and includes the following measures:

- The Apprenticeships NI programme offers training and qualifications across a diverse range. It has been supported financially by the EU under the European Social Fund. As of 31 January 2013, there were some 10,000 young people on the scheme. The programme has been radically revamped in early 2014 to improve the skills landscape for learners and employers and to ensure there is a pipeline of appropriately skilled people so the Northern Ireland economy can achieve greater efficiency. The apprenticeships are held to be central to efforts to help Northern Ireland transform its economy and have the potential to radically reform and improve the local skills and training landscape. The enhanced apprenticeships form a major plank of the 2014-20 Northern Ireland ESF programme.
- The Department for Employment and Learning (DEL) offers a guarantee of a training place through its *Training for Success* (TfS) programme for all unemployed 16-17 year old school leavers who do not wish to remain in, or are not able to benefit from, mainstream education or further education. This guarantee is extended for young people with a disability or from an in-care background up to the ages of 22 and 24 respectively.
- Part of the *Training for Success* programme is the *Learner Access and Engagement* (LAE) programme focused on young people who are NEET. It has been launched in September 2013 and it aims to provide support to disengaged or disaffected learners, aged 16 to 18, to get back into mainstream further education and training.

Outlook

¹⁶ <http://www.delni.gov.uk/access-to-success.pdf>

¹⁷ These include: Skills Solutions Service which provides a single point of contact for employers on skills matters providing advice, brokering training and helping employers access appropriate funding streams; a diagnostic service (the Management Analysis and Planning programme) to assist companies to identify and meet their management and leadership needs; an on-online diagnostic and signposting questionnaire for individual managers which will direct individual managers to appropriate programmes including; a range of 27 supported management and leadership programmes to develop managers at all levels within a business.

Consistent with its importance in the European Union's 2020 strategy, education and training is a priority among EU policies for the new planning period, 2014-2020. New opportunities for Northern Ireland arise in this context.

First, a continuation of the existing cooperation under the Education and Training 2020 strategic framework, involving the newly established Working Groups, could contribute to the design of policy instruments in Northern Ireland. Under the framework, the aim is to help Member States and their regions to implement effective reforms of their education and training systems and to learn from other countries by exchanging good practice examples on a range of educational matters.

Second, Northern Ireland has the possibility to draw on new EU programmes. The Structural and Investment family of programmes (discussed in other sections) remain the largest source of financial support but they are not alone. The "Creative Europe" and "Marie Skłodowska-Curie" actions (mentioned in other sections) are also open to a broad range of potential beneficiaries.

In general, a more active participation in the Erasmus+ programme¹⁸ is to be encouraged as an inspiration for innovative solutions and transnational cooperation. In order to achieve the goals of recent EU policies as well as to address some of the challenges in the education sector, a range of instruments can be put forward for funding within the Erasmus+ programme. These include the setting up of Sector Skills Alliances with the funding of Erasmus+ in order to identify sector skills needs and required competence standards which in turn can inform school curriculum design and align education to labour market needs. Setting up Knowledge Alliances under Erasmus+ would help to foster innovation in higher education, enterprises and the socio-economic environment. These Alliances seek to bring together 6 organisations from 3 different countries to exchange good practice on stimulating of cooperation between higher education and business.

Third, under the heading of Strategic Partnerships the opportunity is offered for organisations active in the fields of education as well as enterprises, public authorities and civil society organisations to cooperate in order to implement innovative practices leading to high quality teaching, training, learning, youth work, institutional modernisation, societal innovation.

¹⁸ http://ec.europa.eu/education/opportunities/index_en.htm



Figure 1: Proportion of 16-64 year olds with no qualifications, 2011

Source: NOMIS, Office for National Statistics

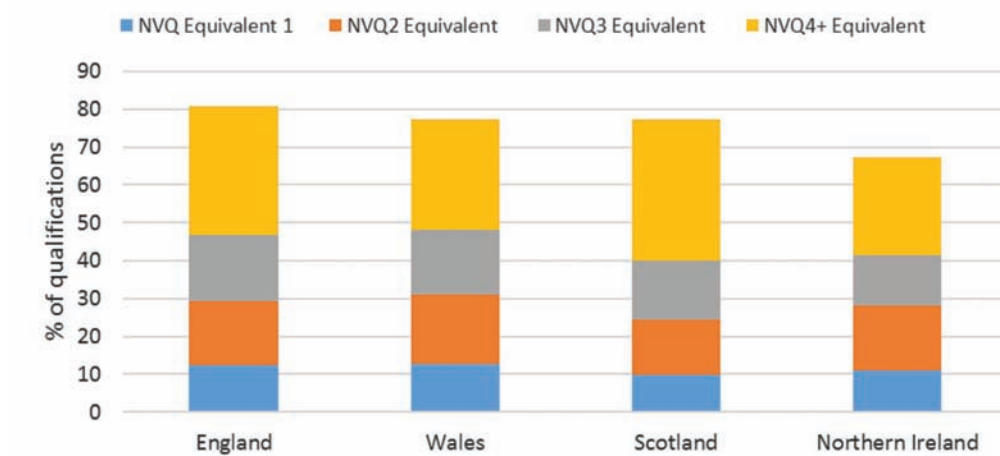


Figure 24: % of 16-64 year olds with NVQ level 1-4+

Source: Annual population survey (Jan 2012-Dec 2012),

Office for National Statistics

(f) The EU's Employment and Social Policy

Northern Ireland and the EU employment and social policy programmes

Much of the intervention under the heading of employment and social policy is supported ("co-financed") by the EU budget using the European Social Fund (ESF), along with the ERDF, a "structural fund" of the EU (and now one of the family of European Structural and Investment Funds (ESI Funds)).

For the period, 2007-2013, the resources were delivered in Northern Ireland under a programme of the EU's Regional Competitiveness and Employment objective of the structural funds. Of the total structural funds allocation for the programme of € 472 million, the ESF accounted for € 189 million or 40% of the total. The rest was accounted for by the ERDF with 282M€ or 60% of the total (see section below). In Northern Ireland, ESF resources were managed by the Department of Employment and Learning (DEL).

For the PEACE programme for the period 2007-2013, the ESF was no longer mobilised as such, becoming entirely co-financed by a single source of EU resources, the ERDF.

Over the period of the programme, the role of the ESF became more important, and in May 2013 the decision was taken to transfer € 24 million from the ERDF to the ESF for use in the latter's employment and skills projects. The ESF for 2007-2013 (which is still operational) is judged to have been performing well, reaching the overwhelming majority of the targets set, overshooting in some.

The Northern Ireland ESF overall target has been to have 100,200 people drawn from the working-age population participating in employment schemes and work-related skills trainings. The overall aim is to promote the transition of the unemployed into jobs and to upgrade the skills levels of those having jobs. This overall target population is composed of 28,870 unemployed, 19,850 economically inactive and 4,500 not in education, employment or training (NEET). The skills target is to have 46,980 employed participants, of which 19,220 with basic skills needs.

The programme overshot its targets in several fields, for example, in the number of unemployed participants (33,540 against set target of 28,870), the number of participants gaining basic skills (10,935 against a set target of 8,540) and the number of participants gaining full qualifications at level 2 or above (17,347 against a set target of 11,470).

Northern Ireland in EU employment and social policy

There have been intensive contacts over the period since the 2008 report between the NITF representatives of the Directorates General for Employment and Social affairs (DG EMPL) and representatives of the devolved institutions.

Through the NITF, Northern Ireland was selected as the venue for two European conferences: Employment and Social Policy seminar, Belfast (April 2008) and the Fifth Annual Anti-Discrimination Conference, Waterfront Hall, Belfast (June 2008).

There has also been close contact throughout between the Ministers and senior officials responsible for the Department of Employment and Learning and the NITF on Northern Ireland's long-term plans in the field of employment and broader employment-related policies. DG EMPL participated in a Learning Network Co-ordination Meeting in Belfast in May 2012 where the formal launch took place of the ESF projects exhibition.

Outlook

For the next programming period, Northern Ireland will qualify under the "More Developed Regions" strand of EU cohesion policy. The ESF programme will only be subject to a slight reduction of funding: the yet to be fully agreed UK-level "Partnership Agreement" mentions a total of € 456 M for both ESF and ERDF in the region, which is only slightly below the actual figure of € 472 M. The final shares of the ERDF and ESF, respectively, remain to be decided.

As regards the preparation of the next programme, this is well underway, both in DFP, which has the role of co-ordinating EU funding streams, and by the DEL, which manages the ESF. The future ESF will focus on employment, skills and on social inclusion. Specific attention will be dedicated to youth unemployment.

In the preparations for the next period, the Deputy Director General of DG EMPL addressed the "Not in Employment, Education or Training (NEET)" Conference in Belfast in November 2013, which also drew attention to the best practice examples emanating from the region. Indeed, based on the analysis of the Directorate General for Education and Culture, it appears that Northern Ireland will need to tackle high numbers of people without qualifications and the problem of businesses engaging in relatively little job-related training compared, for example, with other UK regions. The objectives of Northern Ireland for the investment in education in the 2014-2020 period of the European Social Fund are the likely to have a strong focus on the following:

- Increasing the proportion of people in employment skilled at levels 2, 3 and 4-8.
- Supporting higher-level skills for priority economic sectors.
- Delivering training and support knowledge transfer in agriculture.
- Increasing level of training for agro-environment and forestry schemes.

There is a particular focus on responding to the skills needs of priority economic sectors including support for higher level skills in line with the Northern Ireland Economic Strategy the Northern Ireland Skills Strategy and the EU Skills Panorama²⁹⁷ (as part of the Agenda for New Skills and Jobs).

As a result of evaluations, it was felt that there was potential to re-focus the effort to target NEETs in the light of the increasing number in this category in Northern Ireland and the apparent difficulties in achieving the Northern Ireland ESF target for dealing with NEETs. It was felt that a more strategic approach to targeting this group may be of value with the help of the ESF.

Meanwhile in the agricultural sector, which is an important feature of the Northern Ireland economy, a 2008 survey, "Educational Attainment of Farm Operators in Northern Ireland", survey carried out by Agri-Food and Bio-Sciences Institute indicated that 78% of those surveyed had no formal agricultural qualification. Farm operators of working age in Northern Ireland, in general, have lower levels of educational attainment compared to males in the wider population. Furthermore farm operators with off farm employment also have lower average hourly wages compared with non-farming males. Tailoring the learning style to the correct audience is vital to ensure maximum impact from the intervention. In farming, peer learning and business benchmarking has been shown to increase business performance in the lowest performers within a group. Therefore, Northern Ireland plans to focus on raising farmers' qualification levels in the period, 2014-2020.

(g) The EU's environment policy

EU Environment programmes

The 2008 report called on Northern Ireland to deepen its relationship with the Directorate General for the Environment (DG ENV) and there is evidence that, with the information and advice channelled through the NITF contact point, this has been the case. In particular, Northern Ireland appears to have become more active in the LIFE programme, through which the EU financially supports environmental and nature conservation projects throughout its territory. In total since its introduction in 1992, LIFE has co-financed some 3954 projects, contributing approximately €3.1 billion to the protection of the environment. In the period, 2007-2012, LIFE has co-financed 8 projects either targeting Northern Ireland as a region or as an important component of a project covering the UK as a whole.

In the following, examples are provided where Northern Ireland's involvement has been considered to represent best practice.

Under the heading of "*Promoting the importance of the EU Birds Directive in conservation management on farmland*" (with a total budget € 1.7 million)¹⁹, a project was led by the Royal Society for the Protection of Birds (RSPB) which worked closely with farmers across the UK, including in Northern Ireland, to make farms more hospitable to birds, so as to help reverse their decline. As a result, 105,000 hectares entered into agro-environment schemes, while 10,000 hectares of wildlife habitat were created. Some 65 farms offered to act as demonstration farms and in this context were visited by some 2500 other farmers. An annual contest was run to choose the most nature-friendly farm, with 750 entries over 3 years. In 2010, it was won by John and James Davison from Northern Ireland. An on-line "toolkit" to help farmers apply conservation management was developed. In its final year, the project focused on just 11 selected areas of particular importance to farmland birds, one of which was in the eastern part of County Down.

Under the heading of "*LIFE REBus - Developing Resource Efficient Business Models*" (budget € 3.1million)²⁰, the Waste and Resources Action Programme, which is supported by the Department of Environment for Northern Ireland, sought to demonstrate how businesses and their suppliers can implement resource efficient business models (REBMS), focusing on four key markets: electrical and electronic products; clothing; furniture; and construction products.

The aim is to implement 10 pilot REBMs in major organisations and 20 in SMEs, in order to achieve resource savings equivalent to 15% on current resource consumption over the project lifetime. The project is expected to deliver annually 5,000 tonnes direct material savings, 20,000 tonnes of GHG emissions savings; and financial benefits of €12 million.

¹⁹http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=3504 and <http://www.rspb.org.uk/ourwork/projects/details/286806-eu-life-farmland-bird-project>

²⁰http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=4751 and <http://www.wrap.org.uk/content/rebus>

Under the heading of "*Futurescapes: promoting the development of green infrastructure in 34 priority areas throughout the UK*" (budget € 3.9 million)²¹, a further project led by the RSPB sought to encourage the development and implementation of landscape-scale conservation initiatives, involving many partners, in 34 priority areas across the UK. The 'Futurescapes' cover a total area of 2.18 million hectares with population of 3.83 million people. Of the 34 sites, two were selected in Northern Ireland (Lough Neagh Basin, and Lough Erne Basin). The expected results include the establishment of active, interdisciplinary partnerships in each of the project areas involving 10-40 organisations within each area, with the aim of working to an agreed conservation plan specifying some 3-5 practical tasks to be carried out per area. The plans should cover some 10% of the total area of the site and should ensure the engagement of up to 10,000 members of the public in each Futurescape.

Under the heading of "*Celtic Seas Partnership (CSP) – a stakeholder driven integrated management of the Celtic Seas Marine Region*" (budget € 4M)²², the World Wildlife Fund (WWF-UK) seeks to develop stakeholder engagement in the management of the Celtic Seas Marine Region. It seeks to reduce conflicts and to improve enforcement, developing and disseminating best practises, sectoral action plans and ecosystem based management, and in general supporting the implementation of the MSFD in this region and improving governance.

Under the heading of "*LIFE ObservaTREE - an integrated early warning system for tree pests and diseases using citizen science*" (budget € 2.2 million)²³, the UK Forestry Commission Research Agency, aims to develop an effective Tree Health Early Warning System, and thereby contribute to reducing the losses to nature and to the economy from tree pests and pathogens. This will mobilise landowners, industry, academia and government agencies from throughout the UK, as well as the general public.

In addition, a number of projects financed under the LIFE III programme were still active during the period 2007-2012. One example is "*NITRABAR - Remediation of agricultural diffuse nitrate polluted waters through the implementation of a permeable reactive barrier*" (budget € 1.5 million)²⁴. The project, (which was mentioned in the 2008 report and) which ended in 2009), while led by the University of Oxford included Queen's University Belfast as an associate beneficiary) ended in 2009. The project demonstrated a new technology to promote recovery from the legacy of past farming practices in terms of the increase in nitrate levels in ground water. Although there are technologies to prevent further pollution, this project was unique in that it tackled the build-up of existing nitrate pollution. The Nitrabar system is a permeable reactive barrier technology and consists of a trench with a mixture of natural materials (gravel, sand and organic matter), which have the conditions for denitrifying bacteria to thrive. Gabion technology holds the components in place. As groundwater flows through the system, the nitrate present is converted into harmless nitrogen gas. The

²¹http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=4028 and <http://www.rspb.org.uk/futurescapes/index.aspx>

²²http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=4218 and <http://celticseaspartnership.eu/>

²³http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=4754

²⁴http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=2838

technology itself was installed and trialled in Northern Ireland beside a river at the Ecos Millennium environmental centre.

Performance was monitored over a 12 month period and the full results of the trials are now known. They show that Nitrabar is capable of supporting a near 100% de-nitrification of groundwater concentrates between 40mg/litre and 100mg/litre while remaining 85% effective at groundwater concentrations at or above 500 mg/litre nitrate. It provides a unique solution for removing existing diffuse nitrate pollution from groundwater, hence reducing incidence of nutrient enrichment of rivers and lakes, eutrophication and minimising the need for end of pipe high cost drinking water treatment. It uses organic widely available materials that may otherwise be regarded as waste, and that are not harmful.

The use of this technology would enable the continuation of good farming practice, quality food production and strong agricultural communities. It does not require an energy input once installed.

Outlook

The Commission was pleased that Northern Ireland targeted the environment as an integral component of the work of the NITF in the overall effort to improve sustainable competitiveness and employment opportunities in the region. A growth model that seeks to preserve and improve the environment is the only one that is sustainable over the longer-term. The NITF therefore recommends that efforts in the region in this field should be redoubled.

First, and as illustrated above, Northern Ireland has already been increasingly involved in environmental projects supported under LIFE, it is felt that there is scope for the devolved institutions to raise participation in the future. The budget for the new LIFE programme, 2014–2020, is significant, at €3.4 billion. It will be used as an integral part of the EU's efforts to promote a more sustainable model of development in accordance with the Europe 2020 Strategy and the 7th Union Environmental Action Programme. The new LIFE Programme offers Northern Ireland renewed possibilities to tackle regional as well as all-island problems relating to the environment.

Second, improving Northern Ireland's waste management systems could contribute to achieving key objectives and targets of the Europe 2020 Strategy. A better application of the "waste hierarchy" not only brings environmental benefits but also creates opportunities for new economic activities and job creation that – in many cases – are captive to the region because they cannot be carried out economically elsewhere. The 7th Environmental Action Programme identifies the transformation of the EU into a resource efficient and low carbon economy by, among others, turning waste into a resource as one of its nine priority fields. Reducing landfill remains one of the main challenges related to waste in the UK and Northern Ireland. Full implementation of the existing waste legislation could reduce direct and indirect GHG emissions by an amount equal to 4 % of total 2004 emissions.

Third, "nature-based solutions" could substantially improve resource efficiency as regards ecosystem services such as the management and prevention of floods. The increasing costs of flooding is having a negative impact on regional economies and job growth in many parts of Europe. A recent study shows that on average, investment in flood protection typically return benefits 6-8 times their initial costs. Between 2002 and 2013, 48 floods were recorded in UK 10 of which were in Northern Ireland with an average financial cost per flood estimated at € 480 million²⁵. The latest climate change projections indicate rising sea levels and increasingly severe and frequent rainstorms which would mean that the risk of floods will increase.

²⁵ http://ec.europa.eu/environment/integration/green_semester/studies_en.htm

Fourth, Northern Ireland has already submitted a 'prioritised action framework' (PAF) setting out its strategic priorities for investment in Natura 2000 for 2014-2020. This is regarded as a positive step and should provide a more solid basis for the effective use of future EU financial support. The NITF considers that actions need to begin immediately, including proposals relating to the all-island context to promote cross-border co-operation in shared spaces of high-value biodiversity. In general, connecting rural development policy under the CAP with EU environment policies/strategies such as air, soil, Natura 2000, biodiversity, water, nitrates, resource efficiency and pesticides is considered important, ensuring that all the implementation mechanisms available are used to improve environmental objectives.

(h) The EU's Energy Policy

With regard to energy, the Commission notes the important devolution of powers to Northern Ireland from the national level, including legislative powers, and the existence of separate electricity and gas regulation arrangements, including its own Regulator. Energy policy comes under the Northern Ireland Department of Enterprise, Trade and Investment (DETI).

The energy mix is split evenly between oil, gas and coal. Three major *power stations* provide 97% of power supplies: gas-fired Ballylumford power station, Coolkeeragh, (a new CCGT plant replaced the old oil-powered plant in 2005), and coal/oil-fired Kilroot power station (with some biomass co-firing). There are plans to add a gas-powered extension at Kilroot.

There is an important all-island dimension, and the electricity grid is connected to that of the Republic of Ireland by three cross-border interconnectors. The main interconnector, between Tandragee (Northern Ireland) and Louth (Ireland) has a capacity of 1,200 MW. Two back-up interconnectors have a combined capacity of 240 MW. This combined all-island grid is connected to the National Grid of Great Britain by the 500 MW Moyle interconnector. In practice, the region imports power from the rest of the UK, and exports power to the Republic of Ireland. Finalised in 2002, the Moyle Interconnector represented a project of European interest and was supported through the regional programme with an EU contribution of € 81 million. There is no nuclear production in the region, nor on the island more generally.

Northern Ireland is developing an all-island energy market with the Republic of Ireland. Priority is given to North-South cooperation and, in this framework, the EU has provided substantial support. Northern Ireland is not part of the British Energy Transmission and Trading Arrangements (BETTA), which covers the rest of the UK. Northern Ireland Electricity (NIE, part of the Viridian Group, the major Irish energy company) is the former monopoly supplier and remains the major electricity producer and supplier, owning and operating the electricity network in NI.

With regard to natural gas and oil, Northern Ireland, as well as the Republic of Ireland, is supplied through the UK and mainland Europe. Gas comes via a pipeline, oil via the sea. Phoenix Natural Gas is the principal gas supplier. Northern Ireland Energy Holdings owns and manages the Moyle Interconnector and SNIP. The potential for natural gas storage in the Permian and Triassic salt strata in County Antrim is being studied.

The region no longer produces coal. Lignite reserves are available but no agreement over their exploitation has been reached due to environmental concerns. There are currently no known plans to develop a "clean" coal industry (using Carbon Capture and Sequestration technologies).

Renewable energies are a European priority. In Northern Ireland, wind is currently the predominant renewable energy source. Nevertheless, non-wind sources of renewable energy for electricity generation are emerging. The major biomass CHP plant, operated by Balcas in Enniskillen since November 2005 produces both electricity and heat as well as wood pellets for energy production. Tidal power pilot projects are under development. There are two small hydropower plants.

There is a strong commitment to increasing the use of renewable energies and to reducing CO₂ emissions. The aim is to promote the development of indigenous renewable energy generation to the extent that it will be capable of providing 12% of the electricity consumed by 2012 and requiring that from 2007 overall consumption of electricity is reduced by 1% per year until 2015. In April 2005, DETI introduced the "Northern Ireland Renewables Obligation" (NIRO) as the main mechanism for stimulating renewable energy deployment. The NIRO places a legal requirement on electricity suppliers to provide evidence that a specified and annually increasing proportion of their electricity supplied to final customers has been generated from renewable sources, or to pay a buy-out fee that is proportionate to any shortfall. For 2006-2008, a funding package of € 77.3 million (£ 59.2 million) has been allocated for renewable energy programmes in research and demonstration, building market capacity through infrastructure and supply chain development, commercial deployment of renewable energy and raising awareness activities. A Renewable Transport Fuel Obligation (RTFO) is being developed on a UK-wide basis by the national administration in liaison with the NI Executive.

With regard to the social dimension of the energy supply, there is an important issue of fuel poverty, which is an issue across the UK. It is estimated that 170,000 households (25% of the region's total households) experience fuel poverty owing to low incomes, high fuel prices, limited fuel options and an inability to afford energy efficiency measures such as insulation.

Regarding energy efficiency more generally, the UK has included one policy specific to Northern Ireland in its notification to the Commission on how it plans to implement Article 7 of the Energy Efficiency Directive (the "EED"): the Northern Ireland Sustainable Energy Programme. The Commission looks forward to receiving information from the UK authorities on the specific measures taken in Northern Ireland to implement the EED which is due by the transposition deadline of 5 June 2014.

Outlook

The NITF believes that an interesting opportunity exists for Northern Ireland to encourage its centres of excellence to participate in setting up consortia to bid to become Knowledge and Innovation Communities under the EIT. Areas such as climate change and renewable energy will be early contenders. Also, it considers that there may be scope for different levels of participation including close association with other key players. Above all, centres of excellence will need to network with other key players across the EU and to be prepared to integrate with them in joint activity.

In addition under the Horizon 2020 work programme technologies that are of active interest for Northern Ireland are included. Renewable energies, in particular wind and ocean, as well issues on grid interconnections and management, and smart cities, are topics in which local players that could invest and participate. The possibility exists to combine Horizon 2020 with structural fund projects in areas of strategic interest that can match local smart specialisation strategies.

(i) The EU's Transport and Mobility Policy

The relevant Commission service, the Directorate General for Transport and Mobility, has maintained regular contact with the Northern Ireland authorities, principally through the ONIEB. Most recently, the implementing agency for the policy, renamed in 2014 "the Innovation and Networks Executive Agency" (the "INEA", formerly the Trans-European Networks Transport Agency or "TEN-T EA") visited Belfast in February 2014 to meet the beneficiaries of on-going transport projects and monitor project implementation.

Northern Ireland and TEN-T, 2007-13

During this period, the TEN-T programme financed some 7 projects concerning Northern Ireland for a total EU budgetary contribution of € 28.4 million. One of the projects is regarded as of particular importance in European policy terms since it concerns a TEN-T priority: the development of the A8 road, managed by the Northern Ireland Department for Regional Development, creating a dual carriageway between Ballyrickard Roundabout and Coleman's Corner. The total project cost is some € 91.8 million with an EU contribution of €18.3 million. The start-date was in July 2012 and the project is scheduled to be completed in December 2015.

Outlook

For the new planning period, the EU has established a source of funding known as the Connecting Europe Facility (CEF) which will represent the main funding instrument for investment in trans-European infrastructure. The transport part of the CEF has a budget of € 26.2 billion (€ 14.9 billion for projects in all 28 EU Member States and € 11.3 billion reserved specifically for the 15 member states that are eligible for investment support from the EU's Cohesion Fund (the group of the poorest member states which does not include either the UK or Ireland). The CEF will finance the TEN-T through grants, but also through innovative financial instruments such as the issue of project bonds.

In January 2014, the Commission set out the transport funding priorities for the CEF. Most of the finance available is intended for major cross-border projects and to alleviate bottlenecks on nine TEN-T core network corridors. The CEF will also support innovation and traffic management systems, with aim of promoting the best use of the existing infrastructure (for example, the European Rail Traffic Management System, or "ERTMS", for railways or the Single European Sky ATM Research, or "SESAR", for aviation). The CEF will support primarily projects listed in Part I of the Annex of the CEF Regulation, which have been pre-identified by the Commission in consultation with the Member States²⁶.

For the UK, of particular importance is the "North Sea-Mediterranean core network corridor". One pre-identified project within this corridor concerns Northern Ireland. In fact, the decision was taken to explicitly include, in the list of CEF financing priorities, the upgrading of port and multimodal connections in Belfast, which are regarded as particularly important for the connectivity and competitiveness of the region as a whole.

The NITF considers that it is important for the devolved institutions to note that Implementation is now beginning. On 5 March 2014, the CEF Coordination Committee, which brings together representatives of the member states, gave a unanimously positive opinion on the first CEF annual and multiannual work programmes. These foresee initial investment of € 12 billion to be allocated to transport projects through grants and including a number of support actions aiming *inter alia* at

²⁶ <http://register.consilium.europa.eu/doc/srv?l=EN&f=PE%2076%202013%20INIT>

improving the capacity of Member States and project promoters to prepare the project pipelines, in particular in the 15 poorer member states. The € 12bn will be implemented through calls for proposals to be issued by INEA in September 2014, and the list of projects selected for support under the CEF will be published in Summer 2015.

(j) The EU's Climate Change Policy

Northern Ireland and Climate Change Policy

The Directorate General for Climate Change (CLIMA) joined the NITF only recently in 2011. CLIMA has facilitated contacts between the devolved institutions and the NITF on for various areas of interest such as available funding opportunities for demonstration projects to help influence future key EU policies in the area of climate change and energy or find out more on developing appropriate mitigation and adaptation actions at regional level.

In the period since 2011, there have been a number of meetings, organized informally, between Northern Ireland and CLIMA officials. DG CLIMA participated in the Cross Border Partnership Seminar for Northern Ireland and Ireland in October 2011 to present and advise on the importance of the integration of climate change mitigation and adaptation into the programming of EU Structural and Investment Funds for the period 2014-2020.

Northern Ireland and the NER 300 programme

Other subjects covered in the course of these contacts have included, notably, those dealing with climate change adaptation and transport. While EU climate change policies also draw on financial support from the LIFE programme referred to in a previous section, attention is also drawn to the relatively new "NER 300" initiative, which is managed by the Commission (CLIMA) with the European Investment Bank acting as an agent for the Commission in certain tasks. It is one of the largest financing programmes in Europe for the promotion of innovative, low-carbon energy demonstration projects, in particular, carbon capture and storage (CCS) and innovative renewable energy (RES). NER300 is funded from the sale of 300 million emission allowances from the new entrants' reserve (NER) set up for the third phase of the EU emissions trading system (EU ETS). The funds from the sales are to be distributed to projects selected through two rounds of calls for proposals, covering 200 and 100 million allowances respectively. In response to the second call for proposals in 2013, covering 100 million of the 300 million allowances, the 33 project applications were submitted, of which two are from (other parts of) the UK. The competition process is still ongoing and the Award Decision regarding successful projects is envisaged for mid- 2014.

Under the previous call for proposals under NER 300, covering 200 million of the 300 million allowances, published in November 2010, the Commission awarded in December 2012 €1.2 billion to 22 RES projects, where the UK had two successful bids, both of which were located in Scotland: the Sound of Islay ocean energy project, which was awarded € 20.65 million, the largest EU award to an ocean energy project and the Kyle Rhea tidal wave energy project which was awarded € 16.77 million²⁷.

Outlook

²⁷ http://ec.europa.eu/clima/news/docs/c_2012_9432_en.pdf

In its recent publication on future policy for climate and energy²⁸, the Commission has indicated that the concept of an expanded NER300 system will be explored as a means to directing revenues from ETS towards the demonstration of innovative low carbon technologies in the industry and power generation sector.

The NITF, through the CLIMA representative, has sought in general to keep the devolved institutions aware of support given to RES technologies such as bioenergy, concentrated solar power, photovoltaic, geothermal, wind, ocean, hydropower, and smart energy grids.

(k) The EU's Agriculture and Rural Development Policy

The Directorate General for Agriculture and Rural Development (DG AGR) has been active in NITF meetings throughout its existence, including participating in the meetings in the region mentioned above.

Northern Ireland and the Common Agricultural Policy

According to the Northern Ireland authorities²⁹, the Common Agricultural Policy (CAP) and the support it provides are critically important for the viability of the agricultural industry, for the health of the environment and for the wellbeing of rural communities in the region. The CAP has an important impact across a broad spectrum of rural life in the region. The nature of the land and the climate means that its agriculture is mainly grass-based with 90% of agricultural land being permanent grassland, and a further 4% in temporary grass. The main farming activities are beef and sheep production and dairy farming. This partly explains why there have been close contacts historically between the Northern Ireland authorities and the DG AGRI, which have been especially intensive over recent years with dedicated staff in the ONIEB. This has addressed a number of specific issues such as the dioxin crisis of 2008 on the island where EU support was granted to assist in the cull of the animals involved, together with the approval of a pigmeat processors hardship scheme. Both decisions were given priority by the Commission. The Commission has also worked closely and constructively with the region in building new auditing systems adapted to the EU policy move towards the "single farm payment" system after 2005. This help has been particularly welcome in view of the complex nature of the changes required.

In terms of general policy, in the course of the implementation of the CAP reform for 2007-13, the European Commission introduced changes to the Common Agricultural Policy under the heading of a "health check"³⁰. The health check produced a number of changes in orientation including: a revision of the "Single Payment Scheme" to farmers to make it fairer and more responsive to new priorities such as environmental protection; adaptations to the cereal and dairy product regimes as strong international demand reduced the need for EU intervention; using the CAP to address issues such as climate change, bio-energy and water management, biodiversity.

²⁸European Commission (2014): A policy framework for climate and energy in the period from 2020 to 2030. (COM (2014) 15 final),

²⁹ Department of Agriculture and Rural Development for Northern Ireland, submission on the CAP Communication March 2011

³⁰ See European Commission (2009): Communication from the Commission to the European Parliament and the Council of 20 November 2007 on preparing for the "Health Check" of the CAP reform. COM(2007) 722 final.

Northern Ireland and the Rural Development programme 2007-2013

Climate change was recognized as a pivotal issue for European agriculture. The sector already contributes to reducing greenhouse gas emissions, but it is still exposed to some of the issues introduced by climate change, including bio-energy, water management and biodiversity. Accordingly, it was proposed to address these issues through rural development programmes, vigorous careful implementation of cross compliance requirements, and increasing research and innovation.

In Northern Ireland, the European rural development programme described in the 2008 report was revised (December 2009) in a partnership between the region's authorities and the Commission in the light of the health check to address the challenges, focusing on biodiversity, climate change, water management and restructuring in dairy farming. It is considered that the Rural Development Programme is being implemented satisfactorily.

Among the tangible examples of the direct impact that EU support has had on the ground in Northern Ireland, includes the European Economic Recovery Plan, under which € 1.38 million was allocated to the next generation broadband internet services for rural businesses. Another example of the direct impact of the CAP is on quality labels. Northern Ireland quality labelling applications were successful for Armagh Bramley Apples, Lough Neagh Eels and New Season Comber potato, thus giving recognition to products that can only be produced under these headings on Northern Ireland soil. The applications relating to "Northern Ireland Beef" and "Northern Ireland Lamb" did not meet the conditions for registration and have been withdrawn by the United Kingdom authorities. The Commission notes that a new all-island submission has been made for recognition for Irish salmon.

Outlook

In its prospective analysis of December 2013, "Prospects for agricultural markets and income in the EU, 2013-2023"³¹, the Commission set out its expectations for agriculture and agricultural producers. It drew attention to possible future pressure on producer margins arising from external factors such as energy prices (not just as a sector input, but as determinant of biofuel prices and margins), volatile weather conditions, due to climate change, and changing consumer tastes. It said that there was therefore a need for pursuing efficiency gains, possibly impacting negatively on numbers in the agricultural labour force. The analysis foresaw a likelihood of more extreme price movements year-on-year leading to sharp swings in annual farm income.

The analysis described in detail the risks by sector. EU meat production is expected to be supported by strong demand on the world market driven by favourable economic conditions. Due mainly to developments in the dairy herd following the abolition of the milk quota, beef production is projected to decline by around 7% from the 2010-12 average to a low 7.6 million tonnes in 2023. Pig meat production should be boosted to 23.4 million tonnes by 2023, coming from more productive farms, while poultry production should expand at a rate of 0.8% per year in 2012-23.

The analysis concluded that while the increase in milk production should continue in 2015 (+1.6%), after 2015 milk deliveries are expected to increase further, but at a slower pace, to reach 150 million tonnes in 2023. Prospects for this important sector in Northern Ireland agriculture, are favourable, given the strong world demand for dairy commodities and feed price projections 15 % below 2010-12 levels, which should keep the nominal EU price quite stable, but steady increases in other operating costs (especially for energy) are likely to squeeze margins.

31 http://ec.europa.eu/agriculture/markets-and-prices/medium-term-outlook/2013/fullrep_en.pdf

By 2023, the production of fresh dairy products is expected to have increased by 3% compared to 2012, and reach 48.3 million tonnes. Cheese production is expected to absorb most of the additional milk delivered to dairies, with production projected at 10.7 million tonnes by 2023, with exports close to 1 million tonnes and imports remaining very low, at around 75 000 tonnes. By 2023, the production of fresh dairy products is expected to have increased by 3% as compared with 2012 to reach 48.3 million tonnes. Butter production should stabilise from 2015 onwards, at 2.3 million tonnes, as operators prefer to use dairy fat for cheese. Skimmed milk powder production is expected to rebound from the 2013 decrease thanks to the higher milk availability. Continued growth is projected after 2015, albeit at a slower pace, with production of 1.25 million tonnes by 2023, driven mainly by export demand – from 2016 onwards, half of the production will be exported. Increased milk availabilities should result in whole milk powder production declining more slowly than in the past decade, down to 604 000 tonnes by 2023. By 2023 EU dairy producers should be able to export an additional 850 000 tonnes of cheese, more than 650 000 tonnes of skimmed milk powder and 600 000 tonnes of whole milk powder and close to 250 000 tonnes of butter.

CAP 2014-2020

An information session specifically on post-2014 Common Agricultural Policy was organised in Brussels with the participation of DARD/AFBI on 28 March 2012. The new direct payments system, market support mechanisms, the European Investment Partnership and Rural Development policy, were the themes covered during this session.

In the framework of the Common Agricultural Policy, 2014-2020, Northern Ireland will receive direct payments ("Pillar 1") of some € 2.3 billion and a rural development ("Pillar 2") allocation of some € 227 million. The allocation for the various regions in the UK is agreed internally within UK. These compare favourably with the overall UK allocations, equivalent to around 9% of each of the UK's Pillar 1 and Pillar 2 budget allocations. The maintenance of a strong CAP budget was among Northern Ireland's top priorities during the negotiations on CAP reform and the new MFF.

In relation to Pillar 1, Northern Ireland supported the main thrust of the Commission's proposals to introduce a fairer more equitable payments distribution system and to increase the environmental performance of the CAP. The region has operated a static hybrid regional model since 2005 and there were some concerns that the move to area payments could pose redistribution problems for beef and sheep producers.

Northern Ireland achieved considerable regional flexibility in how it can implement the reform, which will allow it to shape the new support arrangements to meet its own particular circumstances and needs. One of the main issues which was of concern to Northern Ireland and where the region obtained a satisfactory outcome in the negotiations was that of "greening". Permanent grassland may be monitored at regional level and extra flexibility was gained on crop diversification and Ecological Focus Areas for mainly livestock farms. Other key issues for Northern Ireland included the possibility to allocate entitlements under the new regime to new producers if they can provide verifiable evidence of production activity in 2013; dual claims; the definition of active farmer.

In relation to Pillar 2 of the CAP, Northern Ireland supports the Commission's objective to improve the competitiveness of the food chain and to promote investment in research and development and the focus on job creation and business support. The Commission welcomes the move by DARD to have a Horizon 2020 contact point for AFBI, in an effort to ensure maximum participation in research activity. As an agricultural region, Northern Ireland has much potential to contribute to EU policy: one example was the veterinary research on disease in 2008 which demonstrated that "Bluetongue" could be transmitted across the placental barrier, and led to the adaptation of European Animal Health trade legislation.

The 2014-20 rural development programmes for Northern Ireland, as well as all programmes financed by the Structural and Investment Funds family of Funds, should contribute to achieving the EU 2020 Strategy. The UK Partnership agreement was officially submitted on 17 April 2014 and will form the strategic basis for delivering interventions under all ESI Funds in Northern Ireland. The Commission is currently assessing the document and preparing comments that will be sent to the coordinating authority of the UK, responsible for drafting the Partnership Agreement.

Preparations for the 2014-2020 rural development programme in Northern Ireland are well advanced. Informal discussions are ongoing and are expected to intensify in the coming months. In general, in the new rural development programmes in the European Union the Commission will be seeking a rigorous, results-based approach, targeting outcomes and the delivery of improvements. This will have an impact in terms of the selection of indicators, project selection criteria and effective targeting of beneficiaries.

(I) The EU Fisheries and Maritime Affairs Policy

Northern Ireland and the fisheries structural programme

In the light of the fact that the 2000-2006 regional development programme was much broader in scope than the fisheries dimension and given that the fisheries programme for 2007-2013 is organized on a national, UK-wide basis, this has tended to limit opportunities for direct bilateral contact between the Directorate General for Fisheries and Maritime Affairs (DG MARE) and the Northern Ireland authorities. However, Northern Ireland representatives do participate in the regular monitoring committee meetings regarding the fisheries programme's implementation.

For the period 2000-2006, the Northern Ireland fishing sector received a total aid of around € 32.5 million under the FIFG (€ 29 million) and PEACE II (around EUR 3.5 million) programmes. Both 2000-2006 FIFG programme for Northern Ireland and PEACE II are now formally closed, allowing balances to be paid, so that total payments amounted to € 31.6 million, a high success rate.

Around 200 projects, including adjustment of fishing efforts measures, aquaculture projects, marketing and processing initiatives or fishing ports development have received financial support. The achievements in the implementation of the priorities and measures in relation to their specific objective and targets were generally perceived as positive. However, due to the more difficult economic climate towards the end of the programme, it was more challenging to achieve expenditure targets under measures requiring a private sector contribution, a sector hard hit by economic downturn, compared to those that did not require a private contribution.

Northern Ireland and the programme supported under the European Fisheries Fund (EFF)

The UK EFF Programme is managed at a national, UK-wide level, with Northern Ireland being part of the single national UK programme. Inevitably, Northern Ireland represents a relatively small part of the programme due to the small size of the Northern Ireland fleet, and of the fishing industry as a whole. The total EU financial contribution for this programme is € 138 million, of which € 43 million are for the least developed UK regions covered by the "Convergence objective" (West Wales and the Valleys and Cornwall) under the structural funds, and € 95 million for the rest of the country, including Northern Ireland. The UK decided to allocate some € 18.1 million for the 2007-2013 period from its national allocation, resources that were then available for decentralised management, as a form of sub-programme. Through the NITF, the Commission (DG MARE) has maintained close contact with Northern Ireland providing information and advice relating to programme implementation.

The main measures on which Northern Ireland has been focusing under the programme concern investments in the on-board improvement of fishing vessels (with an emphasis on enhancing safety for fishermen), aquaculture and processing sectors, measures of common interest ("collective actions") including training courses or investments in fishing ports facilities.

As a national programme, progress is by definition monitored essentially at that level and payment claims, which indicate investments undertaken, are submitted to the Commission for the UK as a whole. At the end of 2013 the Commission was informed that there had been a below expectations level of take-up of the sub-programme in Northern Ireland. In consequence, according to the information received from the UK, some € 2.2 million had to be removed, or "de-committed", from the Northern Ireland sub-programme (the rules require a budget commitment to be converted into payment requests by end of the second year following the year of the budget commitment).

Outlook

The objective of the financial support from the European Maritime and Fisheries Fund (EMFF) for 2014-2020 is to support the implementation of the reformed Common Fisheries Policy (CFP). The transition to environmentally sustainable fishing and aquaculture is the main, immediate priority. This means moving towards fishing practices that achieve maximum sustainable yield and enabling the gradual elimination of currently unacceptable levels of discarded fish.

At the time of writing, the regulations governing the EMFF are being finalized, and it is only after that (expected date: before summer 2014) that Northern Ireland's financial allocation under the EMFF, within the UK national allocation, will be known.

There are on-going consultations at national level within the UK concerning both the Partnership Agreement and the priorities for the new EMFF programme. Northern Ireland seems to be in agreement with the Commission in the sense of orientating the new programme toward a limited number of measures, which should maximize the added-value of the limited EU funds available. Based on a preliminary SWOT analysis and needs assessment, the main priorities in Northern Ireland are likely to concern measures to achieve an appropriate balance between fishing capacity and available fishing opportunities (accessible stocks); to reduce the impact of fishing on the marine environment; to protect the marine biodiversity; to strengthen technological development and innovation. Measures for fostering the aquaculture, marketing and processing sector are also envisaged for the new programme.

(m) Other EU policies in the NITF

Other areas where the NITF was involved include EU Taxation and Customs Union and Competition Policies. In both cases, the help of the Directorates General concerned (TAXUD and COMP, respectively) took the form of information or advice on particular issues. In relation to Taxation and Customs Union, the Directorate General (TAXUD) was able to report that the issues discussed with Northern Ireland were limited to those concerning EU aspects of direct taxation, notably corporate tax rates.

Through the NITF there have been intensive contacts on the part of the devolved institutions seeking information and advice with regard to competition case law (particularly so-called "state aid" cases). Approval under EU competition law is often necessary to ensure that any proposed public aid to an investment project is compatible with rules governing the European single market. There have been a number of important cases over the years, where the Directorate General for Competition has provided explanations to the devolved institutions, for example, on how to interpret the technical

provisions of EU state aid law. The most recent case of this nature was in the context of the Commission approval of £110 million aid for investment in a major upgrading of three sports stadiums in Belfast.³²

After its expansion, the NITF also includes the Directorates General for Home Affairs and for Justice, which have had occasional bilateral contacts with representatives from Northern Ireland.

³² http://europa.eu/rapid/press-release_IP-14-406_en.htm. 9 April 2014.

ANNEX I: Leadership in innovation in Northern Ireland under the Seventh Framework Programme: some examples

I. Northern Ireland leading an international innovation Consortium: Innovative inspection system to make buildings safer

Concrete is used everywhere and particularly in critical areas such as high-rise buildings, bridges and industrial facilities. As a construction material concrete offers strength and versatility and its production materials – gravel, sand, cement, water and steel rods – are readily available. But the strength of concrete, particularly the foundation piles, can be damaged during or after installation or indeed over time if subjected to unforeseen stress.

Under the European Union (EU)-funded Pile-mon project, a consortium led by the Northern Ireland company, Bullivant Taranto Ltd, has developed an innovative monitoring system which can test the integrity of newly made pre-cast concrete foundation piles and monitor performance over their lifetime. The Pile-mon approach involves embedding special electrical circuits or 'wire tags' in the concrete pile during manufacturing. A remote monitoring device can subsequently be attached to the pile and electronically signal any changes in critical areas due to cracks or stress.

"The foundations of most buildings and bridges on poor ground are made from pre-cast concrete piles which are hammered into the ground as a series of segments. With our inbuilt sensing technology at the top and bottom of each segment, we can check the internal integrity at any moment," says project leader Simon Bullivant.

The Pile-mon consortium, composed of engineering and research organisations in Ireland, Germany, France, Spain, Iceland and the UK, set out in 2008 to develop an innovative quality assurance system which could provide a cost-effective and reliable means of monitoring the integrity of pre-cast concrete piles throughout the supply chain from manufacturing right through to installation and beyond. The consortium has developed low cost wire tags which can be embedded in the concrete sections where they provide data on the history of the pile (batch number, periodic integrity checks, etc) and help verify if a segmented pile composed of several concrete sections has been successfully driven into the ground and will support the design load.

"The key focus of this technology is detecting potential cracks in buildings, bridges and other critical infrastructures – even nuclear facilities - via these embedded wires," Bullivant explains. "The technology is also very useful to test concrete piles which are being re-used on other projects to ensure they are safe", adds the project leader. According to Bullivant, other traditional approaches such as ultrasonic testing exist, but have limitations. "The Pile-mon sensing technology is cost-effective and can be used on segmental concrete piles deep underground. The energy source for monitoring is provided by the external inspection device," he adds.

The European Commission identified possible synergy of the Pile-mon technology with another EU-funded project, 'Performance of Innovative Mechanical Connections in Precast Building Structures Under Seismic Conditions' (SAFECAST), which focused on safe concrete construction in earthquake zones, and put the two groups in contact.

The SAFecast project brings together pre-cast concrete manufacturers and building research bodies in Italy, Turkey, Portugal, Greece, Germany and Slovenia. They have jointly developed common design procedures to improve the seismic resistance of pre-cast concrete buildings in vulnerable areas.

SAFecast has been working with the Pile-mon team on the application of the 'wire tags' technology to these critical concrete joining sections. This is expected to permit the integrity of the sections to be checked at any time and particularly after seismic activity. The potential benefits of this are great in terms of time-saving and the efficient use of resources. Following a tremor or serious seismic activity, engineers will be able to remotely check the safety of the joining sections of Pile-mon equipped buildings and make quick decisions about building safety. The new design standards developed by SAFecast combined with the Pile-mon inspection system are expected to bring enhanced building safety in seismic zones. The Pile-mon technology is now being taken to the production stage and partners are being sought to make it available worldwide. The SAFecast project was completed in February 2012 and the recommended design procedures are expected to improve the standards for construction in seismically threatened areas of Europe. Its aim is to develop new universal procedures for the correct design of pre-cast concrete building joints and structures potentially exposed to earthquakes.

Project details

Project acronym: SAFecast

Participants: Slovenia (Coordinator), Germany, Italy, Belgium, Spain, Greece, Portugal, Turkey

FP7 Proj. N° 218417

Total costs: € 3 962 776

EU contribution: € 3 040 906

Duration: March 2009 - February 2012

Project acronym: PILE-MON

Participants: United Kingdom (Coordinator), Germany, Israel, France, Spain

FP7 Proj. N° 222121

Total costs: € 1 404 485

EU contribution: € 1 058 039

Duration: September 2008 - February 2011

II. Northern Ireland leading an international innovation Consortium: Ultravisc – Separating the plastic from the chaff

Impurities in waste plastics, as well as the wide variety of materials they contain, limit the amount that can be retrieved through recycling. An innovative EU-funded project has come up with an ultrasonic technique that enables recyclers to recover more plastic, at lower cost ...and it is fully automated. A commercial solution could lead to savings worth millions of euros.

To the untrained eye, recycling almost appears to be like some kind of alchemy, that medieval art which sought to transform base metals into gold. For instance, you may put soft drink bottles in at one end of the process and produce plastic chairs and tables at the other end.

Recycling plastics has many environmental and economic advantages. With dwindling global supplies of oil, recycling offers a powerful means of reducing the amount of petroleum (currently standing at around 8% of global production) required to manufacture plastics, the production of which is growing steadily. In fact, the amount of plastic produced in the first decade of this century is believed to have exceeded all that was produced in the previous one.

Plastic waste, which has a tendency to spread to even the remotest environments, can take centuries to decompose, and is potentially harmful to the environment, human health and wildlife. Although reducing the amount of disposable plastic products manufactured offers the most sustainable way forward, recycling is also a powerful tool. But recycling faces many challenges. The complex structure of plastic polymers makes the mixing of different plastics difficult or can result in weaker materials, and requires greater amounts of energy in the production process. The upshot of this is that a lower proportion of plastic waste is recycled compared with other materials: 21.3% in the EU against 80% of newspapers. However, it should be pointed out that Europe also uses plastic waste as an energy source, and so, together, energy recovery and recycling use up more than half of the Union's plastic waste.

Going with the flow

The variability in the quality of inputs also leads to major fluctuations in the viscosity, i.e. the 'thickness' of the melted raw materials as they flow through the production process, requiring constant adjustment to the temperature and other variables if a consistent quality is to be maintained. This presents a major challenge for extrusion, i.e. the process of pushing the melted plastic through a special die which cuts or shapes it into the desired form, resulting in significant waste.

The EU-funded project 'Sensor-base ultrasonic viscosity control for the extrusion of recycled plastics' (Ultravisc) has broken the mould when it comes to extruding products from recycled plastic. The two-year project sought to improve the recycling of post-consumer plastic waste by compensating for impurities and variations in the physical properties of recycled feedstock. The way Ultravisc does this is through the use of sensors to regulate the flow and viscosity of the feedstock during the extrusion process. It employs a closed-loop system to monitor the conditions of the recycled polymers and applies ultrasonic energy to the melt as and when required.

"The ultrasonic technology is used to control the flow of the plastic through the production line and to control the properties of the plastics, resulting in the production of a more consistent product," explains Dr Paul Beaney, the technical manager at Cherry Plastics Group which coordinated the project. "Ultrasonic technology had never been integrated into recycling technology before, so building the ultrasonic modulator was a big challenge," he adds. But the consortium of eight partners from six EU countries – drawn from industry and academia – managed to pull it off successfully to create an automatic system that does not require human interference.

Recycling for all

Ultravisc is an intelligent and fully automated process. "Because the knowledge is built into the system, it does not need operators who are highly skilled or experienced," notes Dr Beaney. This advance has the potential to open up plastic recycling to a wider group of actors, and not just highly specialised companies.

Another benefit of this fully automated melt-flow system is that it has halved the response time compared with traditional temperature-control methods. And, it can regulate the flow and viscosity at far lower temperatures, thereby boosting the overall efficiency of the recycling process.

"Ultravisc also allows you to use recycled products in places where it was not previously possible, and enables you to use more waste plastics in the process, thereby improving the environmental friendliness of the recycling process," Dr Beaney adds. The project participants are exploring how best to commercialise the technology – whether to do it themselves or seek out partners. A working lab prototype has been built which has been fully tested, and the team is now in the process of building a full-scale unit which can be used on the large extruders at Cherry Pipes, based in Dungannon, Northern Ireland (UK). When implemented fully, and depending on how it is commercialised, Ultravisc is expected to reduce waste by about 2%, down time by around 5%, and lower energy consumption by 5% when used on extruders. This could amount to millions of euros in savings if the technology is taken up by enough recyclers.

Project details

Participants: United Kingdom (coordinator), Spain, Belgium, Estonia, Denmark, Ireland

FP7 Proj. N° 232176

Total costs: € 1 273 827

EU contribution: € 969 970

Duration: October 2009 to September 2011

III. All-island cooperation: Laying down markers for future cancer treatments

Targeting existing proteins in the human body which contribute to the growth of cancerous cells can help researchers develop tailor-made treatments. A team of EU researchers is working on ways to trick the proteins which ordinarily aid cancer growth into delivering therapeutic treatments directly to the cancerous cells.

The Insulin-like Growth Factor 1 Receptor (IGF-1R) is a protein found on the surface of human cells which plays a crucial role in our bodies. It aids growth, increases muscle mass and boosts cell survival and proliferation. However, it struggles to discern between good and bad effects on cells. IGF-1R has also been shown to promote the growth and invasiveness of cancer cells. While this unwanted secondary function is an obvious risk to health, it also provides cancer researchers with an opportunity. Researchers in the field believe that understanding the characteristics of IGF-1R activity could help them develop important therapeutic treatments which use these attributes to target cancerous cells in the breast, lung and colon.

The potential for using these versatile proteins as targets in cancer cells has attracted major interest from pharmaceutical companies and clinicians alike. At least 70 clinical trials are under way worldwide to test several different drugs that inhibit the IGF-1R and the IGF-1 signalling pathway at different points. One of the major challenges to targeting the IGF-1 pathway in cancer is the lack of suitable biomarkers, the measurable substances that reflect the severity or presence of a disease. These could be used to assess IGF-1R activity in tumours, facilitate the selection of patients and subsets of tumours that are most likely to respond to inhibitors, and monitor responses to IGF-1R inhibition.

Marking out the route

The BioMarker IGF project, supported by Marie Curie Actions – an EU research fund managed by the Research Executive Agency (REA), aims to address this problem by identifying and validating biomarkers for the IGF-1 signalling pathway in cancer – in other words, what prompts the cancer to grow.

“The IGF-1 signalling pathway is active in a majority of cancers and contributes not only to the growth of tumours and the ability of cancer to spread, but also to a lack of responses to many existing therapies, including chemotherapy and radiation,” says Professor Rosemary O’Connor, the project coordinator. “To successfully combine the right drugs to attack a particular cancer or subset of cancers, biomarkers of activity, which means being able to assess the status of the IGF-1 pathway in patients’ cells, are required,” she adds.

These biomarkers will ultimately determine which kinds of cancer may benefit from which drug combinations. The research is being carried out by experts in IGF-1 signalling at University College Cork in collaboration with experts in pharmacogenomic (the influence of genetic variation on drug response) approaches to biomarker discovery in cancer at Almac Diagnostics, a Northern Irish Biomarker Discovery, Development and Delivery company. The collaborative aspect, which includes extensive transfer of knowledge and experience, as well as exchanges of researchers, is integral to the project’s success. The co-operation is also expected to lead to the development of commercial applications.

“Our industry partner Almac is currently engaged in developing diagnostic tools for the treatment of cancer,” Prof. O’Connor says. “Other companies and clinical investigators are

also testing inhibitors of the IGF-1 pathway.” Prof. O’Connor says that the ultimate objective of the project is to select a clinically validated signature or biomarker for IGF-1 pathway activity in one or more cancers. “This would ideally be used to select patients or subsets of cancers suitable for inhibitors of this pathway in combination with other therapies,” she concludes. “The biomarkers could also be used to monitor therapy responses.” The project team is currently in the process of analysing data from genomic screens to identify good matches. These will then be validated using patient databases, and tested in clinical trials.

Project details

Project acronym: BioMarker IGF

Participants: Ireland (Coordinator), United Kingdom

Project FP7 251480

Total costs: €799 470

EU contribution: €799 470

Duration: September 2010 - August 2014

Northern Ireland Local Government Association



Response to Committee for the Office of the First Minister and deputy First Minister (OFMDFM) Inquiry into the Barroso Taskforce

Introduction

The Northern Ireland Local Government Association (NILGA) welcomes the opportunity to respond to the OFMDFM Inquiry into the Barroso Taskforce.

NILGA is the representative body for district and borough councils in Northern Ireland, representing and promoting the best interests of local authorities, as supported by all the main Northern Ireland political parties as well as independent elected members.

Northern Ireland councils acknowledge the continued and evolving regional investment by the EU in Northern Ireland, and its positive impact on peace, stability and prosperity. There has been long standing EU financial support for Northern Ireland as one of the priority "Objective 1" regions. During the period 2000-2006, six programmes received EU investment of some €2.2 billion to which was added the EU contribution to the International Fund for Ireland. For the current planning period, 2007-2013, Northern Ireland has six programmes with a financial contribution of €1.1 billion, including a continuation of the PEACE programme.

Northern Ireland local government has benefited from EU investment, and we acknowledge the hard work of our council representatives who sit on EU Programme Monitoring and Steering committees.

Within a small European region, municipalities / councils have a critical yet strategic interest in EU affairs. Laws, investment and policies have a direct effect on our everyday lives and the future prosperity and growth of our region.

We acknowledge our strategic working partnership with OFMDFM, the Department of Finance and Personnel and other NI Departments in the current negotiation process with the UK Government and the European Commission, on the next round of regional EU Programmes.

We have formally sought a practical – and political Strategic partnership with OFMDFM in order to co-scrutinise the next stage - building on the strengths of the Barroso Task Force's legacy (post 2014), and its growth challenge to Northern Ireland.

Response

Barroso Task Force benefit

Northern Ireland Local Government notes the personal commitment to, and material input into, the region by José Manuel Barroso, President of the European Commission, the practical assistance given by DG Regio Commissioner Joannes Hahn and Danuta Hübner before.

NILGA acknowledges the value the Barroso Report (April 2008), the significant role played by its Chair, Ronnie Hall, the Office of OFMDFM in Brussels, and the European Commission's continued local support for the region.



The Barroso Task Force has delivered what it had set to do – the creation of a political and strategic platform that has allowed the foundation of a strong and vibrant network supporting outputs to create economic improvement of the Knowledge Economy in NI.

A Barroso Task Force Legacy: closer local partnership

Local Government feels that it is immensely important that the Northern Ireland Executive continues to have a presence in Brussels, engage with the European Commission, support the work of our local Members to the European Parliament, and all our elected / non- elected regional representatives on European bodies such as the Committee of the Regions.

Around 75% of all local policies and regulations have been affected by laws emanating from the EU.

All council services are affected by EU laws in one way or another. Whether it is EU legislation on energy efficiency, equalities, procurement, recycling, waste and working hours, it is by and large councils that implement and carry additional costs.

We share with our regional European partners the same real life challenges of enabling greater social cohesion, while stimulating local economic growth, and sustainable jobs.

We share a common purpose to support and protect citizens, and the communities we serve. Regions and Municipalities in small regions – in particular NI - have an opportunity, in partnership with the European Commission and Parliaments to enable life changing opportunities and investment – as a Barroso legacy.

Northern Ireland local government enjoys an excellent working relationship with our local MEPs, and has a strong working relationship with sister UK and Irish local government associations – we are committed to build upon, and strengthen these critical relationships. The sector's Association, NILGA, is an axis to all of the above.

Local government has active representation on a number EU Institutions and bodies including; the Committee of the Regions (CoR), Congress of Local and Regional Authorities of Europe (Congress) and Council of European Municipalities and Regions of Europe (CEMR), but we need to maximise the full dynamic EU investment that the Barroso Northern Ireland Task Force has afforded our region.

To achieve this, the two tiers of government in Northern Ireland must pool together their collective experience and resources to focus investment where it is needed most, delivered under the principle of subsidiarity, and in doing so, meet local community and business needs.

Northern Ireland has a lot to offer the European investor as a vibrant place to work, live and do business. The taskforce has given us a local platform to improve competitiveness, create sustainable employment, and to mobilise the services of the European Commission to energize growth. We must also reduce our dependency on the public sector, and encourage the creation of a more dynamic private sector. This will develop a culture of self – help and post Barroso enterprise.



The two tiers of Northern Ireland government working on shared EU interests represent a powerful force. Councils are key partners in the delivery of EU money to those communities and citizens that are in most need. Councils are the arbiters of new Community Investment Plans from April 2015 in NI. These enable Councils to optimise local delivery of multiplicities of funding in a way that creates local, economic prosperity, real jobs and safer more cohesive communities.

The local government sector in NI adds significant material value to local / sub-regional business growth through the established range of national, EU and international economic collaborative networks.

NILGA has presented (31st March 2014) a submission for all of NI, co-driven by the Invest NI team at central government level, for the European Entrepreneurial Region Award for 2015. This – in itself – is a fitting legacy and challenge in terms of post Barroso actions, and demonstrates integration of entrepreneurial effort. All 3 NI MEPs have supported the application, on a cross Party basis.

Councils offer the NI economy the knowledge and investment linkage and partnership required for sustainable growth:

- **Knowledge** – An understanding of local need including sub-regional business cluster, supported by locally elected community champions; and
- **Investment** – Councils have greater fund raising powers than NI Assembly (and Departments), and play a significant leadership role with the NI Executive, private / third sectors in transforming local communities and businesses. Councils can also facilitate applications for EU funding under elective funds such as Horizon 2020.

There is a strategic business case for the two tiers of regional and local government to build closer working relations with OFMDFM – particularly in light of Local Government Reform 2015 - at sub-regional and regional levels in order to maximise our EU opportunities. In particular, in shared areas of interest, such as illustrated in table 1:

Table 1 Areas of Local Government cooperation and benefit.

<ul style="list-style-type: none"> • 2014 – 2020 EU funding programmes 	<ul style="list-style-type: none"> • Proposals on the Lisbon Strategy and 2020 Agenda for growth and jobs
<ul style="list-style-type: none"> • Local economic development 	<ul style="list-style-type: none"> • CAP, fisheries and rural development
<ul style="list-style-type: none"> • EU Budget Review & measures to address the impact of the economic crisis (including social housing, broadband, and energy) 	<ul style="list-style-type: none"> • Sustainable development
<ul style="list-style-type: none"> • Recycling and waste, including the WEEE Directive and policy on biodegradable waste 	<ul style="list-style-type: none"> • Simplification of EU Programme State aids rules;
<ul style="list-style-type: none"> • Energy and climate change, including adaptation to climate change and agreeing EU targets on the use of renewable energy 	<ul style="list-style-type: none"> • Sustainable transport policy
<ul style="list-style-type: none"> • Regional policy, including territorial cohesion; 	<ul style="list-style-type: none"> • Tourism and culture
<ul style="list-style-type: none"> • Proposals on the Lisbon Strategy, Horizon 2020 and 2020 Agenda for growth and jobs 	<ul style="list-style-type: none"> • E-government



Northern Ireland Strategic European Partnership Panel

There is also a priority to identify a material legacy for the Northern Ireland Barroso Task Force (which ends in late 2014) that acknowledges and builds upon the Task Force's work.

It is proposed to establish a regional and local government small, focussed and representative Northern Ireland Strategic European Partnership Panel¹ in partnership with OFMDFM, championed by and overseen by Junior Ministers and the OFMDFM Committee.

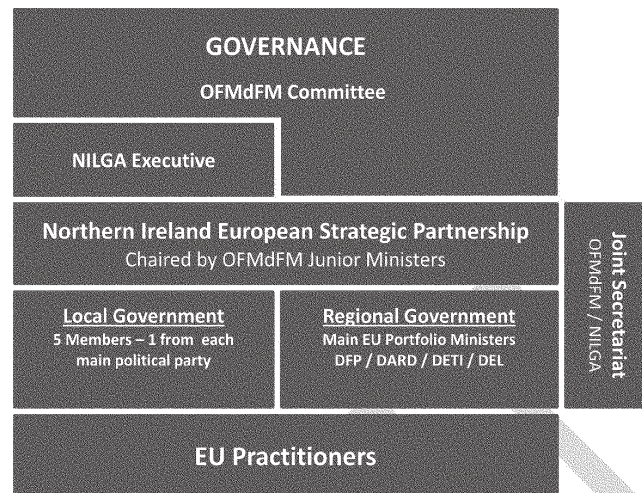
The Panel would bring together senior decision taking representatives from government departments and local councils, but would also provide high level information to and receive the same from, MEPs, other public service agencies such as Invest NI, the regional representative bodies for the voluntary and community sector (such as the Rural Community Network and the Community Foundation for NI) so that we are all **'strategically connected'** through a regional platform on European investment and policy.

This Panel would also seek evidence and issues from the strong networks and the EU information, funding and related products and services made available through the NIO et al, together with regional operational bodies, such as the diverse Northern Ireland European Regional Forum, the NI Taskforce and the Committee of the Regions, to name but three.

The Panel would have membership from OFMDFM, other investment Departments and NILGA, and will facilitate regional cross-government / sector Infrastructure and Pipeline Project opportunities, implementing annual work plans which would themselves be driven by the cycle of Assembly corporate / election governance. It would report directly to OFMDFM Committee and subsequently the NILGA Executive. Primary Panel governance is retained by OFMDFM Committee. See Diagram 1.

It would, in microcosm, reflect the Political Partnership Panel which is written into legislation under the Programme for Government / Local government Reform Bill.

Diagram 1. Draft Northern Ireland European Strategic Partnership structure



The Aims of the Northern Ireland Strategic European Partnership

- To facilitate **investment planning** and related collaboration between local, regional & national government (and wider stakeholders) and the European Commission - developing a regional strategic approach to planning and delivering our engagement with Europe, for the investment and infrastructural benefit of the region;
- To facilitate a cross-governmental / sector platform for action on European investment and **policy intervention** issues among partners in the region (for example, the UK’s retention of the 100% NI’s assisted EU areas status coverage would be a primary focus, tailored to NI by the Panel);
- Engage and communicate with local, regional and international stakeholders; and
- Act as a conduit for policy proposals to and information sharing between the European Commission / European Parliament, National governments (both UK and IRL), Departments such as Department for Business, Innovation & Skills, HM Treasury and local and regional partners.

Additional comments

NILGA is committed to work with OFMDFM (and all NI Departments) in maximising the full benefit of shared approach to regional business growth, and more devolved investment to our local communities.

Our strategic priority for the next round of regional EU Programmes is to align investment where it will have greatest impact and to remove economic and administrative ‘bottlenecks’ preventing the present and proposed EU 2020 targets from being met.



We want to make it easier for local communities to access all elements of regeneration funding, including Barroso task force investment and its legacy.

In keeping with the UK Local Government Group and our Irish sister association the Association of County and City Councils, we are committed to giving localities and communities greater control and greater influence over programmes and services delivered in their areas – in order that local people and businesses can influence the shape of future programmes and see local level investment returns.

Whether termed Localism, Total Place, Subsidiarity or similar, NILGA offers a route to design the delivery and implementation of operational programmes which will be accountable, innovative and inclusive.

The Northern Ireland Local Government Association is prepared to play its part in developing sustainable EU working partnerships, and maximizing the opportunities the task forces have offered Northern Ireland.

NILGA has presented to the OFMDFM scrutiny committee formally, and seeks to develop this opportunity – ensuring that local government can utilise its LOCAL EU knowledge, delivery and experience to drive forward growth, social cohesion and partnership between all tiers of government and for the benefit of all communities – satisfying not only the Barroso legacy requirement, but, significantly, contributing to the next Programme for Government which will require three pillars of success – jobs & investment, social cohesion, and sustainable development.

Dr Ken Bishop
Head of Programmes (Investment and Partnership)

A handwritten signature in black ink, appearing to read 'Ken Bishop', is written over the 'DRAFT' watermark.

4 April 2014

Disclaimer

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We do not, however, make any representation that the information will be accurate, current, complete, uninterrupted or error free or that any information or other material accessible from or related to NILGA is free of viruses or other harmful components.

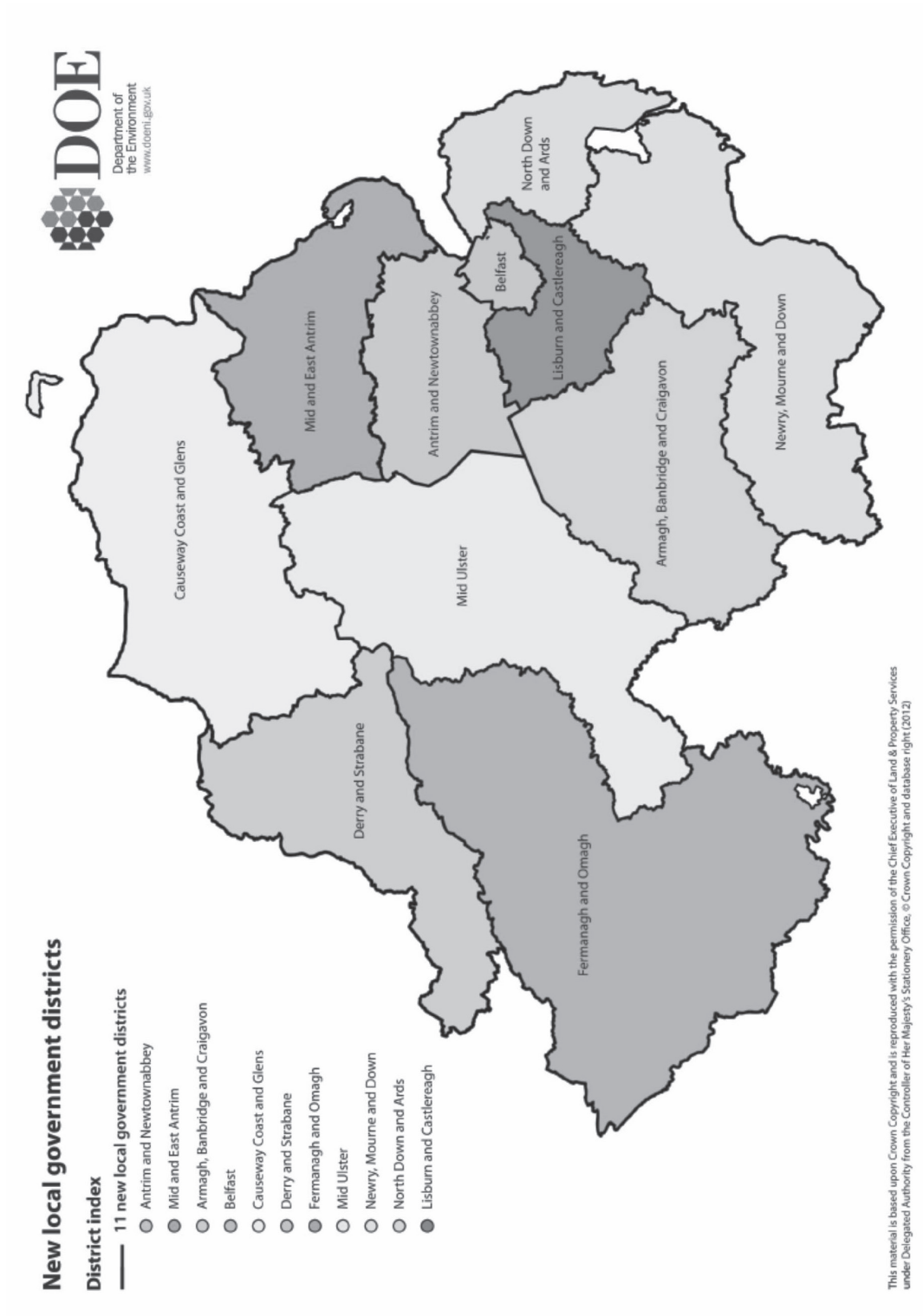
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ⁱ The Partnership Board would, indicatively, seek membership of around 12 – 14 members, with the Chairs and Vice Chairs developed between OFMDFM and NILGA if desired - to emphasise the shared purpose.

DRAFT

Appendix 1



Office of the First Minister and deputy First Minister



Office of the
**First Minister and
Deputy First Minister**
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Chairman
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Our Ref: COR/127/14

8 April 2014

INQUIRY INTO THE BARROSO TASKFORCE

Your letter of 20 February invites written evidence to the Committee on its Inquiry into the Barroso Taskforce.

We have enclosed a submission in line with the Terms of Reference of your Inquiry and look forward to seeing your conclusions in due course.

Yours sincerely

JONATHAN BELL MLA
Junior Minister

JENNIFER McCANN MLA
Junior Minister

SUBMISSION TO THE OFMDFM COMMITTEE INQUIRY INTO THE BARROSO TASKFORCE

This paper is in response to the request from the Chairman of the Northern Ireland Assembly Committee for the Office of the First Minister and deputy First Minister of 20 February 2014, seeking views from key stakeholders on the work of the Barroso Taskforce.

The Committee agreed as its Terms of Reference:

- consider the work and structures of the Taskforce including the Barroso Taskforce Working Group since its inception in 2007;
- identify the outcomes from the Taskforce and assess against the objectives;
- identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso.

Consequently, this submission is structured in such a way as to address each in turn.

Consider the work and structures of the Taskforce including the Barroso Taskforce Working Group since its inception in 2007

While the Inquiry takes as its starting point the establishment of the **Barroso Taskforce for Northern Ireland** in 2007, it should be recognised that a framework for strategic engagement of the region in Europe had been published previously, outlining priorities for the Administration in its dealings with the European Institutions. A chronology of significant developments since the publication of '**Taking Our Place In Europe**' in 2006 is included as **Annex1**.

Notwithstanding the prior publication of a European strategy, the visit by President Barroso in May of 2007 immediately prior to the restoration of Devolution and his announcement of the establishment of a Commission Taskforce for Northern Ireland, was particularly significant for a number of reasons. In doing so, the President was the first European Leader to affirm Europe's support for the restoration of devolved institutions. The tangible contribution of the Taskforce lies in its original remit and key focus at the time to support the peace process, with a particular emphasis on improving

competitiveness and generating jobs and growth. This was and continues to be a unique initiative, bringing together a group of senior Commission officials with the common objective of providing help and assistance to the NI administration.

It was not time limited, recognising as stated by President Barroso, that the NI journey was *'a marathon and not a sprint'*.

Response to this initiative: Firstly, Junior Ministers from OFMDFM led a delegation to Brussels to discuss the work of the Taskforce; secondly, and following the publication of the report of the Commission Taskforce in April of 2008, the Executive published its first Strategic Plan for European Engagement in March 2009, taking account of the Commission's recommendations; thirdly, an interdepartmental group was established initially under the Chair of DFP, but later with OFMDFM Ministers, to provide continuous co-ordination of work prompted by the Barroso Taskforce and its report.

This group, referred to as the **Barroso Taskforce Working Group (BTWG)** is chaired at Ministerial level with senior departmental representatives from all government departments. The objectives for the BTWG as set out in the March 2009 Priorities for European Engagement document and accompanying Action Plan were based on five themes:

- promoting Northern Ireland's interests within the European Union;
- raising Northern Ireland's positive profile throughout Europe;
- raising awareness and encouraging participation in Europe;
- access EU funding; and
- sharing experience of building peace and conflict resolution in a divided society with Europe and beyond.

In parallel with the work of BTWG in NI, a senior official within the European Commission chairs a cross-DG group (The Commission Taskforce for Northern Ireland) which is asked to:

- provide analysis and advice;
- prioritise NI issues;
- participate in NI events;

- increase accessibility to senior officials and commissioners;
- to factor NI interests into key Commission decisions as far as it is possible to do so;
- to provide endorsement of Northern Ireland policy and practice.

Currently there are 13 DGs represented at senior level on the Taskforce (Commission) inter-services group, itself a unique model of co-operation within the European Commission.

Following a further meeting with the First Minister and deputy First Minister in December 2010, President Barroso, in opening the new office of the Executive in Brussels, renewed the Commission's commitment to the Taskforce and reaffirmed its role in assisting the remit to improve the focus of Northern Ireland's engagement with the European Institutions in an effort to maximise EU funding opportunities and seek to influence future EU policy.

This in turn led to the BTWG developing and adopting a thematic approach to encourage greater cross-departmental working in the delivery of the Executive's European Priorities under four thematic groups, aligned to the direction of key EU policy areas under development. The four groups were:

- Competitiveness and Employment (DEL Lead)
- Innovation and Technology (DETI Lead)
- Climate Change and Energy (DOE Lead)
- Social Cohesion (OFMDFM Lead)

Each of these groups was supported by one of the four Brussels based Desk Officers who were recruited as part of this thematic approach.

Following a review of the Desk Officer initiative by OFMDFM economists, and recognising the relevance of Innovation and Technology to all themes, BTWG decided to co-ordinate departmental priorities through three interdepartmental groups covering respectively economic, societal and environmental challenges and supported correspondingly in Brussels by three liaison officers in Brussels.

More recently and in recognition of the wider interest and role of non-departmental stakeholders, including local government, businesses and the third sector, OFMDFM along with Belfast City Council have established and jointly chair a '**Northern Ireland European Regional Forum**' (NIERF).

The membership of the forum has grown consistently since it was officially launched in May 2012 with stakeholder groups now numbering more than 80.

The Commission Taskforce, the BTWG, its three thematic groups and Brussels based Liaison Officers, along with the NIERF form the main 'architecture' of the Taskforce initiative. The Commission inter-services group has been significant in providing advice on the Executive's European Priorities and funding opportunities. The BTWG and its thematic groups have helped to develop the European Priorities and key objectives; have worked with their NICS colleagues, the Brussels based Desk Officers and a wide range of external stakeholders both local, at UK, RoI and EU level to take forward the associated actions and monitor progress against the targets set, including financial targets associated with the drawdown of competitive funding. The NIERF has helped to disseminate information about funding opportunities, promote networking and develop the capacity of members to participate successfully in various EU competitive programmes.

Identify the outcomes from the Taskforce and assess against the objectives

It is difficult to isolate the unique contribution of the Taskforce against the range of other factors affecting the economy including the recession. In its absence however we would not have had a detailed report adopted by and carrying the weight of all EU Commissioners, providing a roadmap for enhanced NI engagement with Europe. We would not have had the benefit of a senior Commission Official seconded to the Northern Ireland Civil Service providing local advice and intelligence on navigating often complex Commission networks and processes.

In general, the emphasis of the Taskforce Report was on helping the region to generate more growth and jobs, and in that way to create more economic opportunities and thereby underpin the peace process. The Report of the Taskforce pointed to the fact that the region bore the imprint of a period of conflict, a high dependence on public sector and an

inclination against risk-taking. The report cited a low level of entrepreneurship with low investment in research and innovation, persistent negative image of the region to international investors and a high proportion of the population seemingly detached from the world of work. The report also drew attention to a long list of 'leads to follow up'. Under, for example, the 7th Research Framework Programme (FP7), the education programmes such as Erasmus for student exchanges, enterprise programmes to encourage the growth of the risk capital sector and many transport and energy initiatives as well as the Life+ in the environmental field. The report stressed that in the 'information age' networking with the Irish Republic, with other UK regions and with the rest of Europe, would be an essential ingredient for success.

While this roadmap was not exclusively concerned with funding support for the region, the drawdown from a range of key European Programmes such as FP7 and TENS-T are good markers for a stronger orientation towards European funding programmes in the intervening period. The Committee will be aware from data previously provided how, against a benchmark of 2010 levels of funding, following the Executive's Programme for Government commitment to increase drawdown of funding by 20%, this target has been exceeded in the intervening period. This translates to a financial 'gain' of some 14.5 million pounds at the halfway stage in the budget period. To this we should add 150 million euros which is the value of a fourth Peace Programme which we lobbied for in the context of the Taskforce.

The 'architecture' of European engagement, absent before 2007, undoubtedly contributed to this success. This architecture includes, within the European Commission, an inter-services co-ordination group chaired at a senior level, with a particular focus on NI issues, a NICS cross-departmental co-ordination group chaired by Junior Ministers with its thematic sub-groups, additional resource allocated to the Office of the Northern Ireland Executive in Brussels to help the Office exploit Taskforce benefits and to some extent a forum of stakeholders, jointly chaired by OFMDFM and Belfast City Council.

The thematic groups established in response to the Taskforce cover a very wide spectrum and allow us to take a more holistic and co-ordinated approach. Hopefully the thematic approach, aligned to EU priorities, will help us make the region an exemplar for the rest of Europe.

It is evident that the Taskforce is valued by NI Departments who were consulted in the course of the preparation of this submission. Their comments, a selection of which are quoted below, indicates a recognition that the Taskforce provided a catalyst for enhanced and more holistic European engagement.

DSD

“ a catalyst for raising the profile of EU engagement in DSD”

DSD cited also that their work with the Youth Council opened up over 60 organisations to the potential for funding under the Youth in Action (now ERASMUS +) programme

OFMDFM

“a catalyst for the development of a more holistic approach to European engagement by the Executive. While it can be argued that it is still work in progress and that there are areas of improvement, the level of engagement from NI Departments and indeed NI as a whole is unprecedented”

DETI

“the taskforce has given us profile beyond what we might have expected as a small region and above what others get”

DOE

“The Taskforce has generated greater awareness and improved engagement and alignment with EU policy. The Barroso Taskforce work is allowing us to communicate better on what Northern Ireland as a Region is doing and the benefits and problems we face in transposing and implementing EU policy”.

Without the Taskforce we would not have had the increased level of awareness and interest in EU policy and funding opportunities across the NICS and beyond. We would not have had the same level of Ministerial and official engagement with the

EU Commission, nor encouraged and promoted Northern Ireland businesses and research establishments in so many diverse Brussels based events. We would not have developed such an extensive network of contacts. It had provided an agenda for active and constructive engagement by Departmental Committees reflected in the present inquiry by the OFMDFM Committee in particular, which has also established a Cross Committee European Forum.

The Taskforce provided and continues to provide a changed context in which we do business with Europe. It is a context in which: In general advice is more readily sought and given; Senior Officials and Commissioners are more readily accessible; and Commission officials willingly give their time to travel to Northern Ireland to participate in meetings, seminars and conferences. Significantly, Northern Ireland has visibility at the most senior levels in the EU. This is evident in the personal contacts of the First Minister and deputy First Minister with President Barroso, President Van Rompuy, President Schultz and the support and visits to the region by Commissioners Hahn and Geoghegan-Quinn. The region is recognised by the EU's Foreign Policy chief, Baroness Ashton, as a model of success in conflict resolution.

This is not a relationship enjoyed by other regional representations, too numerous (260) for the Commission to support in the same way. Consequently, Northern Ireland as a region, and possibly uniquely, remains on the Commission's 'radar' at the most senior levels allowing access for discussions around the regional economy and high level policy in areas such as State Aid, Transport, Cohesion Policy and Research and Innovation. The facility to put our case to the Commission in the context of the Taskforce continues to ensure therefore that issues which are of importance to the region and its economy are taken into account and given a priority at the most senior levels.

Identify and consider lessons learned from the functioning of the Taskforce in order to inform recommendations for future engagement in EU affairs post Barroso

As President Barroso approaches the end of his mandate, it is an appropriate time for the Administration to consider our experience of the Taskforce and how we may wish to shape our relationship with the European Commission in the period 2014-2020. We saw how the reaffirmation of the President's support for the work of the Taskforce, the subsequent Programme for Government target on the increased drawdown of funding and

the revised structures which were put in place, have helped generate fresh momentum which has been maintained ever since. This serves to highlight however the need to affirm high-level political support at critical points in time. We need also to continuously review these structures to ensure that they deliver the desired outcomes from our European engagement.

Secondly, the growth in the numbers of Directorates General as members of the Taskforce, the continued interest in inward secondments to the NICS by Commission staff suggests no reduction in emphasis at the Brussels end. At the same time we have also supported outward secondments of NICS staff to the Commission and Presidency, including the short-term placements as National Experts. It is however important that we signal, at senior level, the importance of the Taskforce work to our region and the hope and expectation that some form of structured relationship will continue.

It would be important to acknowledge the two-way nature of such a relationship with the region offering much to potential partners across Europe (we are for example a Reference Site Region in the area of Connected Health) with other significant regional specialisms in health, justice, employment and equality areas, and a successful peace process which is of significant interest to Europe and the wider international community.

It is important therefore that we continue to use the Taskforce structures currently in place to our advantage, acknowledge their importance and maximise their benefits in the months and years ahead.

ANNEX 1**TIMELINE****Progress to Date****16 October 2006 – European Strategy Published**

- Northern Ireland's European Strategy, 'Taking Our Place in Europe' launched
- 'Taking Our Place in Europe' maps out a framework for Northern Ireland's engagement with Europe, guiding the work of regional and local government in partnership with civil society

1 May 2007 – Barroso Visits Northern Ireland

- European Commission President Manuel José Barroso visited Northern Ireland and met with First and deputy First Ministers designate, Ian Paisley and Martin McGuinness
- President Barroso announced a European Commission Task Force for Northern Ireland

22 November 2007 – Junior Ministers travel to Brussels

- Junior Ministers, Ian Paisley Jnr and Gerry Kelly, led delegation to Brussels to discuss work of Taskforce

11 December 2007 – Taskforce visits Belfast

- European Commission Taskforce visited Northern Ireland on a fact-finding mission and met with government departments, social partners and stakeholders

9 January 2008 – Ministers travel to Brussels

- First and deputy First Ministers (Paisley and McGuinness) travelled to Brussels, met with President Barroso and Commissioner Hubner and secured commitment to extend the life of the Taskforce

6 March 2008 - Barroso Taskforce Working Group Meeting**7 April 2008 – Task Force Report Published**

- European Commission publishes Northern Ireland Task Force Report

14 April 2008 - Taskforce Report Launched in Belfast

- Commissioner for Regional Policy, Danuta Huebner, launches Report in Belfast

6 August 2008 – Barroso Taskforce Working Group Meeting**29 August 2008 – draft Action Plan submitted to OFMDFM Ministers**

- Copy of draft Action Plan sent to Ronnie Hall

October 2008 – Inter-departmental Consultation

- Consultation to consider Commission comments on sectoral policy areas
- Ministers approve content relating to their Departments

November 2008 – Inter-departmental North/South consultation

- Consultation to consider enhancements of North/South references

22 January 2009 – draft Action Plan approved by OFMDFM Ministers

- Ministers released draft Action Plan to Assembly Committee for OFMDFM
- Ministers released draft Action Plan to Oliver Grogan (DFA) and SEUPB
- Draft Action Plan also sent to Ronnie Hall (Taskforce Chairman), UKRep (Kim Darroch and Tim Hemmings).
- Comments invited from copy recipients.

February 2009

- draft Action Plan agreed by OFMDFM Assembly Committee
- draft Action Plan released to MEPs and other European representatives

March 2009

- draft Action Plan agreed by the Executive Committee
- First and deputy First Ministers travel to Brussels
- Ministers present Executive Action Plan to President Barroso

April 2009

- New Annual Action Plan commences
- Monitoring Round (ending 31 March 2009) closes
- 2008-2009 Executive Action Plan is closed off and published
- Barroso Taskforce Working Group meeting

Summer 2009

- Officials travel to Brussels to engage with Commission counterparts regarding the 2009-2010 Action Plan
- First and deputy First Ministers travel to Brussels

Autumn 2009

- Commission officials to visit Northern Ireland
- Briefed on new College of Commissioners' strategic priorities

July, October, January, and April 2009

- Departments provide Quarterly updates against actions and key milestones in Annual Action Plan

January 2010

- Departments asked to contribute actions to the 2010-2011 Annual Executive Action Plan

April 2010

- Annual Action Plan (2009-2010) closed and subsequently sent to Ministers, OFMDFM Committee, and the Executive Committee

9 December 2010 - Official Opening of ONIEB by President Barroso

- FM and dFM (Robinson & McGuinness) visit to Brussels for Official Opening and renewal of Taskforce work Dec 2010

March 2011 – European Commission Taskforce Visit to Northern Ireland

March 2012 - Reciprocal Visit of NI Barroso Taskforce Working Group to Brussels

June 2012 – Plenary meeting of the European Commission Taskforce in ONIEB

During 2013 - Various bilateral visits by European Commission Taskforce Members to Northern Ireland

February 2014 - Visit by Taskforce Chair to participate in BTWG in Belfast



Northern Ireland
Assembly

Appendix 4

Research Papers

Research and Information Service briefing paper
'Barroso – Northern Ireland Task Force'



Northern Ireland
Assembly

Research and Information Service
Briefing Note

16 January 2013

Tim Moore

Barroso
Northern Ireland Task Force

NIAR 015-13

1 Establishment and Report

The Barroso or Northern Ireland Task Force (the Task Force) was established following the visit of José Manuel Barroso, President of the European Commission, to Belfast in May 2007. The Task Force, which was led by Commissioner Danuta Hübner, represented the first time a specific taskforce had been established for a single region in the EU. The specific remit of the Task Force was to:

Support efforts in Northern Ireland to improve competitiveness and create sustainable employment, mobilising the services of the Commission most concerned with the competitiveness and sustainable employment agenda.¹ Particular importance is attached to reducing dependence on the public sector and to creating a more dynamic private sector.²

In operational terms, the Task Force undertook:

...against a background of an analysis of the socio-economic profile of the region, a detailed stocktaking of the achievements of Northern Ireland in different EU policies, especially over the previous planning period, 2000-2006, set where appropriate in a comparative context with other parts of the EU; formulated, on the basis of this stocktaking, suggestions and recommendations on how the administration, the private sector, universities and research institutes and other economic actors can contribute to, and benefit more from, Europe.³

In April 2008, the European Commission adopted the report from the Task Force⁴ and in a 'Communication' to the Council and the European Parliament stated that:

The Commission proposes to maintain the Task Force in order to accompany the region in this work, and to monitor progress. As part of the effort to ensure its success, the exchange of officials, including for short periods, is envisaged. The Northern Ireland Office in Brussels will also have an important role to play in this regard.

The Task Force will also continue to seek to raise the awareness in Northern Ireland regarding new European programmes, events and fora that could be of interest to the region.

The Task Force will also support the region in its declared objective of becoming more involved in the shaping of the EU policies. This implies a change of perspective and role, from the status of a region receiving EU financial assistance to that of player in the development of the EU policy agenda. Success in this regard will depend on the national context through which consultation on EU policy is organised, although the Task Force can help by ensuring that the authorities and other actors are fully informed, for example, using the Commission's office in Belfast.⁵

Finally, as indicated above, the Northern Ireland authorities have expressed an interest in promoting the development of a facility to provide research and advice on the theme of conflict resolution.

1 DGs AGRI, EAC, EMPL, ENTR, ENV, FISH, RTD, TREN, SG together with the European Investment Bank

2 European Commission COM(2008) 186 final - Communication from the Commission to the Council and to the European Parliament on the Report of the Northern Ireland Task Force (p3)

3 As above

4 Northern Ireland Task Force Communication from the Commission Final April 2008
http://ec.europa.eu/regional_policy/activity/ireland/report2008.pdf

5 As above (p7)

In March 2009, the Executive agreed its response to the Task Force Report and presented this to President Barroso in the form of its *'Priorities for European Engagement'* document and accompanying Action Plan.⁶ Actions were based around the following five themes:

1. Promoting Northern Ireland's interests within the European Union;
2. Raising Northern Ireland's positive profile throughout Europe;
3. Raising awareness and encouraging participation in European;
4. Access EU funding; and
5. Sharing experience of building peace and conflict resolution in a divided society with Europe and beyond.

On 21 April 2009, the deputy First Minister, making a Ministerial Statement to the Assembly on the Executive's Action Plan response to the Task Force report, stated that:

Initially, the task force assisted with the rapid implementation of the 2007-2013 socio-economic development programmes. However, its underlying objective is to bring the region more firmly into the European networks that make up the knowledge economies, especially Commission networks that can assist the Executive to become more involved in the shaping of EU policies.⁷

In the statement the deputy First Minister also announced that the Executive had mandated Junior Ministers to chair an interdepartmental working group to oversee implementation and provide strategic leadership to the work of the group. An End of Year Report on progress against key targets and activities was released by Ministers on 21st September 2009.⁸

6 Northern Ireland Executive (2008) *Priorities for European Engagement: Action Plan 2008/09*
http://www.ofmdfmi.gov.uk/priorities_for_european_engagement_action_plan_2008-2009__3mb_-2.pdf

7 Ministerial Statement - Executive's Action Plan in response to the Barroso Task Force Report.
<http://www.niassembly.gov.uk/record/reports2008/090421.htm#2>

8 Northern Ireland Executive (2009) *Priorities for European Engagement: End of Year Report 2008/09*
http://www.ofmdfmi.gov.uk/barroso_task_force_-_end_of_year_report_2008_09_-_final_publication-3.pdf

2 Further Action

In December 2010, the First Minister and deputy First Minister travelled to Brussels to meet with President Barroso and, during this meeting, President Barroso announced that the Task Force would return to Northern Ireland in early 2011. In line with this announcement, in March 2011, members of the Task Force visited Belfast on a two day mission to discuss priorities for the future with government departments.

Reporting on the activity which had taken place between April 2011 and March 2012, the European Division in OFMDFM, in a written briefing provided to the OFMDFM Committee,⁹ stated that:

After the Executive took up their new mandate in May 2011, Junior Ministers Bell and Anderson assumed the Chair of the Barroso Task Force Working Group (BTWG), the cross-departmental group, the stated objectives of which are:

- Participation in EU policy development to benefit the region;
- Engagement in European networks, allowing us to benchmark our performance and learn from best practice across Europe in the delivery of services to citizens and businesses; and
- Drawdown of resource from competitive EU funding programmes, strengthening our economy and delivering competitive advantage for our businesses

Regarding structures, the paper went on to explain that the BTWG had:

...firmed up its organisational structures throughout the year, establishing four policy sub groups with a focus respectively on Innovation & Technology; Competitiveness & Employment; Climate & Energy, and Social Cohesion; a Finance Sub-Group, to oversee progress towards the achievement of the Executives target for increased drawdown of elective EU funds; and a Human Resources Sub-Group to oversee and support the various secondments and placements of NICS staff in Brussels institutions, support development of enhanced EU training to NICS staff delivered by the Centre for Applied Learning and to ensure we fully utilise staff with EU experience on their return to NICS’.

Addressing the issue of finance, the briefing further explained that:

Departments contributed to a central budget of around £615K managed by DFP .The BTWG HR Sub Group provides strategic advice to DFP on the allocation of the budget Currently the central budget supports:

- Four Desk Officers reporting respectively to and supporting the work of each of the policy sub-groups of BTWG;
- One Seconded National Expert (SNE) in DG Regional Policy (DG REGIO) Urban Unit;
- One Staff Officer seconded to the UK Permanent Representation to the EU
- One Staff Officer seconded to the Irish Permanent Representation to the EU
- Two ‘National Experts in Professional Training’ (NEPTs) who were successful in securing five-month placements in the European Commission.

The paper added that *‘Separately, this year DARD have added to their Brussels staff by creating and funding a two year staff officer developmental post. The post-holder commenced in February and directly supports DARD Brussels engagement in agri-food, fisheries veterinary and rural development policy’.*

9 Included in Committee papers for Meeting held on 4/7/2012

In March 2012, the Task Force met with the BTWG and officials from all 12 departments to discuss priorities for 2012-13 in a series of meetings centred on the Executive's four thematic work streams. These meetings were followed in May 2012 by publication of the Executive's 2012-13 European Priorities document. These priorities were supplemented by a European Priorities 2012-13 Implementation Plan, which contained three overall objectives.

Overall objectives

- 1 Maximise our engagement in European funding programmes.
 - 1.1 Drawdown £13.2 million of competitive EU funds between 1 April 2012 and 31 March 2013. [OFMDFM; all departments]
- 2 Increase our engagement in European policy.
 - 2.1 Offer assistance to the Irish in the preparation for and work of the Irish Presidency of the European Union (January – June 2013) to enhance the region's positive profile and fully participate in key European policy debates. [OFMDFM; all departments]
 - 2.2 Participate in at least 3 EU themed weeks in Brussels by end of March 2013. [OFMDFM; all departments]
 - 2.3 Encourage inward visits to the region from at least two European Commissioners by December 2012, profiling our regional views regarding key EU policies and programmes. [OFMDFM; all departments]
- 3 Maximise our engagement in key European networks and with the European Institutions to raise our positive profile, promote our interests, raise awareness of and encourage participation in European matters.
 - 3.1 Identify and engage in EU networks and consortia of benefit to the region, in line with our four thematic priorities, hosting at least one event in the region by June 2012. [OFMDFM; all departments]
 - 3.2 Facilitate co-ordination and co-operation between the region's cross-departmental Barroso Task Force Working Group and the European Commission's Task Force for Northern Ireland in line with the Executive's European Priorities, with at least one formal meeting by end March 2013. [OFMDFM; all departments]

The drawdown target of £13.2 million was derived from the Executive's target for a 20% increase in drawdown of competitive EU funds. Setting out the background to this target, information provided from by Office of the First Minister and deputy First Minister to the Committee outlined that:

A baseline of £11m was established following an interdepartmental consultation exercise. 'Drawdown' was defined as the point in time at which competitive EU monies were received in a project sponsor's bank account. For some programmes, such as Framework Programme 7, it was accepted that it would be more appropriate to report drawdown as 'funds awarded'.

Although this was an Executive target placed on Departments, drawdown by Arms Length Bodies (ALB) and Third Parties could count towards the achievement of the target if departments could:

- a. Demonstrate that measurable and significant departmental effort had been expended to assist in leveraging the drawdown; and
- b. The ALB or Third Party confirmed that they were content for their drawdown to be counted towards the Executive's target.

The baseline comprises the sum of monies drawn down in the financial year 2010/11 from Framework Programme 7 (£6.4m), Trans-European Networks –Transport (£1.8m), the Competitiveness and Innovation Framework Programme (£0.2m) and the Interreg IVB and IVC Programmes (£2.6m).

Answers to recent Assembly Questions (AQs) have provided updates on the work of the BTWG and progress against commitments contained in the Programme for Government and the Executive's 2012-13 European Priorities. On 10 January 2013, in response to an AQ asking the First Minister and deputy First Minister for an update on the Programme for Government commitment to facilitate delivery of the Executive's 20 percent target for increased drawdown of competitive EU funds, it was stated that:

A baseline of £11 million was set against which to measure the Executive's target of a 20% increase in drawdown of competitive EU funds. Meeting our 20% target would result in £53 million of competitive European funding for the Executive. In 2011/12, which was the first year in which we measured progress against the target, almost £16 million was secured to benefit our businesses, groups and citizens.

We continue to drive this work through the Barroso Taskforce Working Group (BTWG). In November, Junior Ministers led a BTWG meeting to consider progress made by Executive departments – not just on funding – but against all of the objectives in our 2012-13 European Priorities. At the halfway point in the year, we can confirm that departments are on track to deliver 95% of targets set.

We will build on this work when we visit Brussels later this month to participate in an EU Peace conference at the invitation of Commissioner Hahn.¹⁰

On 14 January 2013, in response to an AQ asking the First Minister and deputy First Minister for an update on the work of the Barroso Task Force, junior Minister Bell informed the Assembly that:

The Executive published their 2012-13 European priorities in May, maintaining the thematic approach that was established in previous years. Departments have set themselves 124 targets to drive forward our European priorities. I am pleased to say that at the halfway point this year, thematic groups have reported back to us that 95% of our targets are on track to be met and achieved and that 30 targets, almost one quarter of the total, have been fully achieved. We continue to drive that work forward through the Barroso task force working group. We are looking to enhance Northern Ireland's competitiveness and to promote new skills and jobs. We also want to encourage innovation and technological advances to address the climate change issues, reduce harmful emissions and promote energy efficiency. Finally, we want to promote social cohesion, including conflict resolution.¹¹

16 January 2013

10 AQO 2965/11-15 Mr Robin Swann [Ulster Unionist Party, North Antrim] Tabled Date: 15/11/2012 Answered On: 10/01/2013

11 AQO 3107/11-15 Mr Gerry Kelly (SF - North Belfast) Tabled Date: 15/11/2012 Answered On: 14/01/2013

Appendix 1

Membership of European Thematic Priority Groups by Department

Thematic Group	Competitiveness and Employment	Innovation and Technology	Climate Change and Energy	Social Cohesion
Department	DEL lead	DETI lead	DOE lead	OFMDFM lead
DARD		X	X	
DCAL		X		X
DE	X	X		X
DEL	X	X		X
DETI	X	X	X	
DFP				X
DHSSPS		X		X
DOE			X	
DOJ				X
DRD	X		X	
DSD	x		X	X
OFMDFM				X



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