MINISTERIAL STATEMENT ON THE BRUSSELS ENGAGEMENT PROGRAMME AND EXECUTIVE'S 2012-13 EUROPEAN PRIORITIES

The 2011-12 European Priorities Implementation Report and 2012-13 European Priorities will be available on the OFMDFM website immediately following this statement. (http://www.ofmdfmni.gov.uk/index/co-operation/about-the-european-policy-and-co-ordination-co-operation.htm)

INTRODUCTION

Mr Speaker, with your permission, I would like to make a statement on the Executive's recent European successes, including a major engagement event in Brussels undertaken by the Barroso Task Force Working Group; and explain how these efforts have shaped the Executive's European Priorities for 2012-13, which are published today.

I am pleased to report that the last year has seen a substantial step-up in our collective engagement in EU policies, funding programmes and networks.

All departments have been involved in this work, which has seen us raise our positive profile, commit additional dedicated resources to support our efforts and has helped us to achieve increased financial success.

EUROPEAN SUCCESSES - 2011-12

While the Eurozone's financial problems have been making all the headlines, this has been a hugely important year for us to be very actively engaged with Brussels as the first firm proposals and draft regulations for the next European funding period (2014-2020) have emerged. Departments have been following these policy debates closely and have been working to ensure that these proposals, and the new funding programmes which will eventually emerge, accommodate our regional needs as fully as possible.

The Executive has strengthened its European support infrastructure to assist departments in their efforts - funding nine additional European secondments, including four Desk Officers operating from the Executive's Brussels Office. These Desk Officers are dedicated to supporting the Barroso Task Force Working Group (BTWG) and its four thematic sub-groups. Since taking up their posts in early March, they have already made a significant impact, opening new doors and helping departments to engage more. This will maximise the benefits for our businesses and citizens over the coming year.

A significant and tangible outcome from our collective efforts can be seen in the increased drawdown of competitive EU monies over the last year. The Executive set itself a target in the Programme for Government (PfG) of a 20% increase in EU competitive funding by March 2015. Over the last year – Year 1 of the target period – departments drew down £15.8 million of competitive EU funds - an increase of £4.9 million over the 2010-11 baseline. This is an excellent start and provides a strong springboard for delivering even greater success across the remaining three years of the target.

BARROSO TASK FORCE - CONTEXT FOR EVENT

All of these efforts culminated in a highly successful Brussels engagement programme by the Barroso Task Force Working Group (BTWG) between 27-29 March, under the chairmanship of Junior Minister Anderson and I.

We led a delegation of officials from all departments to Brussels to engage in an extensive and comprehensive programme of meetings and discussions with the European Commission's members of the Barroso Task Force.

The purpose of the programme was to take stock of progress made to date against the Executive's agreed priorities, pursue current issues and to share our future strategic priorities with the European Commission.

This is an important time to be making our voice heard in Brussels. Negotiations are, for example, currently underway on the size of the EU Budget for 2014-2020. This will determine the amount of funding available for the next generation of EU policies and programmes such as the Common Agriculture Policy, the Structural Funds and the new Research and Development Framework – Horizon 2020 – all of which will be highly significant for us.

We must therefore continue to exploit the unique opportunities presented to us by the Barroso Task Force and opportunities such as our Brussels Programme to identify fresh funding opportunities, influence policy and more generally further our interests in Europe to help strengthen and support our economy.

President Barroso has invested personally and politically in this process. In 2007, he was the first European leader to visit us following agreement on the restoration of devolved government. He underlined the support of the European Commission for the peace process at an important time in our political and economic development and he established a Task Force to enhance our engagement in Europe reinforcing our newly established political institutions.

In December 2010, President Barroso again restated his personal commitment to us when he joined the First Minister and deputy First Minister in opening new premises for our Executive's office in Brussels and reinforced and renewed the work of the Task Force.

In response, through the Barroso Task Force Working Group, we have built up a strong infrastructure of our own, allowing us to work with the Commission Task Force, engage effectively in Europe and, through mechanisms such as the Programme for Government, to mainstream Europe within both the Executive and departments.

The Barroso Task Force Working Group aims to promote:

- 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

Through this group and its various subgroups we aim to harness European programmes and policies to help us make progress across a number of areas including:

- Competitiveness and Employment;
- Innovation and Technology;
- Climate Change and Energy; and

• Social Cohesion.

Recognising the time-limited advantage which the Barroso Taskforce offers us, we have - even in the current difficult financial environment - provided additional resources to boost the number of our Brussels-based officials, and ensure that every opportunity for greater European success is being maximised.

BRUSSELS PROGRAMME – ENGAGEMENT OUTCOMES

We have through the Brussels programme strengthened significantly our engagement with the European Commission. Following and building on the previous inward visit to Belfast by the Commission Task Force in March 2011.

While there we were able to outline to the Commission areas where we have made significant progress during 2011/2012 against our targets.

Our most recent visit to Brussels gave us once more an opportunity to express our appreciation for the Work of the Commission Task Force including directly to Walter Deffaa the recently appointed Director General of DG Regio. But in addition, this gave us unprecedented access to Commission officials when and over the course of 3 days, 54 meetings took place involving 35 civil service officials from all Departments

In addition our Executive Office in Brussels hosted a plenary session attended by over 50 officials from the European Commission and our own departments. This focused on the current World and European economic context and the strategic thrust that will be necessary in the coming 2012/2013 year to stimulate growth and help regions such as ours recover from recession. The session was chaired jointly by the lead Commission Official on the Barroso Task Force and the Head of the Executive's Office in Brussels and was addressed by the Director General of DG Regio and the Permanent Secretary of the Department of Trade and Investment, David Sterling.

The Brussels Programme also provided Junior Minister Anderson and I with the opportunity to raise specific issues of importance:

During the first 6 months of 2013, Ireland will take on the Presidency of the European Council. As such they are expected to preside over a number of key EU decisions such as possibly the agreement of the EU Budget, the future of the Common Agricultural Policy and Cohesion Policy. We used the opportunity of the visit to explore with the Irish Permanent Representation to the EU, areas where we could contribute to and benefit from this important Irish Presidency. The possibility for example of secondments of our civil servants to Irish Departments was raised following agreement in principle at a previous North/South Ministerial Council. Already one civil servant has been seconded to the Irish Permanent Representation in Brussels to assist in the Presidency. This is a rare important opportunity for our officials to gain first hand experience at a time when decisions will be made that will impact on us for many years to come

We met with our MEPs Jim Nicholson, Diane Dodds as well as staff from Bairbre De Brún's office and we briefed them on the recent work of the Task Force. Since the Lisbon Treaty came into force, the European Parliament has become a co-legislator in important policy areas such as Agriculture and Fisheries and cohesion policy. This

reinforces the need for us to work proactively with our MEPs in promoting our regional agenda.

As Ministers we are keen to further our contribution to the EU efforts to increase its role in peace building and conflict resolution throughout the world. The European Commission, in the Barroso Task Force report, committed to working with us to examine how this might be done. The European External Action Service, as the EU's foreign policy arm, is currently considering how the EU can develop its role in this area. It is therefore an opportune time for us to join these discussions. This is particularly so in the light of the EU's recent decision to award £12 million towards the construction of a Peace Building and Reconciliation Centre at Maze/Long Kesh This was of particular interest to members of the Cabinet of Vice President Catherine Ashton, High Representative of the European Union for Foreign Affairs and Security Policy and to officials within the European External Action Service with whom we had very positive meetings.

We also discussed these developments with Jane Morrice, one of our members of the Economic and Social Committee. Jane was rapporteur for her Committee's Formal Opinion on the Role of the EU in helping resolve international conflicts. Her report lays particular emphasis on the relevance of our peace process to conflict resolution in other parts of the world. It was adopted by the Committee on the 19 January this year and further underlines the potential for the Centre at Maze/Long Kesh to play a major role in international conflict prevention and resolution.

We took the opportunity of our meeting with the Director General of DG Regio Walter Deffaa to discuss the future direction of European Cohesion Policy, including the possibility of a further Peace Programme. In his role, Mr Deffaa will have an important influence in the current Structural Funds negotiations. We also discussed Commissioner Hahn's proposal to host an event in Brussels to showcase projects funded by the Peace Programme to a wider international audience which is scheduled for early 2013.

BRUSSELS – DEPARTMENTAL ENGAGEMENT

Just as Structural Funds are important to our future economic growth, so too are the many competitive EU programmes that are available to us now and in the future. These opportunities were explored in some depth through a series of meetings with the Commission and our officials in each of the Executive's policy priority groups. Those in the Innovation and Technology group covered topics such as the future funding programmes for 2014-2020 with a particular emphasis on supporting and growing our SMEs. They explored the COSME programme which aims to provide support for entrepreneurship through better access to financial and enhanced support services; the Regional Smart Specialisation Strategies and Horizon 2020, the EU's future Framework Programme for Research and Innovation. Possible funding applications under the European Innovation Partnership were also explored with a focus on Agricultural Productivity and Sustainability

Officials in the Competitiveness and Employment policy group discussed opportunities to address the EU wide issue of Youth Unemployment. They discussed also current proposals to use uncommitted funding from existing programmes to address this problem. Their discussions also, covered 'Erasmus for All', the new

future programme proposed for education, training, youth and sport. This will replace the existing Life Long Learning Programmes. Other issues covered included the European Social Fund and Vocational Excellence.

Problems posed by an ageing population provided a particular focus for the social cohesion group's policy discussions. Specifically, officials were interested in exploring funding for innovative approaches to the problem. They also looked for opportunities to share examples of local best practice in this area such as the creation of a Commissioner for Older People and our combined health and social care system. Other members of the social cohesion theme focused on funding opportunities relating to youth disenfranchisement, justice, culture and community led regeneration. The meetings explored existing and future funding opportunities.

The Climate and Energy group members impressed the Commission during their meetings with how our experience could provide insight into a regional approach for the EU Adaptation Strategy; and how our approach to low carbon technology and renewables could drive ambitious targets. Officials highlighted successful research by our Agricultural food and Bioscience Institute into agricultural carbon sequestration and held constructive meetings on transport policy, including electric vehicles and transnational funding of projects under the Trans European Network Programme.

For those Members interested in finding out more, we will be providing a more detailed report on the Brussels Engagement Programme which will be laid in the Assembly Library shortly.

2012-13 EUROPEAN PRIORITIES / NEXT STEPS

Moving forward, it is important that we maintain the significant momentum that has been built up as a result of the Brussels Engagement Programme. Follow-up actions are being pursued and bilateral contacts between departments and the Commission services have been strengthened. Early reciprocal programmes by Commission officials are expected and one, dealing with Health and the Digital Agenda has already taken place.

Today we have published our 2011-12 European Priorities Implementation Report and our 2012-13 European Priorities. Both of these documents can be found in the Assembly Library, hardcopies are available from the Business Office and members will be able to download these from the OFMDFM website following this debate. Their publication represents another tangible step forward and a re-statement of the Executive's commitment to this work.

Given our success to date, we will continue to focus on the four broad themes of: Competiveness and Employment, Innovation and Technology, Climate Change and Energy and Social Cohesion which we adopted last year.

Our aims and objectives have, however, been updated and aligned with EU objectives for the current year, those details we currently have on the 2014-2020 EU funding period - and with our own Programme for Government.

As was the case last year, an implementation plan, setting targets for each of the objectives identified under each theme, is being developed. BTWG will monitor

progress on a quarterly basis and will provide the Executive with a formal six-month progress report in the autumn.

Now that we have a reinforced infrastructure in place to support the drawdown of EU monies, our intention is to build on last year's success by broadening the range of competitive EU funding streams targeted by departments and by working to influence the ongoing negotiations on key funding sources such as the Connecting Europe Facility and Horizon 2020 (which will be worth around $\[Engline{E}\]$ 50 billion and $\[Engline{E}\]$ 80 billion respectively).

We expect during this year to consolidate our preparations for the new EU funding period so that - by the end of 2013 - each department will have a well developed project pipeline in place, allowing them to tap in to the new EU funding programmes as soon as they are launched.

We also believe that our performance needs to be seen in context if our success is to be honestly and fairly measured. Our performance in Year 1 has been good, but on a relative basis, compared with other regions, the picture is still unclear and so for the year ahead – Year 2 – we will be placing greater emphasis on comparing our relative drawdown with the best performing regions in Europe. Engaging positively, extending partnerships and collaboration across key policies and programmes will do much to make this possible and to advance our own learning and knowledge.

We will also work closely with our MEPs and other representatives to the EU to exert the maximum possible influence on decisions in Brussels that are important to us

CONCLUSION

The Barroso Task Force represents a significant political and resource investment by the European Commission in the region as part of its contribution to helping us maintain a momentum towards a peaceful and shared society and towards economic recovery.

The Executive in turn recognises the need to match the Commission's continued prioritisation of the region with an appropriate level of resource and effort. In so doing, we will realise the greatest benefits from our EU membership for both our businesses and our citizens.

As Junior Ministers, with responsibility for this work, we will continue to encourage and support departments in their efforts, helping them to implement their individual priorities and deliver even greater collective success - strengthening our economy and building a shared and better future for all.