

Draft: 30th May 2012

Position Paper presented to Minister Sammy Wilson (DFP) on the proposed role of the Local Authority Led Cross Border Groups in the INTERREG VA Programme.

1. Introduction

The five Local Authority Led Cross Border Groups are made up of thirty three local authorities and cover the Ireland/N Ireland INTERREG IVA eligible area. The total population of the thirty three local authorities is 2.769million.

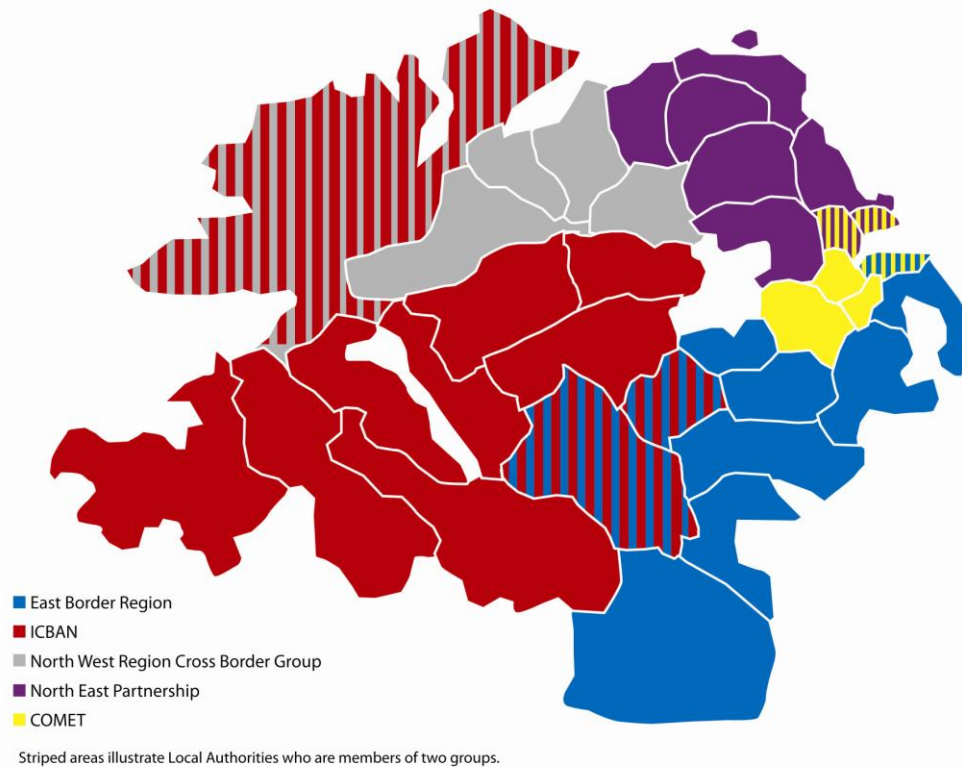
The Local Authority Led Cross Border Groups are

- **East Border Region** (Louth, Monaghan and Meath County Councils in ROI, and Newry and Mourne, Down, Armagh, Craigavon, Ards, North Down and Banbridge in N Ireland.)
- **Irish Central Border Area Network** (Monaghan, Leitrim, Cavan, Sligo and Donegal County Councils in ROI and Armagh, Cookstown, Dungannon and South Tyrone, Fermanagh and Omagh in N.Ireland
- **North West Region Cross Border Group** (Donegal County Council in ROI, and Derry City, Limavady, Strabane and Magherafelt in N Ireland.)
- **North East Partnership** (Antrim, Ballymena, Ballymoney, Carrickfergus, Coleraine, Larne, Moyle and Newtownabbey Councils in N Ireland)
- **COMET** (Belfast, Lisburn, Carrickfergus, Castlereagh, North Down and Newtownabbey Councils in N Ireland)

The Map overleaf shows the coverage of the five groups which taken together makes up the Ireland/N Ireland INTERREG IVA eligible area. The five Local Authority Led Cross Border Groups are unique amongst the INTERREG Programmes across the European Union.

To ensure that a genuinely bottom up approach, which adequately reflects the local needs, as well as the specific needs of each sub-region continues, it is important that the local identity of the 5 groups is maintained. Each group has built up excellent relationships with local stakeholders, have strong local knowledge and are best placed to identify cross border needs going forward.

Local Authority Led Cross Border Groups



Although they differ in their internal structures and procedures, all five Groups are, at present, composed entirely of elected members of the constituent local authorities.

The five groups have, in recent years, been working closely together to establish best practice in cooperation between European border regions and to apply such lessons in the context of the Ireland/N Ireland border region. East Border Region, ICBAN and the North West Cross Border Group are longstanding members of the Association of European Border Regions (AEBR) and have used this platform to gain insight into cross border practice in other European Border Regions. In May 2012 NEP officially became members of AEBR.

1.1 The INTERREG Programme

The groups have received financial assistance from all of the Ireland/N Ireland INTERREG Programmes to date. Both East Border Region and the North West Group benefited under INTERREG I as project applicants and under INTERREG II these groups plus ICBAN were funded as project applicants. The INTERREG III

Programme differed in that the three groups, East Border Region, ICBAN and the North West Region Cross Border Group were Implementation Bodies. This came about following a concerted lobbying campaign by the three groups. As a result, both Finance Ministers in the Republic and in N Ireland, Ministers McCreevy and Durkan, set up an Action Team in 2000. The role of the Action Team was to define and report on the future roles of the Border Corridor Groups in the context of the new round of Structural Funds support 2000-2006 and to propose an appropriate model which would achieve the implementation of those roles. In April 2001 the report of the Action Team was considered by the North South Ministerial Council and the following key principle was agreed;

‘That a substantive allocation of funds will be made to the Border Corridor Groups and decentralised decision making structures be formed to administer this funding’ (INTERREG IIIA Partnerships)

The East Border Region, ICBAN and North West INTERREG IIIA Partnerships were formed and in total the groups successfully administered €60 million, one third of the total INTERREG IIIA budget. A range of projects were funded through the local groups and the profile of the INTERREG Programme was raised considerably across the eligible area. This decentralised model of delivery was a success. Indeed the evaluation of the INTERREG IIIA Programme stated;

‘The Partnerships offer added value to the Programme in that they have local knowledge and expertise. The Partnerships by their nature, are engaged in, and promote, cross border economic and social development on a day to day basis’

INTERREG IIIA Midterm review

During this time both the North East Partnership and the COMET Group formed Shadow INTERREG IIIA Partnerships.

INTERREG IVA Programme

The INTERREG IVA Programme saw a change in the role of the Local Authority Led Cross Border Groups which now included the North East and COMET Partnerships. There were no implementation bodies in this programme, instead the Lead Partner Principle was introduced. The five Local Authority Led Cross Border Groups developed Multi Annual Plans and these were considered

by The Special European Union Programmes Body. At the outset of the funding period it was anticipated that an allocation of funds would be awarded to each Local Authority Group to implement their respective Multi Annual Plans. This did not happen and subsequently, two years into the new Programme an alternative process was introduced. In 2009 each group had to submit individual applications for each project for consideration. The result was a significant delay in respect of group projects and frustration amongst elected members and officers alike. Indeed the first group project to receive funding was in 2010, three years after the commencement of the Programme.

The INTERREG IVA Programme is the first INTERREG Programme to award 100% funding. This has resulted in a further centralisation of the Programme because the match funding for each project now comes from government departments North and South. Acquiring accountable department approval for projects in the current harsh economic climate is challenging. Overall local delivery in respect of the INTERREG IVA Programme has been challenging and approval processes have been arduous and slow.

The new round of Structural Funds 2014-2020 and particularly the European Territorial Co-operation Regulation offers the opportunity for the Local Authority Led Cross Border Groups to develop their roles in increasing local involvement and participation in the INTERREG V Programme and providing Local Strategic input in this context. The groups believe that the decentralised INTERREG IIIA model best delivered for the people living and working in the INTERREG eligible area.

1.2 Peace Programme

The Peace III Programme retained a local element in respect of implementation and it is clear that this Programme has not suffered the delay and frustrations which INTERREG IVA has.

The Peace III Programme has been administered via the formation of Peace Clusters/Partnerships. These self-forming consortia comprise regional organisations and locally based groups, making provision for cross sectoral engagement.

Each consortia initially developed an agreed regional Action Plan with specific targets and associated budgets, which were submitted to and approved by the Special EU Programmes Body. In the Republic the Peace Partnerships form a sub committee of the relevant County Development Board.

Whilst there is a degree of variation in the composition of the groups, with some Peace Clusters having a more significant presence from the statutory sector, the Interim Review (October 2010) reports that:

‘...this approach has brought with it excellent local knowledge and enthusiasm...’

1.3 Terms of Reference

This report has been produced by a Working Group. The role of this group is to define and lobby for the future roles of the Local Authority Led Cross Border Groups in the context of the new round of EU Structural Funds 2014-2020, in particular the INTERREG V Programme, and to propose an appropriate model which will achieve the effective implementation of those roles.

The scope of the work of the Working Group was to consider how best the Local Authority Led Cross Border Groups can contribute to the implementation of the INTERREG V Programme in the eligible area.

In this context the working group considered the following:

- maximising the role of Local Authorities through the Cross Border Groups in the INTERREG VA programme, to bring practical benefits to the communities on both sides of the border and consequently ensuring that Local Authorities in the eligible area are at the forefront of cross border economic development.
- Advocating for the fair and equitable allocation of INTERREG V funds to Local Authorities through the Cross Border Groups in relation to cross border activity.
- The preferred model to implement these funds, giving consideration to other best practice examples in Europe.
- Ensure the complementarity with existing and changing structures, policies and procedures, impacting on Local Government, North and South, e.g. RPA in Northern Ireland
- Complementarity and additionality of actions across related expenditure programmes, both EU and National.

The following factors were also considered:

- The legal, operational competences and future remit of local authorities, North and South (including the Review of Public Administration in NI) ;
- EU Structural Funds Regulations;
- The role of the Member States, Government Departments, Special EU Programmes Body and other delivery agents;
- Accountability
- Efficiency and Effectiveness; and
- Transparency and Inclusiveness in EU funds management and delivery.

1.4 Composition of the Working Group

- One County Manager from each Local Authority Led Cross Border Group
- One Chief Executive Officer from each Local Authority Led Cross Border Group
- Chairperson of each Local Authority Led Cross Border Group
- Manager of each Local Authority Led Cross Border Group

The final report will be the agreed outcome of the work of the Working Group.

The final report will be strategic in nature and must be agreed and ratified by the Boards of the Cross Border Groups; it will set out a proposed model and options for the involvement of the Local Authority Led Cross Border Groups which will provide a framework for the accountable, effective and efficient delivery of the relevant parts of the INTERREG V Programme.

The focus of this report is on the principles which should govern the role of the Local Authority Led Cross Border Groups in the INTERREG V Programme. Further work will be required on the implementation of those principles as the shape of the INTERREG V Programme becomes clearer.

1.5 Structure of the Report

Section 2 sets out the principles which we believe should govern the involvement of the Local Authority Led Cross Border Groups in the INTERREG V Programme. It also sets out the principles which would govern the roles of the Local Authority Led Cross Border Groups in relation to other organisations involved with the INTERREG V Programme.

Section 3 sets out a proposed model for the involvement of the Local Authority Cross Border Groups in delivery of the INTERREG V Programme.

Section 4 addresses the issues of complementarity and linkages with:

- Other EU and National expenditure programmes;
- Existing structures

2. Principles for Involvement

The Working Group considered a framework underpinned by a set of shared principles as the preferred method of securing a meaningful involvement for the Local Authority Led Cross border Groups, and by extension their Local Authority members in the INTERREG V Programme for Local Cross Border Economic Development.

The principles which the working group recommends should underlie future arrangements are:

- In the context of Government Policies and legal and administrative frameworks, North and South, the role of the Local Authority Led Cross Border Groups should be maximised to bring practical benefits to the communities on both sides of the border;
- The ethos of Partnership working should be maintained between all groups;
- Arrangements need to be compatible with EU Structural Funds regulations and the legal and administrative frameworks, North and South and need to achieve complementarity with other structures and programmes;
- Within this context, a substantive allocation of funds should be made to the Local Authority Led Cross Border Groups and decentralised decision-making structures will be put in place for the administration of those funds;
- Structures and processes for decision-making at local level need to be inclusive and transparent;
- Recognition of the role of the Local Authority Led Cross Border Groups as a source of authoritative consultation for elements of the INTERREG V Programme not managed directly by the groups e.g. Infrastructure

This report provides a framework of principles and partnership which requires further development, discussion and agreement and cannot, at this time be a final and prescriptive document.

We believe that recognition of these principles by Government Departments, in particular the Finance Departments, and by the Special EU Programmes Body will provide the basis for implementing meaningful roles for the Local Authority Led Cross Border Groups and by extension their Local Authority members through more detailed development of the INTERREG V Programme.

3. The Proposed Model for INTERREG V

This Section outlines the proposed involvement of the Local Authority Led Cross Border Groups in the INTERREG V Programme. In accordance with the principles set out in Section 2, it should be noted that this is not intended to be a prescriptive strait jacket and that further work is needed, to develop the operational aspect of these proposals. That further work will take into account the response of the European Commission to the draft Programme submitted to it.

A number of distinct roles are envisaged for the Local Authority Led Cross Border Groups. Those roles have been identified on the basis that they are the functions for which the Local Authority Led Cross Border Groups are potentially the organisations ‘best placed to deliver’.

The proposed roles are

- Being the decision making bodies for defined parts of the INTERREG V Programme, where decision making would be delegated to the Cross Border groups through the Article 28 Community Led Local Development Provision.
- Being an authoritative source of consultation on the needs and priorities of the INTERREG V eligible area in the context of both INTERREG and other EU funds for cross border economic development
- Working in partnership with the Special EU Programmes Body to develop the capacity of the Ireland/N Ireland INTERREG V area to undertake strategic cross border cooperation.
- Representing the local dimension on the INTERREG V Monitoring Committee/Steering Committees/Multi Lateral Meetings

In addition, nothing in the above roles would prevent the Local Authority Led Groups remaining able to apply for funds and manage projects either directly or through member local authorities.

3.1 Context

The proposed roles of the Local Authority Led Cross Border Groups need to be set in the context of EU and national policies and practices, the legal and administrative frameworks, and the particular institutional context provided by the two administrations for cross border co-operation.

The Structural Funds Regulations in general and their specific provisions in relation to the roles and responsibilities of Member States, Managing and Paying Authorities have been taken into account in developing these proposals. In particular, within the framework of policies, practices and regulations provided by the Member States and the Structural Funds regulations, it is the role of the Monitoring Committee, subject to Member State agreement, to make financial allocations and adjustments.

The legislation establishing the Special EU Programmes Body specifies its functions and responsibilities and arrangements for the Body to act in consultation with the Finance Departments. Other specific institutional arrangements which had to be taken into account when developing these proposals included

- The differing roles and responsibilities of local authorities North and South of the border, and
- The role of Government Departments North and South,

We are satisfied that the arrangements set out in this report fully meet the various requirements and constraints while providing for appropriate roles for the Local Authority Led Cross Border Groups which respect the principles of partnership and subsidiarity.

3.2 Structures

To be able to play these roles the Local Authority Led Cross Border groups realise that we may have to make structural changes. While the precise details of the structural changes will vary between the five groups all will adhere to the Community Led Local Development model as outlined in Article 28 of the General Regulation of the European Union¹.

The key principles of this model are that Community-Led Local development, shall be

- Focused on specific sub regional territories;
- Community-led, by local action groups composed of representatives of public and private local socio-economic interests, where at the decision making level neither the public sector nor any single interest group shall represent more than 49% of the voting rights;

¹ Proposal for a Regulation of the European Parliament and of the Council laying down common provisions. COM (2011) 615Final/2

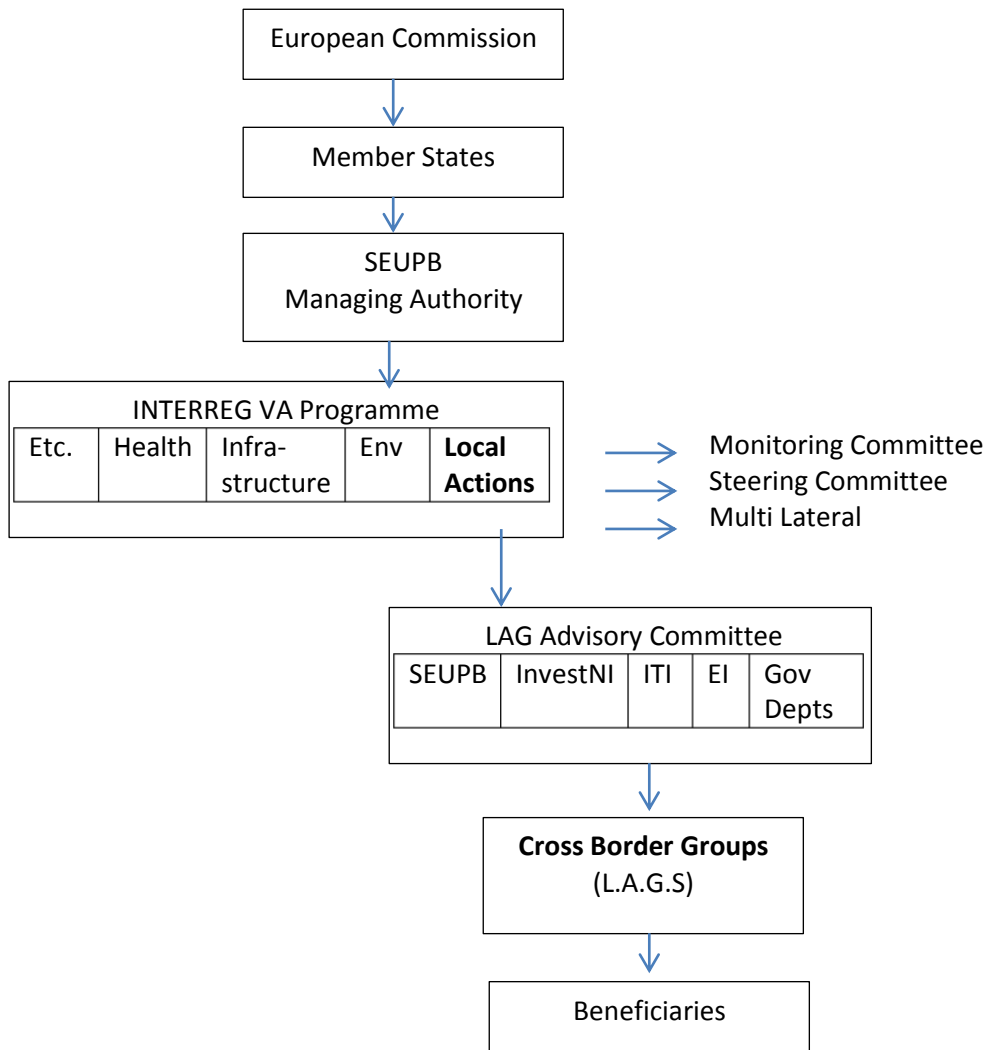
- Carried out through integrated and multi-sectoral area based local development strategies;
- Designed taking into consideration local needs and potential, and include innovative features in the local context, networking and, co-operation

Each Local Authority Led Cross Border Group shall form a Local Action Group which will be similar to the INTERREG IIIA Partnerships established under that Programme. This group will comprise elected members and social partners. The means by which social partner membership is secured will be inclusive, open and transparent.

The Local Authority Led Cross Border Groups will also participate in the INTERREG V Programme Monitoring Committee and in whatever structures are established for the overall management and delivery of the Programme, subject to this participation being consistent with other roles the Groups might undertake in the Programme. The groups would strongly recommend a return to the Multi Lateral Meetings conducted under INTERREG IIIA as they encouraged communication between key stakeholders and exchange of best practice.

The five Local Action Groups should be supported by an Advisory Committee chaired by SEUPB. The Advisory Committee would draw in wider representation including specific sectoral knowledge and representation from appropriate Government Departments and public bodies. The views of the Government departments and public bodies would be expressed through the Advisory Committee.

See Diagram below which illustrates proposed Structure:



3.3 Strategy Setting

Each Local Authority Led Cross Border Group will prepare a Strategic Plan which will include a Local Development Strategy. The Strategy shall contain the following elements:

- The definition of the area and population covered by the strategy
- An analysis of the cross border development needs and potential of the area, including a swot analysis;
- A description of the strategy and its objectives, a description of the integrated and innovative character of the strategy and a hierarchy of objectives, including clear and measurable targets for outputs or results. The strategy will be coherent with the INTERREG V Programme.
- A description of the process of community involvement in the development of the strategy;
- An action plan demonstrating how objectives are translated into actions;
- A description of the management and monitoring arrangements of the strategy, demonstrating the capacity of the local action group to implement the strategy and a description of specific arrangements for evaluation.
- The financial plan of the strategy

The member states shall define the criteria for the selection of local development strategies based on the rules and regulations of the INTERREG V Programme. The member states in conjunction with the Managing Authority for the INTERREG V Programme shall select the Local Development strategies. The selection and approval of each should be completed as soon as possible after the Ireland/N Ireland INTERREG V Programme is adopted by the European Commission. The Member States shall define the respective roles of the local action group and the authorities responsible for the implementation of the relevant programmes, for all implementation tasks relating to the strategy.

The Strategic Plan will be rolled forward by Annual Operating Plans which will be subject to the approval of the Member States and SEUPB.

The detailed structures and resources required for the implementation of the roles of the groups would be a matter to be dealt during the development of the Strategic Plans. It is envisaged that there will be areas where the groups can pool their resources to ensure that efficiencies in respect of administration and other areas of expertise are realised across the programme. The groups are currently considering where these efficiencies may best be realised.

3.4 Authoritative Consultative Role

The consultative role of the Local Authority Led Cross Border Groups will be an important aspect of the INTERREG V Programme – this extends not only to the elements of the Programme for which they have a decision making role or to individual projects within their areas, but also to the broad strategy for the Programme.

The added value which the groups bring to the INTERREG Programme is through the local dimension. The groups are aware of the needs of their constituent areas and operate on the ‘bottom up ‘principle. It is thus important that this message is conveyed through the groups across the whole INTERREG V Programme. The groups should be involved from the outset.

An authoritative consultative role for the Local Authority Led Cross Border Groups can be achieved through the following mechanisms:

- Through their membership of the Monitoring Committee/Steering Committees and proposed Multi Laterals if this role is consistent with other roles in the Programme;
- By participating in the development of the INTERREG V Programme in advance of it being submitted for adoption as recommended by the European Commission.

3.5 Representational Role

The authoritative consultative role of the Local Authority led Cross Border Groups would be strongly reinforced by the groups’ representation on the Programme Monitoring Committee, which approves any changes to the Programme in consultation with the Member States.

4. Complementarity and Linkages

This section considers the complementarity and linkages between the proposed role of the Local Authority led Cross border Groups and

- Other EU and national expenditure Programmes
- Existing structures

4.1 Association of European Border Regions (AEBR)

The position of the Local Authority Led Cross border Groups is complementary to the Position Paper on the New Regulations for European Cohesion 2014-2020, issued by the AEBR in March 2012. On behalf of its members, AEBR has taken part in all relevant debates at European Level dealing with the future of Cohesion Policy, particularly on the European Territorial Cooperation, and especially on the future Cross Border Cooperation. AEBR has had intensive discussions with representatives of the European Parliament and the European Commission, the Committee of the Regions and some National Governments and regions. The AEBR opinion thus reflects the situation in many European border and cross border regions. The Position Paper states that

- Region specific and decentralised managed INTERREG A Programmes achieve the best cross border results
- There is a need for ‘people to people’ projects. This could be considered a minor issue for national governments but it is crucial in the practice of day to day cooperation, as it has very much to do with the involvement of civil society in daily cross border cooperation.
- More visibility is needed both top-down and bottom up to convey the meaning and impact of cross border cooperation.

In general the AEBR contends that some of the present weaknesses of cross border programmes which have been identified in the Barca Report, the INTERREG ex-post evaluation and in various past AEBR reports are due to the frequent lack of bottom up approach and overall strategic framework, too many priorities, insufficient real cross border character of projects, as well as the need to enhance stakeholder participation. The approach being advocated by the five Local Authority Led Cross Border Groups should go some way to addressing these common weaknesses.

Due to the time constraints to have this paper completed, we advise that will be undertaking further work to ensure that we align our position with emerging EU Programmes for Northern Ireland and the Border Regions as well as with the national strategies in both jurisdictions.

Conclusion

The five Local Authority led Cross Border Groups fully recognise that the European regulations and budgets for the period 2014-2020 have yet to be finalised. We are fully aware that the INTERREG V Programme will reflect four of the eleven proposed ERDF thematic priorities but as yet these are to be determined by the Managing Authority, SEUPB and the Accountable Departments North and South. We will ensure that Strategic Plans will mirror the selected themes and investment priorities, in turn tying our proposed impacts to the EU2020 priorities and targets. We will also naturally reflect the national and local strategies and priorities of both jurisdictions.

Recommendations

- 1. That the Minister considers adapting the use of Article 28 for the inclusion of the Local Authority Led Cross Border Groups in the INTERREG VA Programme.**
- 2. That the Minister invites the five Local Authority Led Cross Border Groups to develop strategic INTERREG VA Plans and that these are named in the N. Ireland Partnership Contracts in December 2012.**
- 3. That the Minister invites the five Local Authority Led Cross Border groups to present the above model to the DFP Committee at Stormont.**
- 4. That the Minister ensures that the five Local Authority Led Cross Border Groups are represented on the INTERREG VA Development Committee**
- 5. That the Minister considers taking these proposals forward with his counterpart in the Republic of Ireland, Minister Brendan Howlin.**