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## COMMITTEE FOR FINANCE AND PERSONNEL

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# **OFFICIAL REPORT**

(Hansard)

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## **European Funding Issues**

8 December 2010

#### NORTHERN IRELAND ASSEMBLY

# COMMITTEE FOR FINANCE AND PERSONNEL

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### **European Funding Issues**

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#### Members present for all or part of the proceedings:

Ms Jennifer McCann (Chairperson)
Dr Stephen Farry
Mr Paul Frew
Mr Paul Girvan

Mr Mitchel McLaughlin Mr Declan O'Loan

#### Witnesses:

WILLICSSES.		
Mr Pat Colgan	)	Special EU Programmes Body
Mr Shaun Henry	)	
Mr Howard Keery	)	
Mr Martin Tyrell	)	DFP

#### The Chairperson (Ms J McCann):

I welcome Martin Tyrell, head of the North/South policy and programmes unit in the EU division of DFP; Pat Colgan, chief executive of the Special EU Programmes Body (SEUPB); Shaun Henry, director of the managing authority of the SEUPB; and Howard Keery, director of the joint technical secretariat of the SEUPB. You have all been here before, so if you want to make some opening remarks, I will invite questions from members afterwards. Thank you for coming at such short notice.

#### **Mr Martin Tyrell (Department of Finance and Personnel):**

I will start with the paper that we circulated, which I hope members have had a chance to read. I will give a quick overview of the paper and, then, will be happy to take any questions.

The paper focuses primarily on the Peace III and INTERREG IVa programmes and their implementation. Peace has a budget of approximately €332 million; INTERREG, the cross-border co-operation programme, has a budget of €256 million. The present state of play with INTERREG is that, to date, it has approved 49 projects that are collectively worth €153 million. That represents a 60% commitment of the programme budget, which is an appropriate rate of commitment at this the midterm stage of the programme's cycle. To date, approvals include €30 million for the Kelvin interconnector project to improve broadband connectivity in the northwest; €5·5 million for the Gobbins and Slieve League tourism project on the north coast to develop tourist assets; and the sensory engagement project worth €2 million.

The spending targets that the EU sets for the programmes, the so-called N+2 targets, are important because any shortfall between expenditure and target is de-committed from the programme and sent back to Brussels. Therefore, there is an imperative that the N+2 EU spending targets be always achieved. The outcome for INTERREG is positive. This year's target is approximately €20 million and, to date, the programme has spent €38 million and is comfortably above its EU target. There are no problems there and no resource will be decommitted from that programme.

An important part of the INTERREG programme is its local dimension, which is represented by the five local authority-based groups: the East Border Region Committee; Irish Central Border Area Network (ICBAN); COMET, in the greater Belfast area, the North East Partnership; and the North West Region Cross Border Group, which are an important part of the programme. INTERREG is perceived, in many circles, as a regionally focused programme with emphasis on strategic, large-scale projects rather than local ones. However, during the consultation by which the programme was developed, the local dimension was identified as having equal importance to the regional dimension. We take that aspect of the programme very seriously and see the five groups as the principal delivery mechanism for that part of the programme.

The groups developed multi-annual plans, which were strategic documents produced in 2007-08. Subsequently, they brought forward projects based on those plans to be put through the agreed selection procedures for assessment and, in time, either approval or rejection based on project quality.

The expectation was and remains that the local dimension represented by the groups will be worth approximately 600 million. However, that 600 million is not ring-fenced or guaranteed; it is entirely conditional upon the groups coming forward with sufficient high-quality projects that are capable of being positively assessed and securing that amount of resource. There is nothing guaranteed about that 600 million, but it is our view that the groups, based on their experience and local knowledge, are well placed to draw down that resource.

To date, that part of the programme has been progressing quite slowly, and that has aroused some concerns among the groups.

That is not unusual. Typically, locally focused parts of programmes have taken time to get off the ground; it takes time to co-ordinate ideas at the local level. That was the experience of previous INTERREG programmes and of successive Peace programmes where there is also a strong local dimension. Getting councils to co-ordinate and come up with ideas can take time, and that is what we found with the current INTERREG IVa programme.

There was also a difficulty with the strategic, multi-annual plans as originally presented by the groups. The multi-annual plans were high-level and strategic, with too little detail to inform a funding decision. In addition, they sought too much resource from the programme. The collective request based on the multi-annual plans was in excess of €200 million. Had it been possible to agree to the plans as initially presented, precious little resource would have been left for other aspects of the programme. Therefore groups' expectations had to be scaled down.

The process of assessing the groups' projects is well under way. There was an extensive range of selection committees for the projects throughout 2010. As a result, 18 projects worth approximately €20 million have been approved. A further eight are still in the assessment process, and we hope to have a result on those before the end of January 2011.

The remaining 35 projects were withdrawn, rejected or merged with other, more successful, projects. That is a high rate of rejection, and we hope that the groups improve on that failure rate in the second phase of their applications. It is disappointing that the local dimension had that level of rejection, and we hope to see that significantly improved. I understand that SEUPB will be taking steps to encourage the groups to improve the quality of their applications and to develop stronger applications for the year ahead.

A table in the paper that we prepared for this meeting shows the state of play with the five groups. Not all have performed to the same level. The ICBAN group has six strong projects worth €7 million approved, and although the North-East Partnership has only three projects through, they have nevertheless a high value. The other groups are trailing a little, but we hope that they make good in 2011.

The enterprise theme is a key issue. In a recession there is a great incentive for projects to come forward under enterprise projects capable of creating sustainable employment. Therefore, an imperative for the groups in 2011 will be to develop projects under the enterprise theme.

By the end of the current wave of project investments, which will probably be at the end of January 2011, we expect the groups to have secured up to  $\epsilon$ 30 million from the programme. That is half the amount that we would expect them to receive over the life of the programme, which is not a bad rate of catch-up. We expect them to secure the  $\epsilon$ 30 million balance for planning purposes in the remaining years of the programme, which we assume they will draw down.

The position with Peace is that 126 projects worth more than €200 million have been approved. That is a 62% commitment rate, which is approximately the same commitment rate as for the INTERREG programme. Again, that is a good rate of commitment of resource at the midway point of the programme.

Expenditure under Peace is €57 million to date, which compares well with the €28 million N+2 spending target that the EU set for this year. Peace, like INTERREG, is comfortably above its EU spending target, so no resource under Peace will be lost to the programme, and no resource

will be de-committed and returned to the European Commission.

With regard to the local dimension to Peace, the first wave of locally based plans, worth €49 million, were approved in 2008. A second wave will be assessed before the end of the year. Next week, I think, is the formal assessment stage for locally based plans. Theme 1·2 of the Peace III programme, "Acknowledging and dealing with the past", has a special focus on the needs of victims and survivors of the conflict, and has a €50 million budget. That was reviewed recently by independent consultants, and, with the review complete, it is now possible to reopen that part of the programme and proceed to calls, which will happen early in the new year.

The Peace programme is subject to detailed assessment. It is assessed in distinctive ways because of its unique peace-building aims, in particular through the reconciliation survey, which will report shortly, and which looks at the extent to which participants in the programme are showing reconciliation effects through their participation. We compare the participants with the wider population on two key dimensions of reconciliation, which are intercommunity trust and intercommunity contact. Ed Cairns from the school of psychology at the University of Ulster and Miles Hewstone from Oxford University, both of whom are academic experts working in the field of reconciliation, recommended that we use those particular dimensions. They have been the advisers on this part of programme monitoring.

It is also important that, the Peace programme having strong reconciliation goals, both communities participate in the programme in significant numbers. For that reason, part of the regular monitoring of all the EU peace programmes to date has involved assessing the extent to which the two main communities in Northern Ireland are participating in the programme. Peace III is no different; community uptake analysis of the Peace III programme will be carried out in the coming weeks and will be reported in the new year. That will be the first assessment of the extent to which the Peace programme has successfully attracted participants from both communities.

Analysis has shown that the two previous programmes attracted significant participation by the two communities. There was slight — but only slight — underperformance in the Protestant community, which prompted SEUPB to carry out ongoing extensive outreach activities to

encourage under-represented groups to make applications for programme funding. We are at an early stage of the debates on future funding, but our key goal at present is to pursue a further round of EU cross-border funding for an INTERREG Va programme. In addition, there has been some talk of a fourth Peace programme. That is at a very early stage, but we would greatly welcome a fourth Peace programme to complete the work of the three programmes that we have had to date.

#### The Chairperson:

Thank you. You refer to the INTERREG IVa programme in your written submission, and we met Pat before to talk about its delivery. You state in your submission that the remainder of the projects

"have either been rejected by Steering Committee, withdrawn or have yet to begin assessment."

Could we have a breakdown of where those 35 projects are? How many have been rejected by the steering committee, how many have been withdrawn and how many are yet to be assessed?

#### Mr Pat Colgan (Special EU Programmes Body):

We can provide that for you.

#### The Chairperson:

The table in your submission shows that, for example, COMET has had two projects approved. Do we know how many projects have been rejected?

#### Mr Colgan:

We will give you a table that will show you what happened.

#### Mr Girvan:

I welcome your presentation. I am glad to see that some European money is being spent and is probably targeting the right areas. I hear from groups that have to work with SEUPB, from groups that are trying to get funding, and from those that avail themselves of EU funding through the Department of Agriculture and Rural Development, such as the Grove project in South Antrim, which receives assistance through local action groups (LAGs). Those groups describe SEUPB as a bureaucratic monster, which is intent on box-ticking. I appreciate that you have to

deliver money and that the process has to be accountable. However, the indication that we get is that, in Northern Ireland, the process of SEUPB-delivered European funding is overly officious. We cannot use Whitehall. Groups in Scotland say that the process there is more straightforward than ours.

I would like to know whether SEUPB set up its own bureaucratic monster covering all its own aspects. Are we making proper use of the funding? A great deal of it seems to go on administration. Are we getting the money to where it is needed? Can we have measurable outputs for our spend?

#### Mr Colgan:

I will take that question and deal first with your last point that too much money is spent on administration. That is not the case. In the current programme spend on the administration of the programme has been majorly reduced.

We set a bar at about 6% of the total cost of the programme, and it is getting closer to 4%; we intend to reduce that even further. We introduced changes at the beginning of the current programming period in 2007, which took €15 million out of administration and overhead expenditure by eliminating many intermediary bodies. I do not say that those bodies did not do useful work; they did. During the early years of the Peace programmes in particular it was very important to buy in ownership at a local level, but we had progressed far enough to be able to take that cost element out of it. The programmes are running at a highly efficient level with respect to administration costs. That is subject to audit, and we can stand over those figures very easily. We have to report those figures regularly to the Finance Departments in Dublin and Belfast.

I have every sympathy for everyone who has to deal with EU funding; it is bureaucratic by its very nature. We do everything that we can to reduce bureaucracy; unfortunately, however, some of it is unavoidable.

There are various layers that we have to deal with. First, we must adhere to a raft of EU regulations and ensure that everything is done in accordance with them. Foremost of those are the standards set by the European Court of Auditors, which sets the tone for how EU funding is

accounted and delivered. It is a very demanding body that looks closely at every cent that is spent to ensure that it is accounted for properly. We get regular audits from the European Court of Auditors. We have a standard of audit file and of audit trail that we have to meet. If we do not meet that, the money could be deemed ineligible and it could be taken away from us; it would be lost to the Northern Ireland Exchequer.

There is another level of bureaucracy in the Directorate General in the Commission. I am talking about D G Regio, responsible for the European regional development fund. It has an interest in ensuring that moneys are handled properly. It too is audited by the European Court of Auditors, and its accounts are qualified, year-on-year, because of difficulties throughout Europe in accounting for those moneys.

We deal with a third level of bureaucracy at the national level. Here, in Northern Ireland and in Ireland, there are accountable Departments that are responsible for two things: providing 25% match funding for the programmes that come from the member states; and for providing the cash flow for the whole programme. The money is spent by the projects; we claim the money from the Departments and pay it to the projects, and we then claim it back from the European Commission. The Departments have the cash flow of the whole programme. Each Department has its standards, and it insists that any money spent under its remit in its sector must meet certain standards and rules. It will engage in and get involved in the assessment of the approval process. With so many layers, bureaucracy is unavoidable.

The reference to DARD is more relevant to the rural development programme and has nothing to do with the rural development strategy (RDS). It is outside structural funds and has a different set of criteria to match.

#### Mr Girvan:

It is European money, though.

#### Mr Colgan:

It is European money, but it is not structural funds money. Therefore although I have every sympathy for anyone who has to deal with this bureaucracy, as accounting officer for the programme, I have no choice. I have a queue of auditors wanting to check every thing that we

do. Auditors look over my shoulder and make sure it is done in a certain way.

#### Mr Girvan:

The indications are that the process is less bureaucratic in other jurisdictions.

#### Mr Colgan:

Each member state or region has a different culture and style. For example, we deal with Scotland under the INTERREG IVa programme, and it has an individual, accountable Department, but it also has a particular way of implementing the programme that is different from how it is done in Northern Ireland.

#### Mr Girvan:

Is that the east-west project that we would deal with?

#### Mr Colgan:

It is the INTERREG programme that covers all of Northern Ireland, the six border counties of Ireland and parts of western Scotland. They actively participate. Despite some difficulties, we communicate well with them and they are committed to the future, as well as to future participation in any programmes.

#### Mr Girvan:

I represent a council in which the COMET programme is delivering two projects that cost about €600,000. Regular meetings are held with the COMET group, of which I am not a member, but it seems a small delivery for the number of meetings — assessment panels and everything else — that people tell me they have to attend. How likely is it that that programme will have its full spend by 2013?

#### Mr Colgan:

Martin referred to an overall figure of €60 million earmarked for the five groups.

#### Mr Girvan:

There is certainly €30 million.

#### Mr Colgan:

About €15 million of that was for the east border region, €15 million for ICBAN and €15 million for the north-west. We earmarked about €7.5 million for COMET and the same for the north-east. The north-east is doing very well; it has almost reached that target. We intend to ensure that the groups avail themselves of all the opportunities that are available to them in the programme. We are proactively putting in place measures to assist them in their project application process. Frankly, the difficulty has been the quality of applications. I cannot put it any blunter. They simply have not merited funding. I am not alone in saying that: it is the accountable Departments, the steering committee that assesses the projects, and the result of economic appraisals done on them. They have just not stood up.

#### Mr Girvan:

Is it unlikely that they will fully spend the €7 million?

#### Mr Colgan:

As I said, we are putting measures in place to help them with the application process, and we are in discussions with the Department about introducing a simplified process to address specific local issues. We will come back to them early in January with practical suggestions to help them to maximise their potential. We are talking about 2011, 2012 and 2013, when the programme finishes. However, we still have 2014 and 2015 within which to spend, so we have five years.

#### Mr Girvan:

All the money must be committed by 2013.

#### Mr Colgan:

It must be committed by the end of 2013 and spent up to 2015, so there is still time.

#### Mr Girvan:

I welcome the Gobbins project and appreciate that it involves some €5 million; it will add to tourism. We have greatly benefited from European funding for such projects. I will not name areas, but, since the first Peace programme in 1996, millions of pounds have been fired into areas

identified under the Noble indices as areas of deprivation to be targeted for spending. Yet nothing has been achieved, and they remain areas of deprivation.

I am probably going into the wrong area here, but an economic development approach has been of more benefit to those areas than community-based delivery programmes. Has work been done to measure the benefits of going down that route as opposed to firing money at groups? I will say it: some of the groups that you are working with are the same people that you are funding for the same project, and once they find that there is money available they tweak their own project to suit the money that they can get. That is all they do, and you are working with the same numbers and the same faces. You see them every time, looking for different pots of money, and it just seems to rotate among them. They have created their own wee niche industry of applying for funding, getting it, and ticking the right boxes and ensuring that they get the funding.

#### Mr Colgan:

You make quite a few points. I will address the issue of the Noble indices and the areas of deprivation first. Although that was used in previous programmes as a basis for targeting areas for Peace programme money, it was not the objective of the programme to tackle the fundamental issues that created deprivation in those areas. The function of the spending programmes was to address the objectives of the programmes and to meet their criteria. The programmes were agreed between the two member states and the Commission; they were developed through consultation with specific target groups and specific activities.

You mentioned box-ticking and groups repackaging old projects; I assure you that that is not the case. I know that it is a popular myth around the place that you can tick some boxes and get a million pounds. Have you ever applied for money from the Peace programme?

Mr Girvan:

No.

Mr Colgan:

Try it.

#### Mr Girvan:

After seeing how much bureaucracy —

#### Mr Colgan:

Try it. There is no box-ticking going on; it simply would not work. The assessment process is far too rigorous and demanding for that to happen.

All the Peace programmes have been subject to vigorous external monitoring and evaluations; they have all been proven to have delivered value for money. Most important, not one penny has been left unspent; it has all gone straight into the Northern Ireland economy and the border counties' economy: not a penny has been given back to Brussels.

#### The Chairperson:

We had a meeting in June, when 31 projects were going through INTERREG IVa assessment, yet your figures today indicate that only six have been approved since. Your paper says that the groups are drawing down €60 million and it is not ring-fenced. If it is not and if, for whatever reason, projects are not approved, will that money be given back to Europe? Will we lose that money? What happens to it?

#### Mr Colgan:

The money stays in the programme to be spent on projects that meet the criteria and the standards of the programme. We have never given one penny back; I have said that many times. We do not intend to start now.

#### The Chairperson:

The process seems to be forever going round and round. I understand that it is public money and people have to be very careful in how it is spent; nevertheless, only six projects have been approved in six months. I know that discussions are being held and that a review of why the projects have not been approved; however, given the climate, it is essential that this money go out to projects. It seems to be a very slow process.

#### Mr Colgan:

I agree, and we are disappointed with that. The process has involved the accountable Departments on both sides of the border going through their own necessary processes before we can take it to the steering committee and the various other steps and stages. As I said before, one of the fundamental difficulties with many projects is the quality.

#### The Chairperson:

I understand that. Is there a blockage at departmental level?

#### Mr Colgan:

As part of the accountability structure that we talked about earlier, projects must get through a very demanding approval process.

#### Mr O'Loan:

I want to ask about INTERREG IVa. You said that two local authority partnerships are performing well and that four are performing poorly; if they all performed at the level of the weak ones, the programme would be in serious trouble. I am glad that the north-eastern partnership is one of the good ones — the financial side of it anyway — apart from the number of projects. Is there not an onus on you to do more to improve the weak ones by setting intermediate targets and keeping that under control to a better degree or even addressing capacity issues and showing them what needs to be done?

#### Mr Tyrell:

We are monitoring that. The Minister of Finance and Personnel takes a particular interest in that area of the programme and gets a regular briefing from SEUPB on the state of play in each of the five groups. That is because, as a Department, we take the local dimension very seriously. Of the €60 million, we expect €30 million to be allocated before the end of the current wave of project assessments and the remaining €30 million to be allocated during the rest of the life of the programme. Therefore, that money will not be lost to the programme, and we do not want it to be lost to the local dimension because that was identified as a key part of the programme at the beginning during the consultation process.

I understand that SEUPB is initiating capacity building and surgery-type activities with the partnerships that have not provided strong project ideas to date. However, we are still at the midpoint of the programme, and there is still significant time for that to improve and for all those groups to perform to expectations. They were the strongest-performing part of the previous programme and part of the success of the previous INTERREG programme, and we expect them to be as successful again in this programme. However, in this programme, they have been asked to do somewhat different work, and it has taken time for that to become established. The fact that ICBAN has performed strongly shows that it can be done, and we have strong expectations that the other four projects can perform to the same standard.

#### Mr Colgan:

Quite a number of projects would not have got through without the dedicated support and assistance of my staff and the joint technical secretariat. We iterated backwards and forwards with Howard's team to help projects to resolve the issues and to meet the standard whereby they can ensure approval. Despite that effort, many projects simply did not make the grade. However, we have planned for a series of workshops and support mechanisms on a bilateral and multilateral basis to operate well into next year.

#### Mr Shaun Henry (Special EU Programmes Body):

No part of the Peace or INTERREG programmes absorbs more staff time than the five cross-border groups. We dedicate an enormous amount of staff time to help them, and we have made core funding available to the groups since the beginning of the programmes. Last week, we approved core funding for another three years in the expectation that they will bring forward quality projects in the first half of 2011. Therefore, we are totally focused and committed to helping the cross-border groups to develop high-quality projects.

We recently wrote to the chief executives of all the local authority areas North and South to make them aware of the need to engage with the cross-border groups and to assist them to bring forward high quality projects over the next number of months. Moreover, we have set up workshops and have given them the opportunity to table outline project proposals. Those outlines run to two or three pages and are therefore brief. We will give them feedback on those ideas.

We also arrange for bodies such as the Department of Enterprise, Trade and Investment (DETI), Invest Northern Ireland and Enterprise Ireland to give them feedback on their project outline before they have to write a full application. When they have drafted that form, we sit down with them again and go through it and give them indications of where it may be weak. That is all before they make their final application submission. We have a programme in place to bring them through the entire process, so we are doing as much as we can.

Ultimately, we cannot make the projects for them. If the project idea is eligible, we will work with them to make sure that it works. The north-east partnership and ICBAN have identified key strategic projects, such as the Gobbins project that can have a regional impact. Such projects get through the system, and we can make available funding for them.

#### Mr O'Loan:

I welcome what you said about measuring outcomes and not just process in reconciliation. How do you measure trust?

#### Mr McLaughlin:

In the same way that happiness is measured. [Laughter.] Ask David Cameron.

#### Mr Henry:

An attitudinal survey is being carried out by an independent survey company, and we are quite happy to share with the Committee the questions that are asked as part of it.

#### Mr McLaughlin:

Can you trust the answers?

#### Mr Henry:

We do not know. It asks questions of the general public and people who are involved in projects and considers the responses. Some of the questions that come to mind immediately are whether people would object to one of their children marrying someone from a different community background, whether they would object to living beside someone from a different background, and so on. There is a range of questions of that nature, which is a proxy for trying to measure

trust.

#### Mr Colgan:

We have engaged in that research exercise over a number of programme periods, so we have some trend data. How long does that go back?

#### Mr Henry:

It goes back to 2000.

#### Mr Colgan:

A good 10 years. It is done by a highly reputable behaviour and attitudes survey outfit, which applies best science in that area. At least we have control groups; some have had nothing to do with the Peace programme and some have been involved. We can measure to see whether there is any difference between the two. It is not perfect, it is not science, but it is as good as we are going to get.

We in the Peace programme introduced a methodology called aids for peace, which is best practice, if such a thing exists, internationally. We have done a great deal of international research and taken advice on how to measure progress towards reconciliation in a society that is emerging from conflict. We are applying that methodology to all the projects in the programme. It is too early yet to see the data that will come out of that process, but we are doing everything that we can to ask those hard questions. Very little research methodology around the world could genuinely be stood over. We know about everything there is, and we are using and applying it as much as we can.

#### Mr O'Loan:

We could discuss that for a long time.

#### Mr McLaughlin:

Thank you very much for the presentation. Paragraph 11 of the statement refers to the multiannual plans. It states:

"On their own, the Plans provided too little detail to allow a funding decision to be taken."

Is that a statement of the reality of the process, or is it a judgement?

#### Mr Colgan:

The plans were never intended to be detailed project content descriptions. They contained outline descriptions of aspirations that they would like to have done in their area. The plans were assessed on that basis to establish whether they represented a fair and strategic assessment of the needs in a geographic area and whether they contained credible ideas about the kinds of projects and outlines that would be worth pursuing.

Since the answers to all those questions were yes, the plans could be approved. However, they were approved as a framework document; in other words, the individual component parts were subject to the standards that the member states and the Commission apply to achieve value for money.

#### Mr McLaughlin:

It is like a gateway process.

#### Mr Colgan:

That is right.

#### Mr McLaughlin:

It is conceivable that, at the end of this assessment process, 26 projects will succeed; however, that is considerably less than 50% of the overall number. Does that speak about a lack of capacity? I believe that it speaks very loudly of it. However, given that so many groups have succeeded, it also speaks loudly of the joint technical support that has been given. What issues do we need to address to ensure that the projects that have come through have a realistic chance of success? We are depending on quite a high success rate on the balance of this €15 million.

#### Mr Colgan:

Overall, the success rate for that type of programme is about 50/50. Fifty per cent of projects are either rejected or withdrawn for one reason or another; therefore, its success rate is not that different from the overall success rate of other such programmes. In fact, it is a bit higher at 35

out of 61. We expected a failure rate, because it is a competitive process. Projects are rated and ranked on their abilities to command funding.

We have been monitoring that process closely, and, as Shaun said, it is taking up a great deal of our staff's time. We are committed to continuing to work with them and to applying the lessons that we have learnt. One of the mistakes was that each group was trying to come up with projects that covered every one of the individual local authority areas; in other words, they were disaggregating. For example, the east border region has 10 local authority areas, and they were trying to ensure that there was something in the project for each of those 10 areas.

#### Mr McLaughlin:

They were or you were?

#### Mr Colgan:

They were.

#### Mr Colgan:

We tried to tell them that they did not need to do that. However, I am sure that you understand the local political issues involved.

#### Mr McLaughlin:

I was on the north-west body, so I understand.

#### Mr Colgan:

You know exactly what I am talking about then.

As Shaun said, I have written to the chief executives of the various areas to makes them aware of those issues and opportunities. I have arranged meetings with a good number of them, and I have already met some of them. I will follow up on that to ensure that they are given the kind of support required and that the ideas come forward. The workshops will be practical and focused on projects. We hope to introduce some other measures early in the new year to facilitate.

#### Mr McLaughlin:

I am just conscious that some members may be under pressure. I know that you are going to come back with some detail on the projects that were rejected, withdrawn or merged with others. Are rejected projects dead to all intents and purposes or can they be revised and improved?

#### Mr Henry:

Cross-border groups cannot be stopped from submitting a new application next year. However, we strongly advise them not do so, unless they have taken account of the reasons why the project was rejected in the first place. We give them clear reasons for the weakness of a project.

#### Mr McLaughlin:

They get good feedback.

#### Mr Henry:

For many of the projects, we do not see the merit in repackaging them and bringing them forward again. However, for some of the projects, there is merit in doing that. We indicate that to them case by case.

#### Mr Howard Keery (Special EU Programmes Body):

About 10% of the projects that were rejected will probably come back again.

#### Mr McLaughlin:

I would not have thought that. I am rushing, so I am sorry if I am a bit abrupt. Paragraph 14 shows a table of the projects that were approved. May we have some detail of those? I presume that some of the groups concerned already have that information. However, I would not mind seeing it

#### Mr Colgan:

The Chairperson asked us for that, and I will include it.

#### Mr Henry:

We will give you a full rundown of all the projects that have been approved and rejected.

#### Mr McLaughlin:

I want to acknowledge the work that is being done, particularly the support that groups get. Without being too judgemental, there is a mismatch between what people expect and what they believe is necessary to achieve. We will have to bridge that gap somehow.

#### The Chairperson:

There are no more questions. Thank you very much for coming along at such short notice. We will write to you if we have any more questions. Will you send us the information that I asked for earlier?

#### Mr Henry:

We will come back to you on that.

#### Mr Girvan:

The possibility of a Peace IV programme was mentioned. How far down the road is that?

#### Mr Tyrell:

The short answer is very far. Typically, a discussion on a Peace programme, which is distinctive from other types of EU funding, comes right at the end of the negotiation period. Peace II in 1999 came barely six months before the programme's official start year of 2000. We got a little more time — 13 months — to prepare for Peace III at the end of 2005. Historically, it happens very late. On those timings, it will be 2012 or 2013 before we get any signal that there will be a Peace IV.

#### Mr Girvan:

Is there an indication that it is a runner?

#### Mr Tyrell:

It is not out of the question.

### The Chairperson:

Thanks very much.