

COMPETITIVENESS & EMPLOYMENT MONITORING COMMITTEE

MEETING HELD ON

14 OCTOBER 2008

AT THE UNIVERSITY OF ULSTER, COLERAINE

AGREED MINUTES

1. Attendance

A list of attendees is attached at Annex A. Apologies were received from John Doran, Business Sector, Brendan Mackin, Trade Unions, John Thompson, Agri-rural Sector, David Smith, Education Sector, Margaret Connolly, Research Sector, and Franz Pointner, European Commission.

2. Introduction

The Chair welcomed everyone to the third meeting of the Committee and expressed his thanks to the Research representative from the University of Ulster for organising the venue. He noted a revised agenda had been tabled for the meeting, bringing the presentation under AOB forward to item number 4. He advised the purpose of the meeting would be to agree the minutes of the last meeting and note the actions taken, note the progress under the two Programmes, note progress on activity carried out by the Working Groups and note the Member State Communication Implementation Plan 2009.

Items under AOB included an update on the Task Force and the DEL conference. **The Chair** also advised he would inform the PMC of a Commission consultation on Territorial Cohesion.

A Local Government representative voiced concern at an e-mail which had been received by a Local Authority regarding Invest NI changing the definition of companies which would have an impact on the ability of Local Authorities to implement Local Action Plans. **The Chair** suggested that this issue should be dealt with at a separate meeting of officials in charge of the Local Economic Development activities within the Competitiveness Programme, with NILGA and Local Government representatives. A meeting is to be convened.

Action: DFP

3. Minutes from meeting 24th April 2008

The Chair noted that the minutes from the previous meeting had been circulated on 2nd May. Two minor amendments had been received – para 5.2 - the reference to ‘Education’ representative should have read ‘Research’ and Annex A amended to note the University of Ulster representative was from

Jordanstown not Coleraine. No further comments were received and the Chair noted the minutes as agreed.

4. Action points from 24th April 2008

The Chair advised that an updated table of the Action Points had been circulated to members with the papers on 26 September. He noted all actions had been addressed. Under the familiarisation events he noted that EUD held an Awareness Seminar at the Titanic Quarter on 24 September, at which the Managing Authorities, NISRA and EUD made presentations. He hoped that those who attended were able to take something from the session.

5. Presentation by Professor Tony Bjourson

Prof. Tony Bjourson, Director of Biomedical Sciences Research Institute, University of Ulster, Coleraine, gave a presentation on Centres of Excellence under the heading 'Developing a Personalised Medicine Community'. A copy of the presentation will be forwarded to all Members.

Action: DFP

6. Annual Implementation Reports 2007

The Chair advised that the Competitiveness Programme AIR was returned from the Commission for amendment on 23 September. The amended report has since been returned to the Commission and been deemed satisfactory.

The European Commission representative highlighted that the new template for structure and content of the AIR should be strictly adhered to.

The Chair advised that the AIR's are now submitted to the Commission via an electronic system which requires a list of indicators to be updated. This enables the Commission to collate information from all Regions and Member States.

The Chair advised that the ESF AIR was also returned for amendment. It has since been amended and returned to the Commission on the 9th October.

The DEL MA representative noted the monitoring tables had been amended and attached as an Annex to the AIR. All issues raised by the Commission have been addressed and the AIR returned to the Commission as stated.

The Research Sector representative drew attention to the table on page 2 of the ERDF AIR, as an example of an AIR suite of targets, and asked when the 58 'T' field targets for years 2007-15 would be populated. He further elaborated that it would be impossible for the committee to monitor progress if it was not possible to assess that progress against targets, and asked that – going forward - the fields for targets are populated in a timely manner in order to facilitate this assessment of progress.

The DETI MA representative advised that the targets are listed in the Programme Document. She explained the reason for little information appearing in the table was due to the AIR covering only 2 months of 2007, since the Programme was approved in October 2007. She advised the fields would be populated in the table as the Programme progressed enabling the PMC to monitor progress.

The Equality representative noted that the quality of information provided was important to the monitoring of the Programme and the template should make that task simpler.

The European Commission representative advised that the template for the AIR gave an indication of the importance the Commission attaches to Programme monitoring and evaluation. He advised that meaningful monitoring information should be available to the PMC at meetings as the information in the AIR is 6 months out of date. He asked that information presented to the PMC at meetings should be adequate to assume their monitoring and supervisory role.

A Local Government representative asked when the figures would be completed in the table. **The Chair** advised that the information for 2008 would be updated in the 2008 AIR which would be presented to the PMC next April. He also advised that progress on the Programmes would be given under the next agenda item and members would have a better indication of progress to date.

The European Commission representative advised that the Commission had all the details of targets but if the PMC are to judge the pace and quality of implementation then they need the level of annual achievement. He asked that the MAs input details as soon as possible otherwise the PMC will not be able to carry out its role.

The Chair advised that the first three years of the Programme are planned in line with the NI budgetary process using anticipated levels of spends. At present there are 2 management issues. Firstly, the exchange rate, which has an impact on expenditure required to draw down funds, and secondly, the current economic climate and its impact on how companies are making investments. It was agreed that progress reports would provide sufficient information to allow members to determine if the Programme was on target to meet objectives.

Action: Managing Authorities

7. Progress Reports

7.1 ESF report

The DEL representative highlighted that of the 76 successful projects under Priority 1, 72 had received Letters of Offer. The 4 remaining projects have

issues to be resolved. 64 (91%) of the projects have signed up Match Funding. Of the remaining 12, 7 are seeking DSD match funding. To date £4m has been paid to projects - £3.2 m in respect of advance payments to 48 projects and £800k on interim claims for 20 projects. This was on target.

He reported that Apprenticeship NI was launched on 1st September; however the current economic situation may affect this Priority. Figures are not available at this time as enrolment is at an early stage.

The **Voluntary & Community sector representative** asked for clarification on the position regarding the outstanding 5 projects.

The **DEL MA representative** advised that 4 had not been issued with a Letter of Offer and some had only a verbal agreement of match funding. He did however state he was confident that most projects would work their way through the system.

The **BERR representative** asked if they were confident they would meet the 2009 N+2 target.

The **DEL MA representative** advised that the Programme was on target.

7.2 ERDF Report

The **DETI MA representative** reported that the Programme was on target. 18 schemes have been designated under Priority 1 amounting to 100% of the allocation. Under Priority 2, schemes have been designated to a total of €80m (47%). The MA are currently considering NITB's Challenge Innovation Fund proposal and hope to be able to designate the scheme by the end of 2008. The LED element had a first call in April 2008. To date 50 applications have been received from councils. DETI noted they are awaiting funding approval from the NI Executive for the Titanic Signature project. Under priority 3, Energy and Telecoms, DETI reported that 4 schemes have been designated amounting to 25% of the Priority total.

DETI noted that €11.7m expenditure has been incurred to date. In relation to N+2 they are confident that they will be able to meet the 2009 target.

A **Local Government representative** asked if DFP had any flexibility to create a greater incentive for companies in R & D, and could the PMC have any active role in highlighting the issue with the NI Executive or the EU.

The **Chair** advised that various options were open to the NI Executive could respond to the economic downturn. Companies may receive higher percentage of assistance, subject to scheme criteria and Regional State Aid limits. He stated that the concern of the PMC could be recorded in that anticipated levels of expenditure on areas of activity such as innovation and enterprise might be lower due to the current circumstances. Invest NI and the Managing Authority would consider how best to encourage and maintain expenditure levels.

The Invest NI representative advised that they were aware of the situation and have been pro-active with companies. They have had 2 'credit crunch seminars', in Cookstown and Belfast, where special advisers have provided free initial consultations.

In response to a question from the **Agri-rural representative** regarding action which could be taken if there will be an apparent underspend in one area of the Programme, **the Chair** advised that action could be taken to varying degrees. He explained the Programme lists indicative activities and as such other projects could be brought in. There could, for example, be more than 1 major project, and there are a range of innovative activities e.g. telecoms projects, which could be brought in. However he stated that the value of the Programme was not such that NI could not draw down the money. He advised that the NI Executive has set Innovation as a top priority and has created an Innovation Fund with £100m over 3 years. Invest NI are benefiting from this fund however projects could equally be financed from the Competitiveness Programme. He stressed however that projects would need to be in line with the strategy of the Programme.

The Chair noted that both MAs have been working on Article 71 statements. These documents contain a description of the management systems in place and have a regulatory deadline of 1 year after the approval of the Programmes in which to be submitted to the Commission. Therefore they are due with the Commission by the end of October; otherwise funds will not be released. Any member who wishes to see these documents may do so.

Action: DFP / Managing Authorities

The Committee noted progress under both Programmes.

8. Working Groups Reports

The **Environmental WG Chair** advised that work was progressing well within the group with a sub-group being set up to take forward actions listed in the work plan.

The Equality WG Chair also reported good progress within the group with 2 subgroups being set up to take forward items on the work plan. He reported that the group had agreed that a full EQIA would have been preferable at the time but was impractical now; however he stated that mechanisms existed to deal with the issue.

The DEL MA representative reported on behalf of the Innovation & Mainstreaming WG. This group met on 30 September at Queens University; however a quorum was not in attendance. He advised that a work plan for the WG would not be established until the Support Structure had been appointed, which they hope to have in place shortly. At the recent meeting there were 2 presentations, one from NIACRO on an Innovation project under the Equal Programme and one from Proteus on the Rickter Scale, a tool for measuring

'soft' outcomes. **The DEL MA representative** encouraged members of the WG to attend future meetings if progress was to be made.

The Chair reminded the group that deputies could attend meetings if members were unavailable.

The Monitoring Committee approved the reports from the Working Groups.

9. Member State Communication Implementation Plan 2009

The Chair advised that this paper set out how the MS planned to implement the Communication Plan (CP) in 2009. 2 main information events are planned for 2009. Following the success of the 2008 Balmoral Show it is intended to take a stand at the Show in 2009. The other main event will be a conference later in 2009 linked to the Task Force recommendations. DFP will keep members updated on progress.

The Equality representative expressed concern that the focus of the CP was internal to participants and that a general awareness of the impact of EU funding on activities on the ground was missing. He also suggested targeting briefing at a wider audience of opinion formers.

The Chair advised that a wider audience had been sought e.g. the Balmoral Show, St George's market, EUTV, although he agreed it was an area which could be developed.

10. AOB

10.1 Commission Task Force

The Chair updated the PMC on the current position with the Commission Task Force. Departments have been preparing a response to the Task Force report over the summer. This will be published when it has been agreed by the NI Executive. The report has highlighted the initiative and raised awareness of other programmes and initiatives available from the EU. A copy of the report will be issued to members when published.

Action: DFP

10.2 DEL Conference

The DEL MA representative advised members that the conference would be held in W5 on 22nd October. Members should have received their invitations at this stage. Key speakers in the morning session are the Minister for DEL and the Deputy Director of DG Employ. Following lunch there will be further presentations and workshops.

10.3 Commission consultation

The Chair advised that the Commission had launched a consultation on Territorial Cohesion. NI is preparing to submit a response. The consultation closes in April 2009. DFP will send a link to members. As DFP develops its response it will inform the PMC.

Action: DFP

11. Date of next meeting

The next meeting will be in April 2009. The Secretariat will advise nearer the time.

The Chair thanked members for their attendance and participation.

TABLE OF ACTION POINTS

Issue	Action	Responsibility
Concern on LED element of ERDF Priority 2	Meeting to be arranged with NILGA and LG representatives to discuss	DFP
Presentation	Copy of presentation to be circulated to members	DFP
Annual Implementation Reports	Progress reports to provide sufficient information for monitoring purposes	Managing Authorities
Progress Reports	Article 71 statements made available to interested members on request	DFP / Managing Authorities
Commission Task Force	Copy of the report to be sent to members	DFP
Commission consultation on Territorial Cohesion	Link to website to be sent to members and DFP response when prepared	DFP

**ATTENDEES AT THE COMPETITIVENESS AND EMPLOYMENT
MONITORING COMMITTEE MEETING, UNIVERSITY OF ULSTER,**

COLERAINE

TUESDAY 14 OCTOBER 2008

Members

Bill Pauley	Chairperson
Colette Fitzgerald	DETI Managing Authority
Paul Carr	DETI Certifying Authority
Trevor Connolly	DEL Managing Authority
Andrea Quail	DEL Certifying Authority
Doreen McKenzie	Business
Maurice Mulvenna	Research (University of Ulster, Jordanstown)
David Robinson	Research (Queens University, Belfast)
Robin Newton	Local Government
Arnold Hatch	Local Government
Brian Murphy	Environment
Lisa McElherron	Voluntary & Community
Bob Collins	Equality
Wesley Aston	Agri-Rural

Advisors

Gerard Colgan	NISRA
Andy Best	NITB
Charles Hamilton	Invest NI
John McKenna	OFMDFM
Bernard McClure	DOE
Lisa McMullan	SEUPB, PEACE III and INTERREG IV Managing Authority
Stephen Langley	European Commission (DG Regio)
Andy Stewart	Dept for Business, Enterprise and Regulatory Reform
Martin Tyrrell	DFP

Observers

Jonathan Wallace	Research (University of Ulster, Jordanstown)
Lucinda Blakiston Houston	Environment

Ken Bishop	NILGA
Tristen Kelso	For Jim Allister MEP
Damien Ryan	Invest NI
Damian Fitzpatrick	DETI
Owen Gillespie	DEL

Apologies

Brendan Mackin	Trade Unions
John Doran	Business
David Smith	Education
John Thompson	Agri-Rural
Margaret Connolly	Research
Franz Pointner	European Commission (DG Employ)