Joint Oireachtas Committee on EU Affairs Wednesday 26 January 2022

Opening Statement by the Minister for Public Expenditure and Reform, Michael McGrath, TD

Chairman,

Thank you for inviting me to join the Committee this morning to discuss the work of the Special EU Programmes Body (SEUPB). Joining me are Andrew Condon, Catherine Clynes and Peter Molloy from my Department's PEACE PLUS, NSMC and North South Unit.

I am very glad to have the opportunity to engage with Committee members today in relation to the SEUPB and the cross-border EU programmes it manages. Since the 1990s and the first tentative steps of the peace process, the EU has been responsible across successive funding programmes for the investment of more than €3.3bn in support of peace and prosperity on the island of Ireland. This investment has made a vital contribution to enhanced North-South cooperation and to shared better outcomes for the people of this island. Indeed, I would suggest that today, as we consider both the ongoing impact of Brexit and as we look ahead to rebuilding after the COVID pandemic, this support is now more needed than ever before.

Responsibility for the development and management of these programmes rests with the SEUPB, a North South Implementation Body (NSIB) established on foot of the Good Friday Agreement. The SEUPB is headquartered in Belfast, with smaller offices in Omagh and Monaghan, and has a headcount of 57 staff. The SEUPB is led by chief executive, Ms Gina McIntyre and is accountable jointly to myself as Minister for Public Expenditure and Reform in Ireland and to Northern Ireland Minister of Finance Conor Murphy, MLA. There are a number of aspects of the SEUPB's important work which I would like to briefly highlight this morning.

I might first address the two current (i.e. 2014-20) EU cross-border programmes managed by the SEUPB: INTERREG VA and PEACE IV. These two programmes cover an investment area of Northern Ireland, the border counties of Ireland and (in the case of INTERREG VA only) parts of Western Scotland. Between them, they have a combined value of some €553m; representing a major and ongoing financial commitment from the EU, the Northern Ireland Executive, and the Irish Government. The INTERREG VA programme has a total value of €283m and is designed to promote greater economic, social and territorial cohesion across the region. The PEACE IV programme has total funding of €270m and is intended to advance peace and reconciliation on the island of Ireland. Both programmes are now fully financially committed in support of some 130 individual projects, but project activity will continue on both until 2023-24.

The range of funding interventions being carried out under the INTERREG and PEACE programmes is very broad indeed. I will briefly mention just two today in order to give you some idea of the excellent work being done here. Under INTERREG VA, the €8.5m North West Centre for Advanced Manufacturing (NWCAM) project is linking the academic

capabilities of Ireland, Northern Ireland and western Scotland in order to drive cross-border advanced manufacturing for the life and health science sector. Project partners include Sligo IT, Letterkenny IT, the University of Ulster and the University of Glasgow. Meanwhile, under PEACE IV, the €9.5m Monaghan Peace Campus project is developing a major new shared space which will serve as a community hub for Monaghan town. This is a landmark cross-community development, achieved with the involvement, support and commitment of the Orange Order and the Ulster Scots Agency − the first time that either body has participated in a PEACE project in County Monaghan. Finally, in the context of Brexit, it is important that I note that the 2020 Withdrawal Agreement between the EU and the UK, as well as its accompanying Political Declaration, provides for the full completion of both programmes out to their normal closure dates.

I would also like to talk to you today about the SEUPB's work on the new PEACE PLUS programme, the development of which I'm sure many members will have been following over recent months.

This unique new EU programme will continue the work of the INTERREG and PEACE programmes over the 2021-27 period by combining these two existing funding streams into a single, cohesive programme for the border counties of Ireland and Northern Ireland. Ireland has consistently advocated for a new North-South EU programme to carry on this important work post-Brexit, and so I am pleased to report that programme development is now at a very advanced stage. The SEUPB has been working closely with my Department and with the Department of Finance in Northern Ireland during this process. The development of PEACE PLUS has been informed by extensive stakeholder engagement. This has included two major public consultations held across the eligible area for PEACE PLUS in 2019-20 and then again last year, as well as close engagement with Government Departments North and South in order to identify and develop areas of cross-border cooperation.

On foot of this development work, the SEUPB has finalised a draft PEACE PLUS programme structured around six thematic investment areas:

- Building Peaceful and Thriving Communities;
- Delivering Economic Regeneration and Transformation;
- Empowering and Investing in Young People;
- Healthy and Inclusive Communities;
- Supporting a Sustainable and Better Connected Future;
- Building and Enhancing Partnership and Collaboration.

This draft programme was approved by Government, by the Northern Ireland Executive and by the North South Ministerial Council in October 2021, and is now in the process of submission to the European Commission for its final review and approval. This progress will allow for a formal launch of PEACE PLUS and the opening of funding calls later this year.

SEUPB has already commenced pre-development support work to ensure that the programme can be mobilised without delay following its launch.

While a formal financing agreement for PEACE PLUS is still being finalised, financial commitments from the EU, the UK and Ireland mean that the new programme will have a total value of over €1.1bn − in other words, more than twice the value of the current INTERREG and PEACE programmes combined. This represents an unprecedented financial commitment in the history of these cross-border EU programmes. I believe that PEACE PLUS is an ambitious and exciting new development which will leave an enduring legacy on this island.

Thank you for your time this morning, and I look forward now to further discussion with you.

ENDS