

Opening Statement of Emma Murtagh, Senior EU Programmes Manager at The Wheel

Joint Oireachtas Committee on European Union Affairs

18 October 2023

Thank you, Chairperson and Members, for the invitation to attend this meeting to discuss unlocking EU funding.

My name is Emma Murtagh, and I am the Senior EU Programmes Manager at The Wheel, Ireland's national association of charities, community groups and social enterprises. I am joined today by Ivan Cooper, CEO of The Wheel.

I want to start by referencing some of the work that is already being done to help Ireland unlock EU funding.

At The Wheel, I coordinate a programme called Access Europe. This is an EU funding support service for Irish civil society, which over the last three years has helped organisations draw down almost €12 million of EU funding into communities throughout the country. Access Europe is a landmark investment into unlocking EU funding in Ireland, and it has only been possible thanks to the vision and funding of the Department of Foreign Affairs.

We also work closely with national contact points for various EU programmes and other stakeholders like the European Parliament Liaison Office and the European Commission Representation in Ireland to help promote EU opportunities. We are lucky in Ireland to have such a vibrant and collaborative EU funding ecosystem driving Irish involvement in these programmes.

However, as excellent as these supports are, there is still much that can be done to better unlock EU funding. The suggestions I will make here are with the charity and community sector in mind, and would go a long way to increasing EU funding drawdown.

A relatively straightforward step that could be taken is the introduction of an EU Match Funding Scheme for charity and community organisations.

Many EU funding programmes necessitate match funding from applicants, where the EU co-finances a percentage of costs, leaving the applicant and partners to secure the remaining percentage. When EU co-financing covers 80% or more of the costs, this is usually doable, because sector organisations can provide the match through in-kind contributions such as staff and volunteer time.

However, many lucrative programmes such as LIFE (which funds environmental projects) and the INTERREGS (which fund cross-border cohesion projects) have co-financing rates as low as 60%.

Community and voluntary organisations do not typically aim to accumulate surpluses and are actually discouraged from maintaining reserves, with the expectation being that every euro should go directly into services. This therefore puts them at a distinct disadvantage compared to their publicly funded counterparts, and it usually means they are effectively excluded from participating in these programmes.

This exclusion has a ripple effect. EU funding tends to beget more EU funding. A concept might start as a small project, and then be scaled up through several EU funding applications until it is fully developed. If our sector is stuck with the smaller, more accessible programmes, they cannot scale their ideas up through larger funding programmes, and that innovation is stifled.

This barrier also impacts other sectors. Many EU programmes, but especially the INTERREGS, prefer multisectoral consortia in projects, and so they give priority to projects that can demonstrate the public, private, academic and community sector working together to tackle societal challenges. Co-financing barriers means it is difficult to even include community organisations in consortia, thereby reducing the quality of the partnership and the competitiveness of the application.

An EU Match Funding Scheme for charity and community organisations would mean that for only a small percentage of government investment in overall project budgets, our economy and society would benefit from the full value that these projects offer.

Many other European countries have effective match-funding schemes in place. Before Brexit, the Welsh Government had a £350 million match fund for EU structural programmes. Elsewhere, the Netherlands, Belgium and Germany all have different systems to encourage more participation in these programmes and alleviate the co-financing burden.

We can share more information on the potential for an EU Match Funding Scheme with this Committee. We submitted a proposal that outlines the concept in a previous pre-budget campaign, which was co-signed by several sector organisations, MEPs and the regional assemblies, who are national contact points for the INTERREGS. This is a practical, relatively straightforward step with precedent elsewhere that would be introduced into Ireland and would make an immediate difference.

I do, however, want to take the opportunity to very briefly mention three other ideas that we also think could be beneficial based on experience.

1. Many EU funding programmes that have been decentralised from Brussels and are managed by Irish authorities have a bad reputation in the sector for having extremely onerous application and reporting systems. This includes programmes like LEADER, PEACEPLUS, and ESF+. Meanwhile the EU itself has been moving towards a more streamlined lump sum and trust-based system for programmes they manage, which has been a powerful step towards inclusivity and accessibility. Irish authorities should follow this example from Brussels and focus on alleviating the bureaucracy that often gives EU funding a bad name in Ireland.
2. Another barrier is the fact that public bodies absorb much of the funding from programmes like ESF+ in Ireland for Government initiatives. While these initiatives are also very important, if even a small percentage of this funding were ringfenced for the community sector, it would provide a lifeline to many struggling community organisations, and especially those who are too small to participate in the centralised, larger scale funding programmes.
3. Finally, a “Scale Up” fund would help capitalise on innovation funded through EU programmes. EU funded projects tend to be 1 – 3 years in length and involve intense production of outputs. Often, it is not possible to fully mainstream these outputs in Ireland during the project lifetime. A Scale Up fund could address this. It could provide an extension for EU funded innovation to be maximised here in Ireland, so that we can all benefit more from the initial EU investment.

To conclude, as Ireland transitions from a net beneficiary to a net contributor to the EU budget, fully capitalising on EU funding opportunities becomes even more vital. It helps communicate the value of the EU in communities throughout Ireland, and enables our sector to participate in cutting-edge policy and practice innovation. It is also crucial for empowering our community sector to play its role in delivering on both national and EU policy objectives. Without community sector involvement, we will never fully achieve an Ireland that is fair, inclusive, sustainable and thriving.

We hope that the suggestions we have made today will be considered by this Committee as practical steps that could be introduced to empower Irish communities to play their role in a better future.