

# IRELAND WALES OPERATIONAL PROGRAMME

## ANNUAL IMPLEMENTATION REPORT 2008

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## Executive Summary

1. This is the second Annual Implementation Report (AIR) for the Ireland/Wales INTERREG IVA Programme 2007-2013, covering the calendar year 2008. AIRs are central to the process of reviewing programme performance and provide an annual opportunity to take stock of progress.

The Programme, which supports joint projects, aims to promote the sustainable development of the programme area through an integrated approach to economic, social, environmental and technological development.

The total budget is €70m, including €52m in ERDF grant with the balance made up of match funding from Welsh and Irish partnership interests.

The main Priorities and Themes are:

**Priority 1:** Knowledge, Innovation and Skills for Growth

**Priority 2:** Climate Change and Sustainable Regeneration

A third Priority, Technical Assistance, will support effective and transparent management of the Programme, including publicity, research and evaluation.

Two cross-cutting themes underpin the whole Programme, namely the promotion of equal opportunities and sustainable development.

The headline activity for the Programme in 2008 was as follows:

The Programme closed its first call on January 19<sup>th</sup> 2008 and received 15 applications. The Steering Committees met on April 30<sup>th</sup> and May 1<sup>st</sup> to consider these applications and approved 6 for funding with an ERDF grant allocation of just over €6 million.

The second call for proposals opened in June 2008 and closed on September 19<sup>th</sup> 2008. The outcome of this call was that the Programme received 28 applications<sup>1</sup>.

The Annual Event took place in conjunction with the Annual Conference of the Managing Authority in May 2008.

The Programme Monitoring Committee met once during 2008. This was on June 13<sup>th</sup> at Saundersfoot in Wales.

The report is formatted along lines recommended by the Commission.

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<sup>1</sup> The Steering Committee considered 26 of these applications in April 2009 and approved 12 of them with an ERDF grant allocation of just over €16 million.

## 1. Summary Details

<b>OPERATIONAL PROGRAMME</b>	<b>Objective Concerned:</b> Territorial Cooperation
	<b>Eligible area concerned:</b> South West Wales, Isle of Anglesey, Conwy, Denbighshire, Gwynedd, Dublin, Mid East, South East – All NUTS III areas
	<b>Programming period:</b> 2007-2013
	<b>Programme number (CCI):</b> 2007CB163PO062
	<b>Programme Title:</b> Ireland Wales Programme
<b>ANNUAL IMPLEMENTATION REPORT</b>	<b>Reporting Year:</b> 2008
	<b>Date of approval of the Annual Report by the Monitoring Committee:</b> June 18 <sup>th</sup> 2009

## 2. Overview of the Implementation of the Operational Programme

### 2.1 Achievement and Analysis of Progress

- **Information on the physical progress of the Operational Programme:**

The Programme has three Priorities and is worth over €70.3 million with more than €52 million of that available in ERDF grant support.

The first two Priorities are broken down into themes which will focus the investment in specific areas.

Priority 1 – Knowledge, Innovation and Skills for Growth (Total Budget €39.6 million)

Theme 1 – Innovation and Competitiveness

Theme 2 – Skills for Competitiveness and Employment Integration

Priority 2 – Climate Change and Sustainable Regeneration (Total Budget €26.4 million)

Theme 1 – Climate Change and Sustainable Development

Theme 2 – Sustainable Regeneration of Communities

Priority 3 – Technical Assistance (Total Budget €4.2 million)

The main activity that charts the implementation of the programme was the closure of two calls for proposals in 2008, one in January and another one in September. This resulted in the submission of 43 grant applications.

The Steering Committee sat on April 30<sup>th</sup> and May 1<sup>st</sup> 2008 to consider 14 of the 15 applications received under Call 1. They supported six projects with an ERDF grant requirement of €6.2 million. Call 2 closed in September 2008 and the JTS received

28 applications with a grant request of €35.8 million and will be considered by the Steering Committee in April 2009. The Steering Committee Rules of Procedure are at Annex I.

The Subsidy Contracts for the Call 1 projects were issued in July, August, September and November 2008 and projects began operating in earnest once they had their own start up procedures in place. Monitoring data is preliminary due to the fact that the first 6 monthly Statements of Expenditure were issued to projects in December 2008.

In relation to Technical Assistance the JTS completed its recruitment in 2008 and was fully staffed by June.

Expenditure was incurred by most of the approved projects in Priorities 1 and 2 during 2008 however the first payment claims were not received until 2009. As a result no financial data is included for these priorities.

The figures for Priority 3 reflect the fact that the JTS is now fully staffed and particular efforts were made to publicise the programme which is reflected in the four publicity events during the year including the Annual Event.

- **Financial Information (all in euro)**

The financial data for Priority 3 relates to Technical Assistance which covers the operating costs of the Joint Technical Secretariat and associated programme management costs.

	<b>Expenditure paid out by beneficiaries included in the payment claims sent to the Managing Authority</b>	<b>Corresponding public contribution</b>	<b>Private Expenditure</b>	<b>Expenditure paid by the body responsible for making payments to the beneficiaries</b>	<b>Total Payments received from the Commission</b>
<b>Priority Axis 1 – ERDF Knowledge Innovation and Skills for Growth</b>			-		
<b>Priority Axis 2 – ERDF Climate Change and Sustainable Regeneration</b>			-		
<b>Priority Axis 3 – Technical Assistance</b>	793,495	390,255	-	793,495	2,634,734
<b>Grand Total</b>	793,495	390,255	-	793,495	<b>2,634,734</b>

### Situation at the end of 2008

	<b>Programme Allocation</b>		<b>Total Commitment</b>			<b>Total Spend</b>		
	Total Cost	ERDF	Total Cost	ERDF	% overall allocation	Total Cost	ERDF	% of overall allocation
<b>Priority 1</b>	39,626,863	29,720,147	5,865,662	4,360,955	<b>14.67%</b>			
<b>Priority 2</b>	26,417,908	19,813,431	2,477,356	1,857,698	<b>9.38%</b>			
<b>Priority 3</b>	4,215,623	3,161,717	793,495	403,240	<b>12.75%</b>	793,495	403,240	<b>12.75%</b>
<b>Programme Total</b>	70,260,394	52,695,295	9,136,473	6,621,893	<b>12.57%</b>	793,495	403,240	<b>0.77%</b>

- **Information about the breakdown of the use of the funds**

Priority	Code Dimension 1 <b>Priority and Theme</b>	Code Dimension 2 <b>Form of Finance</b>	Code Dimension 3 <b>Territory</b>	Community Contribution
1	03	01	08	€ 1,169,552
1	04	01	08	€ 1,886,695
1	62	01	08	€ 1,304,707
2	51	01	08	€ 1,857,698
3	85	01	08	€ 403,240
TOTAL				

The purpose of this table is to show the breakdown of the use of funds within the programme. It relates to Art 9(3) of EC Regulation 1083/2006.

Code 3 – Technology transfer and improvement of cooperation networks between small businesses (SME's), between these and other businesses and universities, post secondary establishments of all kinds, regional authorities, research centres and scientific and technological poles

Code 4 – Assistance to R&TD, particularly in SME's (*including access to R&TD services in research centres*).

Code 62 – Development of life-long learning systems and strategies in firms; training and services for employees to step up their adaptability to change; promoting entrepreneurship and innovation

Code 49 – Mitigation and adaptation to climate change

Code 51 – Promotion of biodiversity and nature protection

Code 85 – Technical Assistance, Preparation, implementation, monitoring and inspection

Code 1 – Non repayable aid

Code 08 – Cross Border Cooperation Area

- **Assistance by target groups**

Not applicable – Target groups for funding are referred to in Chapter 4 of the Operational Programme.

- **Assistance repaid or reused**

Not applicable

- **Qualitative analysis**

The year focused on completing the recruitment to the JTS and on opening and closing two calls for proposals and building financial management systems to ensure that projects are claiming for costs that are in compliance with all of the Structural Funds Regulations.

The closure of the 2 calls in 2008 demonstrated the strength of the Development Process in place with 43 applications being received. Based on the quality of most of the applications received it can reasonably be concluded at this stage that the requirement for projects to engage with the Development Officer team is beneficial and will be maintained.

The approval of 6 of the Round 1 projects shows that the appraisal process works in terms of identifying good quality projects and it also demonstrates the Steering Committee's concern that only good quality projects that can deliver the programme's aims and objectives are selected. The other major task was the development of the First Level Control and Financial Management systems to ensure that there was a strong framework for certifying expenditure and signing off on payment claims.

The first approvals were issued in July and August 2008 which reflect an effort on the part of the JTS to minimise the time lag between submission of the projects and the issuing of subsidy contracts.

It is too early in the life of the programme to make a judgement on the effect of the promotion of equal opportunities between men and women in project implementation.

## **2.2 Information about compliance with Community law**

Cross Cutting Theme experts are advisors to both the Programme Steering and Monitoring Committees. Their role is to provide advice and guidance to both Committees from both a strategic and project specific angle.

For the purposes of the first Steering Committee meeting advisors were in place and they provided advice and guidance to the Steering Committees and to the projects where appropriate. When the second call closed experts also provided detailed written comment and analysis on the Round 2 applications and made a series of recommendations for improvement on each project.

These recommendations will be used as the basis of a Good Practice Guide for all future applicants.

Compliance with Community law is also addressed as part of the First Level Control process.

## **2.3 Significant problems encountered and measure taken to overcome them**

The programme team did not encounter significant problems in the implementation of the programme at this stage.

## **2.4 Changes in the context of the operational programme implementation**

The context in which the programme operates has changed quite significantly over the course of 2008. The significant economic slowdown in each country combined with the global credit crisis means that the economic climate in both countries has deteriorated. While this didn't have a noticeable impact on the nature of the projects received under Call 2 the economic difficulties could have an impact on the size and nature of the projects received under future calls. This may be reflected in future programme evaluations.

## **2.5 Substantial modification under Article 57 of Regulation (EC) No 1083/2006**

Not applicable

## **2.6 Complementarity with other instruments**

In general, the requirement for joint cross border projects and the employment of the Lead Partner Principle means that activities funded under this programme should not duplicate, but rather complement the efforts under the other mono-funded programmes being implemented at member state level.

The Programme has the following measures in place to ensure complementarity with other instruments.

Building on the positive experience of the last programming period; the programme partnership appointed Theme Leaders within the Steering Committee membership in Ireland and Wales. The Theme Leader reviews each grant application at an early stage following the closure of the call and provides comments to the JTS regarding quality issues from a sector specific view point. One of the issues that the Theme Leaders have to address with each application is complementarity with other funding instruments.

The Theme Leaders are from government departments or state agencies in Ireland and Wales. They work in sector specific areas which relate to the Programme's Priorities and Themes which are as follows:

Business and Enterprise Development Support  
Training and Employment Support  
Environmental Protection including Climate Change  
Community Support and Development

Their knowledge of the subject areas, the policies, the key players and the projects that are already in existence means that they are uniquely well placed in order to ensure that there is no duplication of funding.

The Welsh Assembly Government also asks for internal policy comments within its own departments to ensure that the project applications fit with national policy and prevent the risk of duplication of funding with other nationally funded ERDF programmes. The Welsh Assembly Government (WEFO) is also the Managing

Authority for the Convergence and Regional Competitiveness Programmes in Wales which provides an extra degree of guidance and assurance against duplication.

As the Managing Authority is also a Managing Authority under the Regional Competitiveness & Employment Objective, and represents Ireland on the Transnational and Inter-regional Programmes, it is well placed to ensure complementarity with other financial instruments.

The Managing Authority also participates on the Committee on Co-ordination of EU funds established and chaired by the Department of Finance, as set out in the NSRF for Ireland.

The Committee was established in accordance with Article 27(5) (b) of the Council Regulation 1083/2006 as the Irish mechanisms for ensuring coordination between ERDF, ESF, EAFRD and EFF and other financial instruments. The Operational Programmes were designed to avoid duplication of interventions and also to seek synergies, where possible, with other Funds to maximise the visibility and return from the available EU Funding. Where it is not possible to resolve a possible demarcation issue at OP level, it can be referred to the National Co-ordination Committee for action. The Membership of the Committee includes the Departments of Finance, Agriculture, Fisheries and Food, Enterprise, Trade and Employment, Communications, Marine and Natural Resources; Justice, Equality and Law Reform; BMW; S&E and the Special EU Programmes Body.

The first meeting of the National Coordination Committee of the Funds was held 27<sup>th</sup> June, 2007. No further requests were received to convene the National Coordination Committee of the Funds. The Committee, however, remains available to deal with any issues that may arise.

The Steering Committee itself also takes complementarity into account when making its decisions on which projects to select for funding.

## **2.7 Monitoring Arrangements**

- **Monitoring**

The Programme Monitoring Committee and the Managing Authority has responsibility for monitoring of the Operational Programme.

Monitoring information is collected via Progress Report and Payment Claim Forms which are issued to successful projects on a six monthly basis.

The information will be securely stored on a central programme database. The database was part completed in 2008 and showed that the Managing Authority was in a position to complete its Annex III requirements as part of the Compliance Assessment Report under Article 71 of EC Regulation 1083/2006. The system will be fully operational in 2009 in time to facilitate the processing of payment claims from Call 1 projects.

The Programme Monitoring Committee met on June 13<sup>th</sup> 2008 in Saundersfoot, Wales. The main outcomes of the meeting were as follows:

- Future Annual Implementation Reports will ensure that the cross cutting themes are reflected in the Compliance with Community Law section of the report.
- The first Annual Implementation Report is to be forwarded to the European Commission.
- The Development Officers are to create a joint format for reporting statistics and activities for the next meeting.
- The JTS are to ensure that publicity material is produced in bi or trilingual format where appropriate.

As monitoring information on approved projects would not be available until 2009 the programme partnership agreed that it would not make practical sense to hold a further meeting of the Programme Monitoring Committee in 2008. An update report was sent to the Committee by written procedure in January 2009 which outlined progress in programme implementation.

- **Evaluation**

All EU Structural Funds Programmes are subject to ex-ante, on-going and ex-post evaluation to gauge the effectiveness of the Programmes and to allow adjustments to be made to the implementation of Programmes if deemed necessary. Evaluations will cover factors contributing to the success or failure of implementation and the achievements and results, including their sustainability.

No evaluations were carried out in 2008.

## **2.8 National performance reserve (where applicable)**

Not applicable under this programme

## **2.9 Financial Management and Control**

- **Control missions from the European Union**

There were no control missions from the European Union in 2008.

### **3. Implementation by Priority**

#### **3.1 Priority 1 – Knowledge Innovation and Skills for Growth**

The main focus of this priority is on how the cross border region can make a real contribution towards delivering on the objectives of the revised Lisbon Agenda of creating more and better jobs and creating an environment that can foster innovation and the knowledge economy. It is clear that this is an area that is a high priority for both parts of the cross border region as well as the EU.

It is broken down into two related themes.

Theme 1 – Innovation and Competitiveness

Theme 2 – Skills for Competitiveness and Employment Integration

##### **3.1.1 Achievement of Targets and Analysis of Progress**

- **Information on the physical and financial progress of the Priority**

The Steering Committee for Priority 1 met on April 30<sup>th</sup> 2008 and approved 4 of the 10 projects that were submitted with an ERDF grant allocation of €4.36 million.

Details of the projects are listed in Annex II.

##### **\*Priority 1 Theme 1: Innovation and Competitiveness**

<b>Output Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of joint projects aimed at promoting and developing innovation in SMEs including linkages with HE/FE institutions	0	0	11
• Number of joint projects aimed at promoting and developing entrepreneurship and the development of new businesses including cross border business clusters	0	1	11
• Number of SMEs assisted	0	4	300

<b>Result Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
• Number of new SMEs created	0	0	10
• Number of new products/processes developed	0	0	15
• Number of gross direct new jobs created	0	0	20

\*Priority 1 Theme 2: Skills For Competitiveness And Employment Integration

<b>Output Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of collaborative training projects that address the skills needs of SMEs and industry in the cross border region	0	0	9
Number of joint projects aimed at improving and enhancing systems of learning and workforce development	0	0	4
Number of joint projects aimed at providing access to training and education for immigrants and disadvantaged groups	0	0	5
Number of beneficiaries undertaking cross border training courses/modules	0	0	500

<b>Result Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of beneficiaries receiving certified qualifications	0	0	350

- **Qualitative Analysis**

The evidence has shown that the overall level of demand in this Priority is quite strong although work is required to ensure that more projects are submitted under Theme 2 to ensure a more balanced level of commitment.

The approved projects are good quality and closely fit with the aims and objectives of Priority 1. A notable feature of the Round 1 approvals is that many of them build on and add value to partnerships that were in place since the last Ireland Wales Programme.

Monitoring achievements are preliminary at this stage and reflect the fact that projects were issued with their first Statements of Expenditure in December 2008. Projects also needed time to understand the needs of the First Level Control process which places greater demands on projects compared to the previous programming period. This had an impact on the quality of the audit trail submitted with the claims. This can be expected to improve as the programme develops.

It is too early in the life of the programme to make a judgement on the effect of the promotion of equal opportunities between men and women in project implementation.

### 3.1.2 Significant problems encountered and measure taken to overcome them

There were no significant problems encountered at this stage.

## 3.2 Priority 2 – Climate Change and Sustainable Regeneration

The main focus of this priority is on how the cross border region can address the challenges of the Gothenburg agenda and make a real contribution towards building a more sustainable future for the region. Both parts of the region face common challenges in terms of climate change and sustainable development and also in relation to the regeneration of communities.

It is broken down into two related themes.

Theme 1 – Climate Change and Sustainable Development

Theme 2 – Sustainable Regeneration of Communities

### 3.2.1 Achievement of Targets and Analysis of Progress

- **Information on the physical and financial progress of the Priority**

The Steering Committee met on May 1<sup>st</sup> 2008 and approved 2 projects under this Priority out of the four submitted with an ERDF grant allocation of €1.86 million.

Details of these projects are as listed in Annex II.

#### Priority 2 Theme 1: Climate Change and Sustainable Development

<b>Output Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of cross border projects focusing on awareness raising or responding to challenge of climate change	0	0	9
Number of collaborative projects protecting and/or enhancing the natural environment.	0	0	9

<b>Result Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of new cross-border links established	0	0	9
No. of measures implemented which react to the challenge of climate change	0	0	9

No. of enhancements undertaken	0	20	9
No. of projects disseminating results to stakeholders and/or communities or reports published	0	0	9

\*Priority 2 Theme 2: Sustainable Regeneration of Communities

<b>Output Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of joint projects focusing on sustainable community regeneration action.	0	0	14

<b>Result Indicators</b>	<b>Baseline</b>	<b>End 2008</b>	<b>Final Target</b>
Number of new community, social enterprise or cultural links established	0	0	7
Number of new measures implemented	0	0	14
Number of gross direct new jobs created	0	0	6

- **Qualitative Analysis**

While the number of projects submitted under Call 1 was relatively low compared to Priority 1 the picture changed with Call 2 when 15 applications were submitted. It will be important to ensure a balance of commitment between the 2 themes as there is significant demand for funding in both areas.

The approved projects are good quality and closely fit with the aims and objectives of Priority 2. Both projects build on and add value to work done under the IIIA Programme.

Monitoring achievements are preliminary at this stage and reflect the fact that projects were issued with their first Statements of Expenditure in December 2008. Projects also needed time to understand the needs of the First Level Control process which places greater demands on projects compared to the previous programming period. This had an impact on the quality of the audit trail submitted with the claims. This can be expected to improve as the programme develops.

It is too early in the life of the programme to make a judgement on the effect of the promotion of equal opportunities between men and women in project implementation.

### **3.2.2 Significant problems encountered and measure taken to overcome them**

No significant problems have been encountered. Some minor technical issues have emerged regarding the level of back-up documentation required to accompany statements of expenditure, as required under the new Regulations, and the JTS & Managing Authority are currently working with the beneficiaries to resolve these matters.

### **3.3 Priority 3 – Technical Assistance**

The overall objective of the Priority is to support the management, evaluation and monitoring of the Operational Programme.

Under this Theme the ERDF may, subject to the limits set down in Article 46 (1) (b), support areas such as preparation, management, monitoring, evaluation, information and control activities of the Operational Programme together with activities to reinforce the administrative capacity for implementing the Fund.

#### **3.3.1 Achievement of Targets and Analysis of Progress**

- **Information on the physical and financial progress of the Priority**

<b>Indicators for Priority 3</b>	<b>Baseline</b>	<b>2008</b>	<b>Cumulative End 2008</b>	<b>Final Target</b>
Number of gross direct jobs created	0	4	10	10
Establishment of Joint Technical Secretariat	0	0	1	1
Establishment of project database	0	0	0	1
Number of Publicity Events	0	4	5	14
Number of newsletters produced	0	0	0	6
Number of evaluations and studies carried out	0	0	1	3
Establishment of Programme Website	0	0	1	1

**Financial Progress of the Operational Programme as at December 31<sup>st</sup> 2008  
(Cumulative Position since January 2007)**

	Community Funding (a)	National Public funding (b)	National private funding (c)	Total funding (d)=(a)+(b)+(c)	Co-financing rate (e)=(a)/(d)	For information	
						EIB contributions	Other funding
Priority Axis 1 Knowledge, Innovation & Skills for Growth			-				
Priority Axis 2 Climate Change & Sustainable Regeneration			-				
Priority Axis 3 Technical Assistance	403,240	390,255	-	793,495	50.82%		-
<b>TOTAL</b>	<b>403,240</b>	<b>390,255</b>	<b>-</b>	<b>793,495</b>	<b>50.82%</b>		

**Financial Progress of the Operational Programme as at December 31<sup>st</sup> 2008  
(Expenditure reported in 2008 exclusively)**

	Community Funding (a)	National Public funding (b)	National private funding (c)	Total funding (d)=(a)+(b)+(c)	Co-financing rate (e)=(a)/(d)	For information	
						EIB contributions	Other funding
Priority Axis 1 Knowledge, Innovation & Skills for Growth	-	-	-	-			
Priority Axis 2 Climate Change & Sustainable Regeneration	-	-	-	-			
Priority Axis 3 Technical Assistance	228,944	254,179	-	483,123	47.39%		-
<b>TOTAL</b>	<b>228,944</b>	<b>254,179</b>	<b>-</b>	<b>483,123</b>	<b>47.39%</b>		

- **Qualitative Analysis**

The Programme made further progress in meeting its targets for the Technical Assistance Priority in 2008.

The Joint Technical Secretariat was fully staffed by June 2008 with the completion of the staffing in Waterford and also the recruitment of the two full time Development staff in Wales.

The project database was part completed during 2008; it is due to be fully operational in the middle of 2009 in time to facilitate the processing of applications for payment from projects.

The Annual Event which showcases the programme took place on May 16<sup>th</sup> 2008 in conjunction with the Annual Conference of the Managing Authority in Druids Glen Co Wicklow. The focus was on introducing the programme to the general public and publicising the opportunities for funding that can be gained from the programme.

The draft Art 71 Systems Description for the programme was submitted to the European Commission in September 2008 along with the Compliance Assessment Report by the Audit Authority.

The Managing and Audit Authority received a response back on October 31<sup>st</sup> 2008 indicating that the Commission Audit Services required a number of changes to the Systems Description. Most of these alterations have now been made to the document. The Audit Authority is liaising closely with the Commission's Audit Service with a view to formal resubmission in 2009.

The Audit Strategy was also submitted to the European Commission in September 2008. A response was received by the Commission's Audit Service which required a series of changes to the Strategy. The Audit Authority is liaising closely with the Commission's Audit Service with a view to formal resubmission in 2009.

### **3.3.2 Significant problems encountered and measure taken to overcome them**

The only issue to report is that the completion of the new I.T. system and project database has taken longer than expected due to an increase in the scale of the project and an increased need for staff to liaise with the database developers so that they understand the Ireland-Wales Programme requirements more precisely. During 2008 staff were reallocated from core programme implementation work in order to achieve this. This work will be completed in Q2, 2009.

#### **4: Major Projects**

As per Chapter 8.7, page 91 of the Operational Programme document there are no major projects envisaged under this programme.

#### **5: Technical Assistance**

The remaining members of the JTS team were recruited in 2008 and everyone was in place by June.

The draft Art 71 Systems Description and Compliance Assessment Report were submitted to the European Commission in September 2008. A reply was received from the Commission on October 31<sup>st</sup> 2008 which outlined a series of changes that were required within the report. Most of these were rectified in early 2009 and the Audit Authority is liaising closely with the Commission's Audit Service with a view to formal resubmission.

The second meeting of the Programme Monitoring Committee took place on June 13<sup>th</sup> 2008 in Saundersfoot while the second call for proposals was launched shortly afterwards.

A one day workshop was also hosted by the JTS in November 2008 for all of the approved Round 1 partners. The aim of the event was to introduce partners to the financial control system that is in place for the new programming period and explain their responsibilities as beneficiaries in terms of using this system.

There was a group session in the morning where the system was introduced along with a question and answer session. Each project partner then had an individual advice and assistance session with members of the JTS in the afternoon. The event was viewed as a success and is something that will be done for future rounds, albeit earlier in the process.

In terms of expenditure under Technical Assistance the table below outlines the operating costs for the Irish office. The main part of this relates to the staffing of the JTS and related office rental and administration costs. The cumulative picture regarding TA expenditure is outlined earlier in the report.

#### Technical Assistance Expenditure Summary 2008

Payroll (including SA, Training, Recruitment)	<b>353,547</b>
Office Equipment, Supplies & Contracts	<b>39,418</b>
Rent, Rates	<b>27,071</b>
Post & Phone	<b>9,674</b>
Travel and Subsistence	<b>29,834</b>
Public Relations	<b>6,687</b>
Repairs & Maintenance	<b>3,433</b>
Insurance	<b>828</b>
Miscellaneous	<b>3,568</b>
Operating Programme	<b>5,537</b>
WIN Scheme	<b>3,526</b>
<b>Total Expenditure</b>	<b>483,123</b>

## **6: Information and Publicity**

The Ireland Wales Programme submitted a Communications Plan for approval by the European Commission on January 16<sup>th</sup> 2008. It was approved on March 12<sup>th</sup> 2008.

The aims and objectives of the Ireland Wales Communications Plan are as follows:

- To highlight the role of Community funding in facilitating cross border cooperation between Ireland and Wales and the real benefits that it brings to local communities.
- To promote the benefits and added value of co-operation to the general public in its widest sense by highlighting project results and outputs and their European dimension.
- To help generate new partnerships by increasing awareness amongst potential beneficiaries on the funding opportunities offered by the Ireland Wales Programme.
  
- To provide potential beneficiaries and stakeholders with accurate and reliable information to stimulate high quality applications.
- To design programme information in a transparent and easy to read fashion so that it can be easily understood by potential beneficiaries and stakeholders.
- To raise the profile of cross border co-operation within national and regional administrative systems.
- To encourage active dissemination of projects and programme results to professionals and political stakeholders.

The programme undertook the following major initiatives in 2008 in order to implement the Communications plan.

The **Annual Event** was held on May 16<sup>th</sup> in Druids Glen, Co Wicklow in conjunction with the Managing Authority. The focus of the event was introducing the programme to the general public with presentations from the JTS and a successful project from the old IIIA Programme.

A series of **3 information workshops** for perspective Round 2 applicants were held in the cross-border region in July & August. They were held in Kilkenny, Carmarthen & Colwyn Bay to ensure full coverage of the Programme area.

A **financial control workshop** was held in Wexford in November to brief approved projects on the Programme's financial control system. One to one sessions were held between JTS staff and projects after the event.

The aim is to develop these workshops into **models of best practice** where applicants and beneficiaries are provided with an open and customer focused approach in relation to the completion of applications and subsequently with the completion of the financial compliance requirements.

The Operational Programme, other documents and a small range of **branded publicity items** were distributed at each meeting and event.

Preparation work began **on a new e-zine** for the Programme. This will be distributed every quarter from mid 2009. Plaques will be distributed to approved projects from mid 2009.

The Programme's **Information & Communication Guidelines** have been distributed to approved projects. This will also be made available to applicants and potential applicants. They have also been posted on [www.irelandwales.ie](http://www.irelandwales.ie).

**The list of beneficiaries**, the names of operations and the amount of public funding allocated to operations is published on [www.irelandwales.ie](http://www.irelandwales.ie) and will be updated when required. Additional information on projects approved during 2008 is enclosed at Annex II.

The JTS and WEFO's Communications Team worked closely together and issued **Press Releases** for each of the 6 approved projects in the second half of the year. These were picked up by various regional media. In particular, EcoJel received good coverage from sectoral, regional and national media.

Indicator	Baseline	Cumulative End 08	Target
Establishment of Programme Website	0	1	1
Major Launch Event	0	1	1
Number of Publicity Events	0	5	14
Number of Press Releases Issued	0	12	14
Number of Newsletters produced	0	0	12
Press Clippings	0	10	To be determined
Website Statistics	0	Not available	To be determined



## **Steering Committees Finalised Rules of Procedure**

### **Background**

1. Chapter 8 of the Ireland Wales Operational Programme (OP) document confirms that one or more Steering Committees (SCs) will be set up by the Programme Monitoring Committee (PMC) at its first meeting. The PMC agreed proposals at their inaugural meeting in October 2007 to appoint two SCs. The SCs will draw up their own Rules of Procedure which will be agreed by the PMC.

### **Role**

2. The principal task of the Steering Committees is to undertake the joint selection of projects in compliance with the selection procedure and criteria approved by the PMC. One SC will be responsible for Priority 1 of the Programme and the other for Priority 2.

### **Composition**

3. The Steering Committees will be jointly chaired by the Southern and Eastern Regional Assembly and the Welsh Assembly Government. Membership of the Committees is drawn from representatives of the Managing Authority, Welsh Assembly Government, the Department of Finance, other relevant government departments, state agencies and sectoral agencies with a policy remit covering the OP's Priorities and Themes and Regional and Local Authorities. Gender balance will be promoted on the Steering Committee.

4. This will include Theme Leaders who have an overview of their respective theme and will provide sector specific advice and guidance to the Joint Technical Secretariat (JTS) during the project appraisal process. This will replicate the good practice established with the role of the Measure Leaders for the last programme.
5. A representative of the Commission may participate in the work of the Committee in an advisory capacity. Equality and Sustainable Development representatives will be advisors to the Committee(s).
6. Other advisory groups may also be formed around specific issues of relevance to the Programme and experts from various sectors in relation to operation of the Programme can be invited by the Joint Chairs to meetings as and when this is considered appropriate.

### **Functions**

7. The function of the Steering Committees is to examine all applications for ERDF grant assistance under the Ireland/Wales Programme and select which projects should be approved for grant assistance.
8. The membership list is outlined at Annex I.
9. In undertaking this task, the SCs will take into account:-
  - (i) the project selection criteria contained in the Programme and Project Management Guide and approved by the PMC. Each project will be assigned an indicative ranking based on the score that they received against these criteria.
  - (ii) the expenditure profiles set out in Annex II and III of the Operational Programme document.
10. Applications will be considered by the Steering Committees at the relevant meetings, following completion of the eligibility checking process by the Joint Technical Secretariat (JTS) (outlined at Annex III). The Steering Committees will consider the indicative ranking for the project assigned by the JTS and evaluate the merits of the project against Programme and Priority/Theme level aims and objectives. Each Member of the Steering Committees will be responsible for considering applications across the whole respective Priority and therefore for making decisions collectively.
11. The Steering Committees will also consider observations and recommendations from relevant departments and agencies to ensure that projects comply with national and EU policy and legislation.

12. In considering the merits of applications, the SCs will have regard to such wider issues as:-

- (i) *Overall programme strategy and the development of the programme across both main priorities*
- (ii) *Overall quality of the project*
- (iii) *The degree of cross border cooperation*
- (iv) *The impact on the programme's Equal Opportunities cross cutting theme*
- (v) *The impact on the programme's Sustainable Development cross cutting theme*
- (vi) *The impact on programme targets*
- (vii) *Value for money and sound management of financial resources*
- (viii) *Compliance with national, regional and EU policies, including Social Partnership*
- (ix) *The degree of durability and sustainability of the project*

10. The Committees will be responsible for approving or rejecting applications. They will instruct the JTS to issue notification of the outcome of grant applications to project applicants, including the issue of grant offer letters to successful applicants. The Committee's decision is final

## **Meetings**

11. Dates of Steering Committee meetings will be notified in advance and set in accordance with the timing of project rounds which form part of the JTS work plan which has been agreed by the PMC. The JTS will arrange a well publicised call for applications, by individual round and with agreed closing dates. Applications received by the agreed closing date will be appraised and considered at the next SC meeting.

12. Each Steering Committee will be expected to meet around twice a year. Meetings will be held in Wales and Ireland on a rotational basis, with the Chair determined by the location of the meeting.

13. The JTS will send the agenda and working papers at least 10 working days before the Steering Committee meetings, although exceptionally papers may be circulated at a later date. The minutes of meetings will normally be circulated in draft within 20 working days of the meetings. Members will be given 15 working days to comment on the draft minutes.

## **Participation at Meetings**

14. Members will be eligible, subject to paragraph 15 below, to participate in all business transacted by the Steering Committees. Individual members who

are unable to attend a particular meeting may be represented by their named alternates, provided that the Chair is notified before the meeting.

15. Members of the Steering Committees are required to declare any interest they may have in particular projects and will be requested leave the room for any discussions about any such project.
16. The Steering Committees will conduct their work on the basis of consensus. In the event of a disagreement, the Chair, using all appropriate channels, shall seek to resolve any differences arising within the meeting.

## **Written Procedure**

17. At the initiative of the Chair, or with the agreement of the Chair, proposals, other than project applications may be submitted to the Steering Committees for adoption by written procedure. Members will normally be asked to give their written opinion on any such proposal within 15 working days. The proposal shall be deemed agreed by the Steering Committee in the absence of any written objections within that period.
18. Where written objections from any member are received by the JTS within 15 days, the Chair will determine whether:
  - (a) the proposal shall be deemed lost;
  - (b) discussion should take place with the relevant member concerning their objection; or
  - (c) the proposal should be referred back to the Steering Committees for further consideration.
22. A member may withdraw written objections to any proposal at any time and, when every written objection is withdrawn, the proposal shall be deemed agreed by the Steering Committee.
23. Following the 15 working day period, the JTS shall inform the Steering Committee:
  - (a) whether any proposal submitted to the Steering Committee for adoption has, in the absence of any written objection, been deemed agreed; or
  - (b) if any member has registered written objections to a proposal and, if so, what the Chair has determined.

## **Secretariat**

24. A dedicated Joint Technical Secretariat has been established within the Southern and Eastern Regional Assembly to deliver the Programme. The JTS will assist and advise the Committee in respect of the functions and procedures set out above. Programme Development Officers in Ireland and Wales will also support the work of the SC's.

## Approved Projects

<b>Project Title</b>	<b>VISION (Visualisation &amp; Innovation Project)</b>		
<b>Priority/ Theme</b>	1.1		
<b>Lead Partner</b>	Coleg Menai - Wales		
<b>Other Partners</b>	Institute of Technology, Tallaght - Ireland		
<b>Description</b>	The project will jointly support SME's and entrepreneurs to develop new products and bring those products to market by assisting businesses to identify & assess the viability of new product ideas, create and test working models of their ideas and adopt the appropriate business techniques needed to manufacture and market those products worldwide. The project will also aim to spread good practice in design analysis amongst businesses in the cross-border region and will facilitate the establishment of relationships between cross-border SME's through the development of clusters on product and materials applications. Activities include, developing technology transfer partnerships, seminars, networking and research.		
<b>Project Ref.</b>	1		
<b>Approved</b>	April 2008 – Round 1		
<b>Grant Awarded</b>	€982,197	<b>Project Cost</b>	€1,360,384

<b>Project Title</b>	<b>Channel Cluster Project – Food &amp; Drink, Ireland Wales</b>		
<b>Priority/ Theme</b>	1.1		
<b>Lead Partner</b>	Irish Exporters Association - Ireland		
<b>Other Partners</b>	Menter a Busnes Cyf - Wales		
<b>Description</b>	The project aims to address the barriers to the growth of Irish & Welsh SME's in the food & drink sector. The project will specifically address distribution and managing the route to market, particularly servicing the UK market. Marketing channels can broadly be defined as any intermediary that facilitates the sale of a company's products or services. Potential channels can include representatives, agents, brokers, distributors and virtual sales offices. Activities will include clustering techniques, one to one support, SME matching, study tours, workshops and research to develop new products and processes.		
<b>Project Ref.</b>	2		
<b>Approved</b>	April 2008 – Round 1		
<b>Grant Awarded</b>	€1,169,552	<b>Project Cost</b>	€1,559,405

<b>Project Title</b>	<b>WISE – Wales Ireland Sustainable Enterprise</b>		
<b>Priority/ Theme</b>	1.1		
<b>Lead Partner</b>	IT Carlow - Ireland		

<b>Other Partners</b>	Engineering Construction Industry Training Board - Wales		
<b>Description</b>	The project will jointly support SME's from the engineering sector through increased cross-border contact between selected companies. The project aim is to improve the sustainability of 40 engineering related SME's through enhancing leadership, management, innovation & environmental best practice at all levels. Activities will include expert mentoring, challenging & provocative small group sessions & a diagnostic support process to identify sustainability issues within the SME. The project will then support the implementation of this action which will include mentoring & support mechanisms, one to one training, group workshops, technical & management support.		
<b>Project Ref.</b>	5		
<b>Approved</b>	April 2008 – Round 1		
<b>Grant Awarded</b>	€904,498	<b>Project Cost</b>	€1,205,998

<b>Project Title</b>	<b>Sustainable Learning Networks in Ireland &amp; Wales</b>		
<b>Priority/ Theme</b>	1.2		
<b>Lead Partner</b>	Waterford Institute of Technology - Ireland		
<b>Other Partners</b>	Aberystwyth University - Wales		
<b>Description</b>	The overall aim of Sustainable Learning Networks is to improve the economic development of the cross-border area through the creation, development and utilisation of self-perpetuating, self-learning, sustainable networks among SME's. By organising SME owner/managers into self-learning networks the project team aims to direct the learning they need for themselves and their employees to increase the innovativeness, competitiveness and sustainability of their organisations. The project is aimed primarily at SME owner/managers in order to increase their skills to assess their current and future needs in a changing economic environment, so that they can assess their staffs' training needs to meet the challenge. Activities include the establishment of up to six joint sustainable self-learning, self-directed networks to enhance the system of learning and work force development.		
<b>Project Ref.</b>	11		
<b>Approved</b>	April 2008 – Round 1		
<b>Grant Awarded</b>	€1,304,707	<b>Project Cost</b>	€1,739,875

<b>Project Title</b>	<b>Green Communities</b>		
<b>Priority/ Theme</b>	2.1		
<b>Lead Partner</b>	Keep Wales Tidy - Wales		
<b>Other Partners</b>	An Taisce - Ireland		
<b>Description</b>	Green Communities is a community-based project operated by Keep Wales Tidy and An Taisce. The project will take a grassroots approach to undertaking practical environmental work by encouraging and supporting community groups. The project partners will assist and train groups to undertake practical environmental work which will lead to improved biodiversity value of the region and improved access to green spaces. 100 community groups will be assisted to focus on biodiversity enhancements and ideas will be shared with other community groups in Wales and Ireland. The project will encourage volunteers from a wide range of backgrounds to learn from each other through a joint biodiversity conference		

	and via a project website which will contain guidance, case studies and networking opportunities. To encourage group sustainability, best practice on community group structures will be exchanged between Wales and Ireland and 5 new cross-border links will be developed as 10 community groups 'twin' across the Irish sea. GC will raise awareness of the issue of climate change and reduce its impact through local community action. It will develop a community carbon footprinting tool to assist groups assess their carbon production and encourage them to arrange events with carbon production in mind. Officers will identify actions to help groups reduce their impact and solutions will be shared between Wales and Ireland through group exchanges and via a joint climate change conference.		
<b>Project Ref.</b>	13		
<b>Approved</b>	April 2008 – Round 1		
<b>Grant Awarded</b>	€1,132,758	<b>Project Cost</b>	€1,510,342

<b>Project Title</b>	<b>Ecojel (Managing the opportunities &amp; detrimental impact of jellyfish in the Irish Sea)</b>		
<b>Priority/ Theme</b>	2.1		
<b>Lead Partner</b>	Swansea University - Wales		
<b>Other Partners</b>	University College Cork - Ireland		
<b>Description</b>	The EcoJel project will identify and manage the jellyfish threats and opportunities in the Irish Sea. The project will raise awareness of jellyfish in the coastal seas of the cross-border region, which may have both negative and positive socio-economic impacts. The Universities will jointly examine the impact of jellyfish on the tourism, aquaculture and fisheries sectors by tracking their movements. The project will identify the economic potential of harvesting jellyfish in a sustainable way and as a potential eco-tourist attraction. The joint activity will also establish the movements and origin of pest jellyfish through the development of innovative tracking technologies. Through the project the joint-university team aims to become a centre of excellence for jellyfish research in the Irish Sea.		
<b>Project Ref.</b>	14		
<b>Approved</b>	April 2008 – Round 1		
<b>Grant Awarded</b>	€724,940	<b>Project Cost</b>	€967,014