



**BRITISH-IRISH
INTER-PARLIAMENTARY BODY**

**COMHLACHT IDIR-PHARLAIMINTEACH
NA BREATAINE AGUS NA hÉIREANN**

REPORT

from

COMMITTEE B (European & International Affairs)

on

**EUROPEAN FUNDING PROGRAMMES AND DEVELOPING
UNDERSTANDING ACROSS BORDERS**

CHAIR'S FOREWORD



It was agreed at the Chepstow plenary meeting of the British Irish Inter-Parliamentary Body that a sub-committee be established by Committee B on European Affairs to consider the potential use of European Structural Funds to support the aims of the Irish Council. I was invited to chair the sub-committee.

The Sub-committee considered the use of a selection of European funding programmes to develop mutual understanding across regional and national borders. This is seen as particularly relevant to the islands of Britain and Ireland where many co-operative ventures have and are taking place bringing people and communities together in both a North South and East West context. The time-scale for the inquiry was inevitably short in order to enable the Sub-committee to report back and present its recommendations to the Bundoran Plenary. It was important to adhere to this timescale in order for the Body's views on the use of the Structural Funds to be conveyed to the appropriate executive bodies in time for them to influence current discussions on the 2007-2013 round of European programmes.

On behalf of the Sub-committee, I should like to express my gratitude for the warm welcome received during the visits and for the invaluable contributions of those who provided in-put and evidence. We could not have undertaken the inquiry without their support and co-operation. I would also like to thank all the Members of the Committee B Sub-committee for their hard work in producing this report.

Finally I commend the report to you for your consideration.

Michael German OBE AM
Sub-committee Chair
March 2005

SUB GROUP MEMBERS

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REPORT

EXECUTIVE SUMMARY

1. This report considers a range of European funding programmes as factors in the development of co-operation and mutual understanding across national borders. The timing of the report provides an opportunity for reflection on existing programmes with a view to informing anticipated debate on successor or replacement programmes for the period 2007-2013.

BACKGROUND

2. With the agreement of the Steering Committee, a sub-committee to Committee B (European Affairs) of the British Irish Inter-Parliamentary Body was set up following the Body's October 2004 Chepstow plenary meeting. The Sub-committee took as its intention that its report should encompass those European funding programmes which could complement the broader objectives of the peace process by assisting in the development of mutual understanding and co-operation between people, both North/South and East/West within and between the islands of Britain and Ireland. In particular the inquiry should focus on those programmes specifically designed to promote cross border activities such as the inter-regional co-operation programme, Interreg.

3. It was agreed that the objectives of the inquiry should be to:

- investigate the current and proposed European funding programmes which support cross border activities;
- report on the potential for using these funding streams to strengthen co-operation between the participant geographical areas represented by the Body; and,
- present proposals for the Body's consideration for representation to the governments of the constituent members and to the European Commission on future European funding programmes containing a cross border element.

4. It was further agreed that, given the potential breadth of such an inquiry within the time available, any such study should encompass the policy issues surrounding the existing and proposed cross-border funding streams. Members endorsed the recommendation that the scope of the inquiry should be limited to a selection drawn from the eight work areas which the British Irish Council is engaged and on which the potential for co-operation between constituent jurisdictions has already been identified. The Sub-committee identified the inter-related themes of education, culture, tourism and transport and their associated programmes as themes particularly relevant to the development of mutual understanding across borders.

5. The Sub-committee drew its Members from the two sovereign parliaments, the Scottish Parliament and the National Assembly for Wales. It met three times between 16 December 2004 and 31 January 2005:

- in Edinburgh, to clarify the aims, objectives and scope of the study and to receive a background familiarisation presentation on the key issues concerning the future of European Structural Funds;
- in Brussels at Wales House, to receive evidence from the European Commission, local government associations' Brussels offices and the Conference of Peripheral and Maritime Regions (CPMR); and,
- in Copenhagen to study the Øresund Region, an example of international and cross-border co-operation between Sweden and Denmark.

6. Video conferencing was used on each occasion to involve Members in the meetings who would otherwise have been unable to participate.

7. The Committee wishes to place on record its thanks to all those Members who participated in this inquiry, and in particular expresses its gratitude to Michael German OBE AM for his work in chairing the sub-committee.

8. This report is set out thematically with individual sections on:

- an overview of the key issues
- a review of the programmes identified for study
- a case study of the Øresund Region.

SUMMARY OF RECOMMENDATIONS

Key Issues - Overview:

The Committee:

- **notes the turnkey role that trans-national and cross-border funding from Europe plays in the development of relationships between and within the UK and Ireland. The Sub-committee recommends that the Body should represent its views to the British and Irish governments that the continuation and development of these funding streams will play an important role in fostering valuable social, economic and cultural relations between our countries (Para 18).**
- **recommends that the Body urges the Ireland and UK governments to take a more pro-active role in shaping the new cross-border and trans-national programmes (Para 19).**

Interreg:

The Committee recommends:

- that whilst the Structural Funds post 2007 will focus on the new member states, it is most important that the Commission gives its support to future

Interreg programmes, in particular programmes along the proven Interreg IIIA model, in all member states;

- **that future programme should not be restricted to EU and public funding (Para 32);**
- **ICBAN as an example of effective working at the local level across the political parties north and south of the Ireland / Northern Ireland border (Para 33);**
- **future programmes remain decentralised to the local or regional level (Para 34);**
- **that the Atlantic Arc remains a zone for trans-national co-operation in future programmes (Para 35);**
- **that inter-regional co-operation should continue to be possible under the future framework for 'European Territorial Co-operation' (Para 36).**

Leader+:

The Committee recommends:

- **that there should be a continued development to the Leader programme, albeit mainstreamed, as a method for delivering innovative local solutions to economic development (Para 43);**
- **that, noting the Commission's recommendation that 7% of Members States' rural development budget be allocated to Leader style activities, adequate resources be devoted to the Leader axis in future national rural development programmes (Para 44);**
- **that trans-national networking should be promoted in the UK and Ireland through a strengthened European Network for Rural Development (Para 45).**

Culture:

- The Committee recommends that greater emphasis is placed on raising awareness of Culture 2000 and its successor amongst interested parties in the UK and Ireland (Para 51).

Educational Programmes:

- The Committee recommends that attention is given to raising awareness of the opportunities offered by COMENIUS, ERASMUS and GRUNDTVIG amongst educationalists and students across the islands of Britain and Ireland to

ensure both member states contribute fully to the Commission's ambitious targets (para 59).

Transport Links:

The Committee recommends further consideration is given to the development of effective transport links between Britain and with particular reference to inter-regional air services, inter-modal connections and short-sea shipping (para 63).

The Øresund Region

The Committee recommends:

- support for the Öresund Committees proposals for administrative simplification of future Interreg programmes (para 77).
- commending the special envoy initiative of the Nordic Council of Ministers as a means of breaking down cross border obstacles (Para 82).

KEY ISSUES - OVERVIEW

9. The Sub-committee was provided with a briefing on the future of the European Structural Funds programmes by Colin Imrie of EU Solutions, an Edinburgh based consultancy and from which this overview draws upon.

10. The future of European structural funds programmes is an agenda item for both the Luxembourg and UK EU presidencies, when the issues around the budget and future programmes post 2006 will be discussed. Approximately one third of the community budget is spent on structural funds. Over 90% of that funding is supplementary funding in support of national and regional economic development. Whilst a lot of work is done by the Commission on the sharing and dissemination of best practice, funds are spent locally, on local priorities but subject to community controls.

11. The current Interreg III programme (2000-2006) is the main vehicle for co-operation between European partners on regional economic development and spatial planning. It aims to strengthen economic and social cohesion in the EU by promoting balanced development of the EU's territory. It is part of the EU's cohesion/regional policy and is funded by the European Regional Development Fund (ERDF). It has three strands:

- **Interreg IIIA:** focuses on cross-border co-operation (including external borders and certain maritime borders). There are two programmes operating between regions within Britain and Ireland: North of Ireland and Northern Ireland (EU contribution of €134.3 million out of a total budget of €179.2 million); and, the other between East of Ireland and West Wales (€65.46 million, with an EU contribution of €47.57 million).

- **Interreg IIIB:** is an instrument for trans-national co-operation. It promotes integration across large groupings of European regions including the accession states and neighbouring countries. UK regions are covered by at least one programme, and in some cases, three as there is some overlap. Those in which the UK and Ireland are included together are:
 - the North West Europe Area, which brings together the regions of Ireland, the North of France, north west Germany, Belgium, the Netherlands and the UK;
 - the Atlantic Area, similar to the Conference of Peripheral Maritime Regions (CPMR) Atlantic Arc, which brings together Europe's coastal regions including the whole of Ireland, the UK's western regions, the west of France, the north of Spain and Portugal.

- **Interreg IIIC:** is a further instrument for inter-regional co-operation. This covers the whole of the EU and neighbouring countries to improve development and cohesion. This is done either through individual co-operation projects, networks or regional framework operations.

12. To date, spending under the Interreg programme has been concentrated mainly on cross-border rather than trans-national programmes. Negotiations are currently under way in the Council of Ministers and separately in the European Parliament about the Commission's proposal for the future of the Structural Funds programmes after 2006 when the current framework comes to an end. The impact of enlargement has totally changed the way in which Structural Funds are going to work in the future as spending is set to be directed mainly towards the new member states. The Lisbon and Gothenburg Agendas mean that that competitiveness and sustainable development will play a central element in future programmes and the associated Structural Funds. Expectations are that the new member states, plus remaining Objective 1 areas in the pre-enlargement EU member states (EU15) will receive close to 80% of the €350 billion anticipated for 2007-2013. Objectives 2 and 3 are to be replaced by a new priority, competitiveness. This will result in a reduction in available funds for the UK and Ireland. The anticipated drop in structural funding across the EU15 member states is in the region of 300-400%.

13. The Commission is proposing that Interreg style co-operation in the future will be considered a key European objective rather than a Community Initiative as it is currently. It will sit alongside 'Convergence' and 'Competitiveness and Employment', the other two objectives which address funding for the EU's poorest regions and the rest of the EU's regions respectively. The 'European Territorial Co-operation' objective would continue to be financed by the Structural Funds. The proposed framework for the post 2006 programme is very much a continuation of the Interreg approach. However, the available budget will increase from approximately €5 billion to €13 billion over the period with an anticipated 50:50 split between cross-border and trans-national programmes. Assuming that the actual amount of European funds available to the UK and Ireland reduces, Interreg and its successors are set to become relatively more important.

14. The proposal to increase the scope for cross-border maritime co-operation between regions up to a maximum separation of 150km provides further potential for cross-border programmes within and between the UK and Ireland. This offers the potential for a programme linking the west coast of Scotland to the existing North/South Ireland programme through Donegal. Priorities after 2007 include innovation, environment and risk prevention and accessibility and transport.

15. The Commission intends to review the existing 13 trans-national co-operation zones (defined under Interreg IIIB) in the light of enlargement. There is an opportunity to create a specific British-Irish trans-national programme, which could sit alongside other programmes such as the North-West Europe or the Northern Periphery programme, focusing on promoting cross-border co-operation between the different parts of the British Isles. A recent study of the Northern Periphery programme by academics in Scotland and Sweden suggest that it needs to be reinvigorated if it is to continue beyond 2006. The addition of a British-Irish dimension might provide that impetus.

16. There is also an opportunity for the UK and Irish governments to take a more pro-active role in shaping the new programmes. There is an expectation that during the next year, member states will be asked to propose how they act together.

17. Against these opportunities identified, it should however be recognised that there is a lack of evidence of the economic impact of cross-border programmes. There is more evidence that transport and environmental projects can actually deliver benefits. There is also a lack of support at national and devolved government level for inter-regional and trans-national projects.

RECOMMENDATIONS

18. The Committee notes the turnkey role that trans-national and cross-border funding from Europe plays in the development of relationships between and within the UK and Ireland. The Sub-committee recommends that the Body should represent its views to the British and Irish governments that the continuation and development of these funding streams will play an important role in fostering valuable social, economic and cultural relations between our countries.

19. The Committee recommends that the Body urges the Ireland and UK governments to take a more pro-active role in shaping the new cross-border and trans-national programmes.

INTERREG III AND BEYOND

20. Whilst in Brussels the Sub-committee received evidence from those involved in both the design and implementation of the Interreg programme. The Sub-committee was provided with a briefing from Esben Poulsen, Head of the European Commission's Directorate B (Community Initiatives and Innovative Schemes) Interreg Unit. The Sub-committee also discussed the Interreg programme with

representatives from the Irish Regions, the Merseyside Brussels Office, the Welsh Local Government Association and the Conference of Peripheral and Maritime regions.

21. The Commission's presentation commenced by drawing on a selection of typical projects from the Ireland/Northern Ireland and the Wales/Ireland Interreg IIIA programmes. These identified cultural, tourism, transport and educational themes demonstrating the ways in which the current scheme has been successful in bringing individuals and communities together through shared projects. Examples were also drawn from the greater geographic scale of the trans-national Interreg IIIB programme at the North West Metropolitan Area and the Atlantic Arc level. Details of these sample projects are included at Annex 2 for reference.

22. The Sub-committee noted the positive response of those organisations it met to their experience of the Interreg programme to date. There was a general consensus that though economic and other benefits are sometimes difficult to quantify, Interreg has been a very positive experience in terms of funds, projects and process.

23. The priorities for the next round of programmes will be linked to the Lisbon and Gothenburg strategies. Interreg is set to become an objective in its own right and is the only Community Initiative to survive. It is anticipated that it will receive an increase from 2.5% to 3.9% of the Structural Funds programmes budget.

24. The Sub-committee noted with concern the indication that public finance be the only permitted source of match-funding for the next round of programmes. The Commission argues that private financing is less common in any case in Interreg. However, the Sub-committee considered this to be unnecessarily restrictive.

25. The Sub-committee agreed with the importance the principle of subsidiarity allowing decisions to be taken close to the communities served by the projects and the need to avoid the potential for political interference in the delivery of the programme. The Sub-committee noted the example of political co-operation the Irish Central Border Area Network (ICBAN), one of three border region committees responsible for the implementation on the Ireland/Northern Ireland programme. ICBAN, formed in 1995 under the Interreg II Community Initiative, brings together local county and district councillors from across the broad spectrum of political parties represented in the region, both North and South, and takes pride in reaching agreement on all matters by consensus.

26. The Sub-committee noted that in future the Commission would prefer only one programme per national border, the three programmes in operation between the Polish and German borders being cited as an example within the current programme. The Commission's preferred option would be for the future would be one programme at the member state level with regional sub-groups. The Sub-committee believes that, as far as is practical, programmes should be decentralised with local and regional politicians participating in the decision making process to

ensure transparency and alignment with local and regional development strategies.

27. The Sub-committee noted the proposed extension to the maximum maritime separation between eligible regions to 150km as presenting opportunities to review the geographical coverage of both the Ireland/ Northern Ireland and the Wales/Ireland programmes. In the case of Ireland/Northern Ireland, this offers, in theory, an opportunity to develop co-operation with the West Coast of Scotland. The potential extension to the Wales/Ireland eligible areas brought a mixed response, particularly in relation to the possible inclusion of Liverpool and north-western England. For the Merseyside Brussels Office this presents an opportunity to develop further links between Dublin and Liverpool. For the Irish Regions it adds a possible urban component to the programme. For the Welsh Local Government Association, whilst it may allow greater coverage within Wales, there is some concern at the prospect of any change of emphasis to urban/metropolitan co-operation at the expense of rural areas, and that this may put pressure on the limited funding available.

28. The Sub-committee noted discussions concerning a possible review of the 13 Interreg IIIB zones for trans-national co-operation and particularly, whether it is right for regions to be involved in more than one. The Atlantic Arc was seen as having particular relevance for Britain and Ireland's common position on Europe's western Atlantic rim. The possible re-classification of the Atlantic Space is a key issue for CPMR.

29. The Sub-committee noted that bilateral co-operation between maritime border regions may be possible under the future trans-national programme. This could provide an alternative means of extending co-operation across the Irish Sea. The Merseyside Brussels Office confirmed that Liverpool and Dublin were intending to make use of this option to strengthen joint-working between the two cities.

30. The Sub-committee noted the Commission's proposal that inter-regional co-operation, as currently undertaken under Interreg IIIC, may be integrated into the mainstream domestic programmes (the future 'convergence' and 'competitiveness' programmes which would replace Objective 1,2 and 3 programmes). Funding for inter-regional co-operation would have to be integrated into the design and funding of these domestic programmes. However, there still may be some scope for inter-regional networking and exchange of experiences under the European Territorial Co-operation Objective. Local Government representatives expressed concern at the lack of clarity on this point in the Commission's proposal.

31. The Committee recommends that, whilst the Structural Funds post 2007 will focus on the new member states, it is most important that the Commission gives its support to future Interreg programmes, in particular programmes along the proven Interreg IIIA model, in all member states

32. The Committee recommends that any future programme should not be restricted to EU and public funding (Para 24).

33. The Committee recommends ICBAN as an example of effective working at the local level across the political parties north and south of the Ireland / Northern Ireland border (Para 25).

34. The Committee recommends that future programmes remain decentralised to the local or regional level (Para 26).

35. The Committee recommends that the Atlantic Arc remains a zone for trans-national co-operation in future programmes (Para 28).

36. The Committee recommends that inter-regional co-operation should continue to be possible under the future framework of 'European Territorial Co-operation' (Para 30).

LEADER+

37 The objective of the Leader+ programme is to increase the economic and employment contribution that very small businesses, including small farms, make to the rural economy by encouraging local partnerships to test out new approaches to micro-business development. Though not a specific cross-border programme Leader+ encourages working in collaboration with similar partnerships in other rural areas. Its aim is to encourage and support rural actors to think about the longer potential of their area. It seeks to encourage the implementation of high-quality original strategies for sustainable development designed to encourage experimenting with new ways of enhancing the natural and cultural heritage; reinforcing the economic environment in order to contribute to job creation; and, improving the organisational abilities of their community. Action 2 of Leader+ encourages co-operation between Leader+ Groups by working on joint projects with other groups at national, EU level and beyond by pooling skills and resources.

38. The Sub-committee received a briefing from Jean-Michel Courades of the Commission's Agriculture Directorate on Leader+ and its future post-2006. As an example of a typical project within the current programme Monsieur Courades cited the Store Art project. The project, based at the Store Art Gallery, involved the young people of Gorebridge in Mid/East Lothian in a sculpture workshop and exhibition. It is seen as a first-class example of the possible benefits from interaction between a professional art gallery and its local community.

39. In looking ahead to 2007, co-operation will be a priority for the successor programme. There will be an emphasis on projects devoted to the development of cultural and natural resources and improvements to the quality of life in rural areas.

40. Whilst the brand-name 'Leader' will be kept, there will be no separate budget within the new programme. The proposal is to mainstream the Leader 'bottom-up' approach to encourage local development strategies across the three main priority

axis of the rural development programme post 2006, funded by the new European Agricultural Rural Development Fund (the successor to the European Agricultural Guidance and Guarantee Fund). The three axis are: increasing the competitiveness of the agricultural and forestry sector; enhancing the environment and countryside; and, enhancing the quality of life in rural areas.

41. The Commission admitted that while the Leader approach could be usefully adopted as a model for delivery across all three axis, it was more likely to be used under the third, the quality of life in rural areas. It will be recommended that member states use 7% of their rural development budget for Leader-style activities. However, this is a contentious point for most member states. It is proposed that projects adopting the Leader approach will receive an additional 5% EU grant (i.e. 80% as opposed to 75% in 'Convergence' regions and 55% as opposed to 50% in other regions). Under the next programme, member states will define the eligibility rules within their areas. The aim is to approve the new programme before the end of 2006.

42. Leader+ has a community-based focus and the role of Local Action Groups (LAG) is recognised as critical to the success of the programme. There is an issue of continuity relating to the financial perspective and whether the existing LAGs will terminate or whether they will be able to continue into 2007.

RECOMMENDATIONS:

43. The Committee recommends that there should be a continued development to the Leader programme, albeit mainstreamed, as a method for delivering innovative local solutions to economic development (Para 40).

44. The Committee notes the Commission's recommendation that 7% of Members States' rural development budget be allocated to Leader style activities, and recommends that adequate resources be devoted to the Leader axis in future national rural development programmes (Para 41).

45. The Committee recommends that trans-national networking should be promoted in the UK and Ireland through a strengthened European Network for Rural Development (Para 42).

CULTURE 2000 / 2007

46. CULTURE 2000 is a five-year European programme which has been extended for two years to the end of 2006. It has a total budget €160M over five years and is targeted at all cultural sectors. Its main objective is to develop co-operation at the EU level through the mobility of people and cultural objects with a small element for translation of literature. All projects involve multiple partnerships. In 2004, CULTURE 2000 supported 233 projects of which 209 were one-year and 24 were multiple-year initiatives. Of these 233 selected projects, 42 involve UK cultural organisations/operators (33 annual / 9 multi-annual) and 11 involve Irish

organisations/operators (8 annual / 3 multi-annual). One-year projects receive an EU contribution of between €50K and €150K. Multiple year projects receive a contribution of between €100K and €300K per year.

47. The new programme 'CULTURE 2007' is under discussion. It will be valid for seven years 2007-2013 with a total budget of €408M representing a 40% increase on the current CULTURE 2000 programme. There will be some differences to CULTURE 2000. There will be three general objectives: mobility of cultural sector workers, the trans-national circulation of works of art, and inter-cultural dialogue. Annual poles of co-operation will receive support of between €50K and €200k. Multi-annual poles of co-operation will receive €500k each year for up to five years. The number of co-organisers that will be required for annual projects will increase from 3 to 4 and for multi-annual projects from 5 to 6 co-organisers. This represents a possible move to less but larger projects for bigger impact. However, indications are that the European Parliament favours many small rather than fewer large projects. The percentage share of the budget between small and large is yet to be decided.

48. Organisations bid for funding through national cultural contact points. In the UK this is a Liverpool-based organisation, Euclid. In Ireland, the government acts as contact point. Information is disseminated throughout the country by the contact point and also via the Culture internet site. The programme also includes candidate countries and the EAAA. Whilst the programme is restricted to official languages for communication, this does not apply to artistic content.

49. The UK is represented in four multi-annual and eight annual projects whilst Ireland is represented in one annual project. The UK was possibly under-represented in the early years of the programme but this has improved. Irish levels of participation are less than might have been expected. It may be possible for both countries to learn from the experience of France, Germany and Italy who have higher levels of participation.

50. The performing arts project 'Island of the Birdmen' was offered as evidence of a multi-annual co-operation project involving the UK (principally Scotland), Belgium, Denmark and France. Led by the Gaelic Arts Agency, the project aims to tell the story through of St Kilda through opera. More details of this project may be found at Annex 2.

51. The Committee recommends that greater emphasis is placed on raising awareness of Culture 2000 and its successor amongst interested parties in the UK and Ireland (Para 49).

EDUCATIONAL PROGRAMMES

52. A new generation of lifelong learning programmes will succeed SOCRATES and LEONARDO DA VINCI. SOCRATES has been the main vein for co-operation through educational exchange programmes (€1,850 million 2000-2006). It has three main themes: COMENIUS (schools), ERASMUS (universities), GRUNDTVIG (adult

education). Most activities are decentralised and are administered through national agencies (British Council in the UK). COMENIUS is based on language partnerships and school class exchanges. The programmes are not intended to be directive in content, but tend towards grass roots demand-led proposals. It is the responsibility of the national agencies to promote participation.

53. There has been a strong demand from schools in Northern Ireland for co-operation partners within the COMENIUS programme. This includes exchange with schools in the South. Following enlargement, links with new member states are an important part of the programme. In the context of Northern Ireland / Ireland exchange, the addition of a third party is seen to reinforce the sense of common interest. The ERASMUS university-level programme includes small number of exchanges each year between Northern Ireland and the South. Although only 10 for 2004, this is double the natural tendency. There have been a number of GRUNDTVIG partnerships conducted on a North/South basis including projects on the integration of disadvantaged women, improving adult basic skills among young offenders and tackling social exclusion.

54. In the new Integrated Lifelong Learning Programme (IILP) for 2007 and beyond there will be no distinction between educational and vocational training. The programme will cover both sectors. The budget is yet to be set but is expected to be in the region of €13,600 million over seven years (three times current budget) subject to agreement between the Council of Ministers and the European Parliament. There will be more emphasis on dissemination through a dedicated action to raise awareness of the programme and to spread best practice. The new programme envisages a substantial growth in numbers participating. It aims for 10% of all university students to participate in an ERASMUS exchange, 5% of all school students to participate in a COMENIUS 1 exchange, 25,000 adults to benefit from training each year under GRUNDTVIG and 150,000 placements in companies each year under LEONARDO DA VINCI. The separate strands will continue to build on the brand recognition of the established programmes. The common framework will allow better links between programmes making it easier to change from one part of programme to another. The Commission has received a strong message on the need to simplify the application process as current arrangements are too complicated for level of grant available with no difference between the application process for a €2,000 and a €20M grant.

55. Whilst there is no evidence of underspend across Europe, where there is a 95% take up, the level of underspend within the UK is a possible matter for concern.

56. Whilst all universities in the EU have some involvement in ERASMUS, the situation is more mixed in schools and within the adult education sector. There is a need to invest in developing understanding and marketing the scheme.

57. There is significant geographical variation in the take up of the COMENIUS programmes. For school exchange programmes this varies between one application per 11,796 head of population in Northern Ireland and one application per 124,947

head of population in London. Take-up to an extent depends on the existence of local facilitator and advocates for the programme. The geographical spread of applicant language assistant hosts within the programme also shows significant regional variation across the UK, the number of application from Wales being particularly low. Like the UK, Ireland uses nearly all of its funds available for school exchanges, but is clearly ahead on the use of funds for individual mobility for language assistants and in-service training exchanges. Possible explanations are that it is harder to find match-funding in the UK and the rigid hypothecation of education budgets leaves little freedom for schools to act. The public climate is suggested as another factor in the UK with antipathy towards European branded initiatives. This is particularly evident in ERASMUS where applications are up 25% across Europe but down 25% in the UK.

58. GRUNDTVIG is a new action since 2002. It has shown 40% growth each year. It is seen as an important element of the new IILP to reflect demographic changes and Europe's older population. GRUNDTVIG is perceived as delivering benefits across over a range of sectors including health and social inclusion. A substantial increase proposed to cover adult learners and assistantships however.

59. The Committee recommends that attention is given to raising awareness of the opportunities offered by COMENIUS, ERASMUS and GRUNDTVIG amongst educationalists and students across the islands of Britain and Ireland to ensure both member states contribute fully to the Commission's ambitious targets (para 53).

TRANSPORT LINKS

60. At its meeting in Edinburgh the Sub-committee recommended that the salient points made within an April 2002 draft report by Committee B on transport links between Britain and Ireland be brought into this report. Although no specific recommendations were made, the report drew attention to the challenges in improving links between Britain and Ireland.

61. The report identified a need for re-investment to upgrade the infrastructure of Ireland's ports and intermodal connections between ports and roads on both sides of the Irish Sea. It also identified the scope for the expansion of inter-regional air services. In considering road links and road freight movement between the Northern and South of Ireland and continental Europe, the report considered the possibility of infrastructure developments to Scotland, northern England and Wales. This is seen as a possible means to encourage the development of road freight movement east to west across the British mainland as an alternative to the north west to south east main path to the channel ports. The report took evidence from national and devolved government departments in the UK and Ireland and also from interested actors including road haulage associations, local government in north west England and the Irish Business Employer's Confederation.

62. The report was not debated by the Body, nor did it reach any firm recommendations or conclusions. However, it did consider the possibility of the use

of European funds to support transport infrastructure developments. In particular, reference was made to the Trans-European Network programme and to the development of Short Sea Shipping routes across the North Sea. The European Commission has an active policy to promote Short Sea Shipping. Whilst the development of Short Sea Shipping is generally seen as a worthwhile objective in reducing road congestion, match-funding Interreg and other European assisted road and infrastructure development projects presented a common challenge.

63. The Committee recommends further consideration is given to the development of effective transport links between Britain and with particular reference to inter-regional air services, inter-modal connections and short-sea shipping.

THE ØRESUND REGION - CASE STUDY

64. The Sub-committee visited to Copenhagen on 31 January 2005 to make a case study of the Øresund region, which encompasses areas of both eastern Denmark and southern Sweden. The Sub-committee met representatives of the UK and Irish embassies for an informal briefing session. Further meetings were held with: Taben Aarberg, Deputy Director of the Öresund Committee; Per Unckel, the Secretary General of the Nordic Council of Ministers (NCM) and Ms Naomi Pagh Abudi, Senior Adviser to the (NCM). The Sub-committee wishes to thank those who made themselves available for meetings and those officials from the Nordic Council and the British Embassy who assisted in the co-ordination of the programme. A briefing paper prepared for the visit is included at Annex 3 as background briefing on the Öresund Region and the organisations with whom the group met.

The Öresund Committee

65. In its meeting with Öresund Committee the Sub-committee noted that whilst Interreg was an undoubted and important factor in political cross-border co-operation, it was not the only factor. The Sub-committee also noted the region as an example of the potential for co-operation across borders in the Higher Education Sector both in research and in student mobility between institutions. The Øresund Region has 20 universities and some 130,000 students. The region used to be called the 'Learning Region'. The Sub-committee was briefed on the Öresund University project, an umbrella body, in which 14 of the region's 20 universities participate. The promotion of student exchange between the two countries is seen as a means to contribute to the wider integration of the Öresund labour market. Both the EU ERASMUS exchange programme and a special Nordic Council of Ministers are seen as potential potential drivers. However, there is a challenge in encouraging uptake.

66. The importance of co-operation in research and development as an economic driver for the region was also evident. The Öresund Committee made repeat reference to the importance of the 'triple helix' effect, a synergistic relationship between business, educational / research and development and political organisations as a factor for the success of the Öresund project. Other factors for the

basis for the development of the region included its strategic geopolitical location between central Europe and the Nordic and Baltic regions, a high-density and well educated population, a highly developed infrastructure, a common history and cultural similarities (including language) and, a common mental identity.

67. Interreg has mobilised funding and energy in the Øresund region since 1996. The first Interreg phase, Interreg II A, lasted from 1996 to 2001 amounting to €29M and financed 119 projects. Interreg II A had positive results for the cross-border co-operation. The programme was successful in fostering the growth of common educational, scientific and entrepreneurial projects, and overall in strengthening the area's identity as a common region. An example of particular importance is the "Medicon Valley" project that incorporates different Interreg supported projects focusing on improving medical and pharmaceutical technologies. Interreg has also been highly instrumental in creating institutional added value (co-operation among territorial authorities and social partners) as well as socio-cultural value (exchanges of information and know-how in regions). An important consideration is that the EU involvement in the Øresund Region has served as a catalyst to promote new private and public initiatives. In addition to providing access to additional financial resources enjoying Interreg status has a symbolic effect. Interreg has given a high visibility to the Øresund Region as a region in the making.

68. The Interreg III A programme has, to some extent, changed focus. The programme has a budget of €61.68M, which is equally co-financed by the EU and the Danish and Swedish local, regional and national organisations in the Øresund Region. The IIIA projects have tended to be larger in size, more cross-sectoral and have achieved greater involvement on the part of local and non-governmental organisations. Projects are selected according to their institutional, functional and identity making capabilities. At present 44 projects are funded.

69. Interreg programmes are seen as having played a vital contribution to the level of social and economic development in the region. The Committee stores great value on Interreg being the only cross-border co-operation programme that directly involves regional authorities in the planning, decision-making and implementation process. This provides a bottom-up, publicly rooted perspective of cross-border development.

70. Whilst networking and informal co-operation would have happened without access to European Funding, it would not have taken place in such a focussed and strong manner. The creation of a science region in particular would not have been possible without European money. Interreg with its goal of knitting regions together has proved a vital financial instrument, even within a prosperous region. The programme has been important in the development of a cross-border mentality and a bi-national way of thinking. Most projects started through Interreg are now more or less self-sustaining. Only the experimental TV channel is still proving itself and dependent on further Interreg funding.

71. The Öresund Committee has submitted proposals to the European Commission concerning the future of the Interreg IIIA programme post-2006. The Committee would like to see administrative including:

- One single Interreg regulation, without possibilities for stricter national interpretation.
- Programmes should be thematically as broad as possible so that the cross-border regions can choose regionally relevant themes.
- Private co-financing from not for profit organisations must be allowed in all Interreg programmes.
- The management of Interreg programmes should be decentralised as far as possible, local and regional politicians should be involved in the decision-making process and the Joint Technical Secretariat must be rooted in the region.

72. It was noted that concept of a cross-border region can be a source of tension between national and regional tiers of administration. Western Denmark looks to the region with envy. Whilst in Sweden most EU funding goes to the far North, Danish priorities have been geared towards the development of the region as an economic driver for the whole of Denmark. As a cross-border region the Øresund has been relatively invisible in national government decisions on the economy, taxation and immigration. The region would like to see more co-operation at the national strategic level to develop the impact of the Öresund Committee.

73. It was noted that the Committee tends to operate as national rather than party political factions. Committee officials would like to see more informal interaction between the committee members as there is little mixing between delegations and little engagement between political parties across the national border. It was suggested that the success of the Committee is to an extent civil servant rather than politician driven.

74. Amongst the challenges the Committee faces is a tendency towards

fragmentation and rivalry. In part, this may be attributable to the many small local government units on the Danish side though this may change with Danish local government reform. Politicians tend to focus on local issues. Local government reform in Denmark, which will mean a move to larger unitary authorities, has revitalised interest in the Committee.

75. Tourism initiatives tend to be organised at the local level. The committee referred to an Interreg funded project 'Visit Oresund.org' to market the region to tourists. One of the challenges in marketing the region is the dominance of Copenhagen as a tourist destination. The Committee offered the region's achievements in bio-medical co-operation as its greatest success story, in particular the successful Medicon Valley project, Europe's third largest biomedical R&D centre. In general, it is the large companies who have benefited most from the creation of the Øresund Region.

76. Cross border commuting from Sweden to Denmark has seen a 500% increase over seven years. There has also been a move towards living in Sweden and working in Denmark as property prices are significantly lower on the Swedish side of the strait. The social implications of the bridge are more of an issue on the Swedish side as people choose to live in Sweden whilst paying taxes in Denmark.

RECOMMENDATIONS

77. The Committee recommends the Öresund Committee's proposals for administrative simplification of future programmes (para 71).

THE NORDIC COUNCIL OF MINISTERS

78. The Sub-committee were pleased to have the opportunity to meet with Per Unckel, Secretary General of the NCM, a former Swedish minister for education and science. Having covered the work of the Council in general, discussion moved towards trans-national co-operation within the Nordic and planned co-operation with adjacent areas.

79. The NCM focus for international co-operation is moving east towards Estonia, Latvia and Lithuania planned for 2006-2008. The key themes for co-operation will be trans-boundary activities along the EU's new border, research and innovation, IT co-operation, social and health issues, environment and sustainable development. The Council is also increasing its aid-based co-operation with North West Russia (including Kaliningrad), focussing on the development of democratic principles, open pluralistic relations across borders and a regulated market economy.

80. The Secretary General's key message for successful trans-national co-operation was 'relevance'. The NCM is an old organisation in the process of re-adjusting to a new geo-political environment, particularly an EU of 25 member states. It has to make itself relevant to its constituents. The Council's planned co-operation on research and development is immediately relevant. The removal of internal borders through the Schlüter process is also relevant.

81. Within the Nordic region one of the focuses for trans-national co-operation is on cross border issues and the removal of barriers between the Nordic countries. This has been given impetus by the appointment of former Danish Prime Minister Poul Schlüter as a special envoy to the NCM with responsibility for freedom of movement between the Nordic countries. The envoy's main task has been to find solutions to legal and bureaucratic problems to individual mobility between Nordic countries. The envoy has established a special secretariat in the NCM and aims to work systematically to remove barriers. One of the envoy's first actions has been to produce a catalogue 'Cross-Border Obstacles to Business in the Nordic Countries' identifying cross border obstacles by different themes and proposing actions for their removal. The envoy does not have executive authority and can only seek to convince ministers rather than demand. One of the outcomes of this process is that small cross-border problems have been given political attention. Examples of

obstacles that have been addressed include a new agreement on civil registration numbers cutting wait from four weeks to two days and an agreement on mutual recognition of educational qualifications and vocational competences. The envoy reports directly to the Nordic Prime Ministers. The key to the success of the system is in utilising a high-level political figure to cut through national bureaucracy. Although a high-level political agreement is a necessary pre-cursor, force of personality is an essential ingredient.

RECOMMENDATIONS:

82. The Committee commends the special envoy initiative of the Nordic Council of Ministers as a means of breaking down cross border obstacles (Para 81).

DRAFT RESOLUTION

That the Body welcome the report of Committee B and agrees with the conclusions and recommendations of the report which should be forwarded to both governments and the devolved administrations for their observations.

ANNEX 1

MEETINGS AND VISITS MADE

1. Scottish Parliament - 16 December 2004

Members attending:

Helen Eadie MSP
Mike German OBE AM
Margaret Ewing MSP
Rosemary McKenna MP (by video conference)
Senator Paschal Mooney

Persons giving evidence to the Sub-group:

Colin Imrie, Director EUSolutions

2. Brussels - 17 January 2005

Members attending:

Helen Eadie MSP (by video conference)
Margaret Ewing MSP (by video conference)
Michael German OBE AM
John Griffiths AM

Baroness Harris of Richmond
Senator Paschal Mooney

Persons giving evidence to the Sub-group:

European Commission:

Esben Poulsen, Directorate B, Community initiatives and innovative schemes, Head of Interreg Unit

Adam Pokorny, Directorate A - Education, Socrates: co-ordination and horizontal actions

Sergio Corti, Directorate B - Vocational training, Implementation of the Leonardo da Vinci programme

Theodossis Mastrominas, Directorate C, Culture, audiovisual policy and sport

Jean Michel Courades, DG Agriculture, Leader+.

Rob Collins, Irish Regions

Alex Weston, Merseyside Brussels Office

Carol Thomas, Conference of Peripheral and Maritime Regions.

3. Copenhagen - 31 January 2005

Members attending:

Helen Eadie MSP

Michael German OBE AM

John Griffiths AM

Baroness Harris of Richmond (by video conference)

Senator Paschal Mooney

Persons giving evidence to the Sub-group:

Tarben Aarberg, Deputy Director, the Øresund Committee

Per Unckel, Secretary General, Nordic Council of Ministers

Dorthe Elise Svinth, Senior Advisor, Nordic Council of Ministers Secretariat

Naomi Pagh Abudi, Senior Advisor to the Special Envoy Mr Schlüter

Jan Widberg, Senior Advisor, Nordic Council secretariat.

ANNEX 2

PROGRAMMES AND EXAMPLE PROJECTS

INTERREG

Interreg III is a Community initiative which aims to stimulate interregional cooperation in the EU between 2000-06. It is financed under the European Regional Development Fund (ERDF)

This new phase of the Interreg initiative is designed to strengthen economic and social cohesion throughout the EU, by fostering the balanced development of the continent through cross-border, trans-national and interregional co-operation. Special emphasis has been placed on integrating remote regions and those which share external borders with the candidate countries.

Interreg III is made up of 3 strands and has a total budget of €4,875 billion.

- **Strand A** : Cross-border co-operation between adjacent regions aims to develop cross-border social and economic centres through common development strategies.
- **Strand B** : Trans-national co-operation involving national, regional and local authorities aims to promote better integration within the Union through the formation of large groups of European regions.
- **Strand C** : Interregional co-operation aims to improve the effectiveness of regional development policies and instruments through large-scale information exchange and sharing of experience (networks).

INTERREG IIIA EXAMPLE PROJECTS:

Cultural Projects:

Artswave (formerly Celtic Connections)

Celtic Connections aims to raise the profile of each nation through the presentation and promotion of both their contemporary and traditional art forms through performances, exhibitions, workshops, seminars etc. It aims to

develop cultural networks and cultural tourism with emphasis on the shoulder and off-season periods. It also aims to promote and market the same within each country and to the wider European and American markets. A further aim is establish, over a wider area, the development of specialist festivals and to commission a series of new art works that reflect both nations, including the use of the Welsh and Irish languages.

Approved funding: €487,521 (Irish side); £310,648 (Welsh side)

Tearmann (Sanctuary)

Tearmann aims to provide a permanent platform in the heart of rural landscape for cultural exchange, which combines the development of an artist's training course with the infrastructure of an existing visual technology workshop.

The project focuses the spirit of Donegal in terms of a cultural area attractive to all traditions in the north of Ireland. The project offers a structured and practical basis, in a culturally unique context, for the realisation of a training programme, which advances long-term cross-community and cross-border contact through creativity.

The project proposes animating a visual art technology workshop and centre for fine-art printmaking as a professional training and career development resource in the context of a joint cross-border programme led by Clo Ceardlann na gCnoc and Gaeloiliuint. The project intends to be a model for developmental and vocational training in the area of visual culture.

Through the proposed training, the aim is to make available an outstanding facility and contemporary cultural resource to a generation of artists and future arts administrators from both sides of the border and the border counties.

The project will take the form of a training programme over three years, focusing on two distinctive training aspects.

- Fine art printmaking/visual art technology (including self-employment and career training);
- Arts administration (focusing on International and Gaeltacht career development).

The two training schemes will involve interlocking modular courses with core subjects and a range of options suitable to each participating trainee.

The artists' course will be over one academic year (three of which will take place during the training period) and the arts administration course (including placements) will be over a two-year period (two of which will take place during the training period).

Approved funding €399,105. Project approved 31 September 2003.

Tourism Projects:

Celtic Railways

Waterford and Suir Valley Railway Company and Llanberis Lake Railway have joined forces to share expertise in various disciplines in order to promote the historical railway link between South East Ireland and Wales and to develop and ensure the sustainability of quality tourism products. This will provide employment and considerably enhance the area in which they are being developed. This is to be achieved by marketing, public relations and advertising campaigns, systems to monitor marketing and PR activities, developing a Friends membership group in both the areas, sharing expertise and achieving environmental sustainability

Project cost: €213,720 (Irish side); £64,349 (Welsh side).

Erne Lakelands Tourism

Erne Lakelands Tourism develops and promotes tourism and local activity around the Erne.

This project will develop and market new and existing tourism activities. It will map, co-ordinate and market current local community festivals and tourism activities. It will take advantage of existing resources and activities which have not been used for tourism marketing purposes, such as community events, and develop attractions and packages around them. It will co-ordinate tourism enterprises and support providers in implementing new/enhanced product developments. It will identify gaps in tourism infrastructure and work with the tourism support agencies and private sector to identify innovative ways of filling these.

The need for the project is clearly identified in a UCD study carried out on behalf of the applying organisation and included with the application form. This application is based on the key recommendations from the research.

The activities will be undertaken through the employment of a full time co-ordinator with part time administrative assistant. This resource will be used to deliver the following objectives:

- To bring together tourist enterprises on a cross border basis, to work together and create awareness of opportunities available and the providers in the area
- To undertake a mapping exercise
- To identify gaps in facilities
- To work with local community and tourist groups to develop further tourist amenities and employment opportunities
- To work together and apply for funding from different sources
- To develop a promotional and publicity strategy
- To prepare and manage the first annual Lakelands Festival in 2005

Funding approved €130,000; project approved 4 September 2003.

Education Project:

Vital Signs

This project is being led by the Lough's Agency in partnership with the Northern Fisheries Board; Monaghan County Council; Department of Culture, Arts and Leisure; ICBAN, Cross Border Community Catchment Care Based Groups (Blackwater, Sliabh Beagh & Lough Melvin); Schools in the Border region as well as the Gulf of Maine Institute.

The promoters are working with the Gulf of Maine Institute to bring their experience in using technology as an educational tool to the Central Border Region. The Gulf of Maine Institute has designed an innovative programme called 'Vital Signs' that uses

cutting edge computing and communications technologies to teach and learn about aquatic environments, bridging the gap between the general public and the scientists. The model has important educational, environmental and research properties. Neither the technology nor teaching model is currently available anywhere else in Europe.

The programme uses handheld computing technology to streamline the observation, collection and sharing of environmental data. The programme includes both hardware and software development to assist people in the collection, storage, retrieval and display of digital information.

The aims of *Vital Signs* are:

- To provide schools with an environmental monitoring method that effectively captures the attention of students - engaging students in the scientific process;
- To provide scientific information about the environment to the general public - raising our awareness of aquatic environments;
- To build a sense of community among residents of a shared watershed;
- To streamline and enhance field science data collection, sharing, and display using innovative computing and communication technologies.
- To facilitate statutory agencies, local authorities and the wider community to undertake research, enhancing their observations with precise information and quantitative data.

Funding approved €399,105; project approved 31 September 2003.

Transport Project:

Minor Road Improvements in the Border Region

The aim of the project is to enhance the economic potential of border areas through improving the road infrastructure in peripheral border locations with associated small works useful for rural tourism.

The scheme is an extension of a programme of works that has been very successful. The scheme has two main elements:

- A series of minor schemes in rural isolated and severely disadvantaged areas
- Works to improve the tourism potential of the areas such as signage and amenity sites.

The Project has been developed by the Department for Regional Development N Ireland and County Councils in Monaghan, Cavan, Leitrim, Sligo and Donegal and the National Roads Authority of Ireland. It also includes involvement of rural tourism advisors in the eligible areas within County Councils and key stakeholders. The development of the Programme was facilitated by ICBAN. Funding approved is €4 million with 75% ERDF and 25% National Match.

The outcomes will be:

- improvements to several roads in the border region
- improvements to roads to improve tourism products and enhanced visitor numbers
- development and embedding of working relationships between DRD and NRA and County Councils
- improved access to services and jobs for local people and increased cross border trade and business activity

To date €2.4 million has been spent on improvements to roads and tourism amenities. The project was approved on 29th July 2004.

INTERREG IIIB EXAMPLE PROJECT

Atlantic Space - Atlantic Lights:

- **Participating countries:** Spain, Ireland, France, UK

Total project cost: €820,941

Although lighthouses have long been characteristic elements of the coastlines of the Atlantic Area, the automation of their functions and the decline of the fishing sector have contributed to a great reduction in their socio-economic importance.

The partners of the project AT-LIGHTS intend to revive the economies of the zones where lighthouses stand by developing tourist activities there, something which demands, in most cases, an improvement in their accessibility and security arrangements.

In order to create effective alternative activities around the zones concerned, the project is intended to set up a network of exchange of experiences and of co-operation among the local and regional authorities of coastal zones. With the aim of making access to the lighthouses safer, AT-LIGHTS foresees the installation of an integrated signposting system, including in particular a set of logos.

The creation of a traveling exhibition, brochures and an Internet site in several languages and their international dissemination will make it possible to publicise the project.

EXAMPLE INTERREG IIIC PROJECT

European Salmon Tour

Lead Partner: Forshaga Kommun, Sweden

Partners:

Association of the V Municipalities, Pravia, Spain
Narón Municipality, Spain
Kainuun Etu Oy, Kajaani, Finland
Southwest Regional Authority, Ballincollig, Ireland
Conwy County Borough Council, Wales
Åmot Municipality, Rena, Norway

Project Duration: June 2003 - June 2005

Total Budget: €537,868

The main objective of the project is to establish a permanent network of forums and discussions on trout and salmon angling and related activities. It aims to be an economic activity to create employment in areas of great environmental potential. In addition, there is a specific objective to create a network of public authorities where salmon rivers and culture have a strong impact on the socio-economic life of the areas. In order to achieve this goal the project has already organised four co-ordinating meetings. In addition, six study visits have been carried out to study angling related activity, training of professionals, tourist development and environmental issues.

Three thematic conferences have been organised:

- Killarney - the Development of Angling
- Pravia - the socio-economic impact of river angling in salmon areas
- Vaala - networking and the use of new technologies in angling.

LEADER+

Leader+ is one of four initiatives financed by EU structural funds and is designed to help rural actors consider the long-term potential of their local region. Encouraging the implementation of integrated, high-quality and original strategies for sustainable development, it has a strong focus on partnership and networks of exchange of experience. A total of € 5,046.5 million for the period 2000-2006 will be spent, of which € 2,105.1 million is funded by the EAGGF Guidance section and the remainder by public and private contributions.

LEADER+ EXAMPLE PROJECT

The Store Art Project

The project is based at the Store art gallery and pilots a sculpture workshop with the young people of Gorebridge including an exhibition of their work.

In addition, the Gardens of Gorebridge art project will raise awareness of the history, natural and cultivated environment of Gorebridge, exploring the relationship

between mining and the cultivation of gardens. A high quality and significant commercial exhibition will be staged during the Edinburgh Festival with the resultant art works.

The gallery will also act as an informal meeting place and venue for events. The Store hopes to act as a first class example of the interaction that is possible between a professional art gallery and its local community and environment.

Funding approved £9,000; project approved January 2004.

CULTURE 2000

Culture 2000 is a Community programme established for seven years (2000-2006) with a total budget of €236,5 million. In contrast to the financial instruments that preceded it, Culture 2000 provides grants to cultural co-operation projects in all artistic and cultural fields (performing arts, plastic and visual arts, literature, heritage, cultural history, etc.).

The objective of Culture 2000 is to promote a common cultural area characterised by its cultural diversity and shared cultural heritage. It seeks to encourage cultural creation and mobility, access to culture for all, the dissemination of art and culture, intercultural dialogue and knowledge of the history of the European peoples. It also accords culture a social integration and socio-economic development role.

CULTURE 2000 Example Project

Kilda - Island of the Birdmen

Project Leader: Gaelic Arts Agency - Proiseact Nan Ealan, UK.

Participating countries: Scotland, Belgium, Denmark and France.

This project will create a contemporary opera written and developed within a unique concept of ubiquity thanks to information technology. The work will be shown in Gaelic with English, French and German subtitles. There will be production meetings and workshops, with performances in June 2006. In September 2006 the network will be launched.

The project aims to tell the story of St Kilda; to give life back to the Gaelic language and explore the possible uses of pentatonic music; to contribute to the restoration of the memory of Northern island cultures; to bring together the concept of environment and contemporary creation; to promote the integral use of European choral traditions in a contemporary work; to further explore interactive communication technology and to establish the basis of an informal European laboratory.

Funding approved: €885,071

ANNEX 3

Copenhagen 31 January 2005: background briefing:

This paper provides members of the BIIPB Committee B Sub-committee with background information on the organisations giving evidence at this meeting.

1. The Øresund region - geographic and economic overview

The Øresund Region is located in northern Europe and comprises land areas in eastern Denmark (Sjælland, Lolland-Falster, Møn and Bornholm) and southern Sweden (Skåne).



The Øresund Region

The region covers an area of 20,859 km². It has a population of more than 3.5 million with about 2.4 million on the Danish side and 1.1 million on the Swedish side.

The region comprises a number of densely populated areas. Copenhagen, the capital of Denmark and the largest city in Scandinavia, has the largest population of approximately 1.9 million inhabitants. In the western part of the region (Sjælland) there are the towns of Roskilde and Helsingør. In the eastern part of the region (Skåne) lies Malmö, Sweden's third largest city with some 265,000 inhabitants as well as the towns of Lund, Helsingborg, Ystad, Hässleholm and Kristianstad.

The Øresund Region accounts for 20% of the Danish and Swedish GNP. The region is eighth on the European GNP scale. It acts as a power hub for the economic growth of Scandinavia and the adjacent Baltic States.

Both Sweden and Denmark are members of the EU but not of the European Monetary Union. Poland, Estonia, Lithuania and Latvia in their effort to join the EU regarded the Øresund Region as a model for economic development and growth.

Both Denmark and Sweden are striving to make it easier for companies to locate to the Øresund Region. This requires the harmonisation of different laws and regulations such as taxation and social insurance.

The total labour market amounts to 1.8 million people between the ages of 16 and 64. The average age is 40. Some 80 per cent are in full time employment. Unemployment is low in the region with 4.0% on the Danish side of Øresund and 6.2% on the Swedish side.

The Øresund Bridge

The Øresund Bridge links Denmark and Sweden. The bridge forms a 16-km long road and rail link that stretches from Copenhagen in Denmark to Malmö in Sweden. The fixed link comprises an 8-km long bridge, a 4-km long man-made island and a 4-km long submerged tunnel. The link, inaugurated on 1 July 2000 and costing €2.4 billion, takes its name from the Øresund Sound, one of the world's busiest shipping lanes.

Since the opening of the Øresund Bridge in the summer of 2000 the number of commuters crossing Øresund has risen sharply. Some 4,000 people are registered as daily commuters though the actual figure is probably higher. Around 3,500 people commute from their homes in Skåne to work on Själland. About 500 commute in the opposite direction. On average 9,500 cars use the toll financed bridge daily. The railway line across the bridge is joint operated by the Swedish and the Danish rail companies and carries on average some 14,800 passengers per day.

The Øresund Bridge and the ensuing expansion of the road and rail network both on the Swedish and Danish sides have created a region of industrial growth. In total some €15 billion has been invested in road, rail and telecommunications networks.

THE ØRESUND COMMITTEE

The Øresund Committee consists of political representatives from regional and local authorities in Skåne and Greater Copenhagen. These include the counties of Copenhagen, Frederiksborg, Roskilde, Storstrøm, West Zealand and Bornholm, the cities of Copenhagen, Frederiksberg and Malmö and Helsingborg, the Landskrona and Lund municipalities and the Skåne region. The Danish and the Swedish governments have a role as observers.

The Committee meets four times a year. Its task is to further develop a common region based on two different countries. The Committee is a co-operation forum for local and regional politicians on both sides of the Sound. Its aim is to create a region where it is easy for its inhabitants to live, work and study as well as creating a positive economic environment. It acts as a builder of networks, a political platform and an embassy to increase co-operation across the Sound between individuals, companies and organisations. It initiates and runs its own projects in the following fields:

- Business and trade
- Labour market and education
- Communication and infrastructure
- Culture
- Baltic Sea Area
- Information
- Environment

2. Interreg IIIA in Øresund

Aim of the programme

€30.84 million has been made available from the EU for the Øresund Interreg IIIA programme. With match-funding contributions the potential fund for co-operation across the Sound is more than €60 million.

The programme has five measures:

- Development and improvement of administrative and physical structures;
- Cross border functionality and regional development;
- Cross border education and development of qualifications;
- Solidarity and regional information;
- Marketing and attractiveness.

The Greater Copenhagen Authority, is the managing authority for the Interreg IIIA programme. It has the overall responsibility for the effective and correct management and implementation of the programme.

The Swedish Business Development Agency is the paying authority and is responsible for receiving funds from the EU and for paying the funds to the project lead partners.

The Copenhagen Authority has delegated management tasks to the Øresund Committee Secretariat. The Secretariat is responsible for contacts with potential applicants, programme guidance, handling applications as well as recommendations to the Interreg IIIA Working Group and the Steering Committee.

The Monitoring Committee leads on the implementation of the programme. The committee has representatives from national authorities, regional authorities, cross-border organisations, labour market authorities as well as from equal opportunity and environmental organisations. The European Commission participates as an observer. The Monitoring Committee is responsible for ensuring that EU guidelines and regulations are implemented.

The Interreg IIIA Working Group meets about two weeks before the Steering Committee holds its meetings. Its tasks are:

- to discuss applications for funding;
- to decide on applications up to €67,000 in support from the Interreg programme;
- to recommend projects that apply for more than €67,000 to the Steering Committee.

Examples of projects

Some examples of approved projects in related fields to the sub group's inquiry include:

- **The Øresund Age** - the creation of a multi-media based education instrument focussing on the historical development of the region;
- **Sport across the Sound** - developing solidarity and integration through cross border sports programmes;
- **Visit Øresund.org** - a tourism initiative to encourage visitors to the region.

Interreg in Øresund post-2006

For the 2007-2013 period, the European Commission has proposed that the Interreg programme, along with Urban, Equal and Leader+, will be integrated into a new European Territorial Co-operation objective. This broad objective will focus on cross-border co-operation through joint programmes, co-operation between transnational zones, and networks for co-operation and the exchange of experiences.

The Steering Committee has produced a position paper on the need for a new Interreg programme for the region post 2006 and presented its views to the European Commission on the future of the structural funds in February 2004.

3. Interreg II in Øresund

The Interreg II programme ran from 1994-99. Like Interreg III, it had three distinct strands - cross-border co-operation, completion of energy networks and co-operation in regional planning.

Under Interreg II, the Øresund region was eligible for €13 million in grant aid from the Commission, for projects totalling €28 million.

4. Links with Wales/Ireland Interreg projects

The Øresund Committee Secretariat identified the Wales/Ireland Interreg programme as one that might offer inspiration and where experience might be exchanged at the project level. A summary of the visits that took place between the two regions is provided below.

Wales/Ireland and Øresund programmes

The Ireland/Wales Interreg IIIA team hosted delegates from the Øresund region in the Spring of 2002.

The visit to Wales was organised by the West Wales European Centre in Carmarthen. The delegation travelled to Ireland and was given a presentation on the Structural Funds and the Ireland/Wales programme. They visited a number of joint projects on both sides of the water and at the National Botanic Gardens took part in a best practice exchange day with Welsh Assembly Government officials, the programme development officers and others.

cont.

Representatives of the Ireland/Wales team made a return visit to Scandinavia in May 2003. This provided the opportunity to learn more about the Øresund programme through discussion and presentations. A range of projects were visited including the ØresundDirekt which provides information about living and working in the region to the public, the Øresund Science region at Lund University which specialises in developing "human-tec" inventions such as state of the art hearing aids, and VisitØresund, a tourism project which markets the region as "one destination, two countries".

The Assembly Government reported that the visit was valuable in establishing partnerships and networking with other Interreg regions, and in stimulating fresh insight into the operation of Interreg programmes.

5. Public Rooting Projects

The Øresund Committee also contributes to the integration of the region through public rooting projects supporting joint activities across the sound in sporting, artistic, cultural, educational community based initiatives.

6. Cultural Forum

The Cultural Forum is a network consisting of representatives from the cultural departments of the Committee's 13 member organisations. It exchanges information and experience about the cultural sector in the region and acts as an initiator and organiser of cross border cultural projects.

7. The Nordic Council

The Nordic countries have worked closely together on political issues for 50 years. Inter-parliamentary co-operation has been channelled through the Nordic Council, the forum for members of the Nordic parliaments since 1952. Inter-governmental co-operation has been the remit of the Nordic Council of Ministers since 1971.

The Nordic Council of Ministers brings together ministers from Denmark, Finland, Iceland, Norway and Sweden as well as the autonomous territories of Greenland, the Faroes Island and Åland.

The presidency, which lasts for one year, rotates between each of the five Nordic countries. Iceland held the presidency in 2004. Overall responsibility for the Nordic Council lies with the Prime Ministers. In practice, responsibility is delegated to the ministers for Nordic co-operation and the Nordic Co-operation Committee. There is also a range of ministerial councils across a wide range of specialist subject areas.

The Nordic Council and the Nordic Council of Ministers operate in close co-operation with several international, regional and national organisations outside the Nordic countries.

The **Adjacent Areas Programme** is directed at the Baltic States, Russia and the Arctic area, and has a high priority within Nordic co-operation. Both the Nordic Council and the Nordic Council of Ministers are working to improve their image in relation to the EU and promise measures in relation to the EU and the Northern Dimension.

Nordic cultural projects also represent an area of major focus which presents a broad view of Nordic art and culture outside the Nordic countries. The objective is to create an image of Nordic culture in the international arena and create a new network within the cultural sector.

The Nordic Council of Ministers arranges seminars and diplomatic briefings, which promote Nordic co-operation, culture and values outside the Nordic countries. Within the framework of the programme, co-operation with Nordic institutions and Nordic representation abroad is given priority. The target groups for the programme are politicians, civil servants and representatives for different kinds of organisations. The seminars are also aimed at the media in order to draw attention both to the seminars and to Nordic ventures in different policy areas.

8. The Schlüter Process

In 2003 the Swedish Government as Chairman of the Nordic Council of Ministers appointed former Danish Prime Minister Poul Schlüter as a special representative to break down Nordic border barriers. He has focused on barriers concerning social, tax, labour market and education.

Some of the suggestions for solutions are: upgrading the Nordic convention on social aid, revising maternity arrangements, suggesting Nordic cross border commuter centres, joint registration number systems, a flexible unemployment insurance system, co-ordinating education, exam and competence requirements as well as mutual acknowledgement of qualifications and vocational training.

MINUTES OF PROCEEDINGS RELATING TO THE REPORT

Monday 7 March 2005

The Committee met at the Great Northern Hotel, Bundoran, Co. Donegal

Members present:

Rt Hon the Lord Brooke of Sutton Mandeville	Senator Pascal Mooney
Mrs Margaret Ewing MSP	Senator Francis O'Brien
Mr Michael German AM	Senator Diarmuid Wilson
Mr Kevin McNamara MP	

In the absence of the Chairman, Senator Francis O'Brien was called to the Chair.

The Committee deliberated.

Draft Report [European funding programmes and developing understanding across borders], proposed by Mr Michael German AM, brought up and read.

Ordered, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 6 read and agreed to.

A paragraph - (*Senator Francis O'Brien*) - brought up, read the first and second time, and inserted (now paragraph 7).

Paragraphs 7 to 81 (now paragraphs 8 to 82) read and agreed to.

Annexes 1 to 3 read and agreed to.

Resolved, That the Report, as amended, be made to the Body.

The Committee deliberated further.

[Adjourned till a date and time to be fixed by the Chairman.]