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Northern Ireland
Assembly

Committees

Wednesday 18 February 2015

Committee for Finance and Personnel

EU Funding Programmes: PEACE IV and INTERREG 5A - Briefing from DFP & Special EU Programmes Body (SEUPB)

- Mr Frank Duffy, DFP – Head of EU Division
- Mr Dominic McCullough, DFP – Head of North/South Policy and Programmes Unit
 - Mr Pat Colgan, Special EU Programmes Body – Chief Executive
- Mr Shaun Henry, Special EU Programmes Body – Director of the Managing Authority

Hansard: <http://data.niassembly.gov.uk/HansardXml/committee-12149.pdf>

YouTube: <https://www.youtube.com/watch?v=DLXY24wt0YA>

Summary:

At a briefing to the Committee for Finance and Personnel on 'EU Funding Programmes: PEACE IV and INTERREG 5A' from DFP & Special EU Programmes Body (SEUPB) focused on providing an update on the key areas of interest, including the Peace and INTERREG programmes, and on issues that were raised before in Committee, which are the administrative simplification of the new programme and the implementation of the existing programmes, from 2007 to 2013.

Issues of note:

Mr Frank Duffy (Department of Finance and Personnel): "At the previous Committee meeting in April, members raised concerns about the application process for the cross-border programmes, in particular work being undertaken to reduce the time taken for a decision on funding applications, and the perceived bureaucracy that went along with that. At the time, I identified that our aim was to reduce considerably the application process time, and I undertook to do so by at least one third. Therefore, to update the Committee on that, thanks to some very engaged and constructive discussions that DFP has had with DPER and SEUPB, we have reached agreement for a process to be

undertaken from start to finish in 36 weeks. That is a substantial decrease from the oft-quoted 56 weeks under the previous programme, and it meets the promise that I made to you to reduce the target time by at least one third. That will be a challenging target for all involved, but we are committed to achieving it."

The Chairperson (Mr McKay): *How does the 36-week target for both programmes compare with that in other jurisdictions? If there is difficulty in meeting the targets, what flexibility is there for you?*

Mr Colgan: *Perhaps I can take that, Chair. I have been on record here before as saying that the average for those kinds of cross-border programmes is between 20 and 26 weeks, and sometimes a little bit more. A target of 36 weeks compares very favourably generally. It is on the margins of the longer side. If we can achieve 36 weeks, it will be a significant improvement on the past. The great thing that it does is that it brings predictability to the process, because we will publish, in advance, the dates for the calls for proposals and the dates on which the meetings of the steering committees on those calls for proposals will be held. People will know when they put in their application that the decision will be taken on such-and-such a date. Therefore, they will have those dates in advance for quite a number of the calls. There is quite a bit a detail involved, though, in ensuring that we do not create any additional complexity for ourselves in those 36 weeks. At the moment, we are discussing the finer points of that with Departments. We are looking at a situation here in which the final decision according to the regulations on allocations of moneys to project applications is taken by the steering committee. The steering committee is set up by the monitoring committee and includes representatives of accountable Departments, other Departments, member states and other necessary players. That final decision should be taken by the steering committee, and there should also be just one assessment process, not two different assessment processes. Those are the principles that we are bringing to the table.*

Monday 23 February 2015

Plenary Chamber

Private Members' Business

Block Grant: Reductions

Summary:

When speaking on a motion to recognise the consequences of "persistent reductions to the block grant" and to call on the Executive to explore its additional revenue-generating powers, Dominic Bradley MLA (SDLP) expressed his concerns of considering further taxation at a time of austerity. As an alternative for boosting the economy, Mr Bradley noted his party's belief that this could be achieved by "working on all all-island basis" and called for "the Executive [to] integrate long-term strategies for economic growth with the Irish Government's"

Mr D Bradley: *Go raibh míle maith agat, a Cheann Comhairle. I have not heard anything today from any of the Members who have spoken that convinces me that progressive revenue-raising options are on the table. I heard the maximum capital rates value relief mentioned on two occasions. In fact, I think that one of the parties concerned worked to maintain that. There was agreement that the people to whom it is directed are asset-rich and cash-poor and should be protected. That is my view.*

We have to think very carefully before we consider further taxation at a time of austerity, when many people are already struggling. As I said, some people are asset-rich and cash-poor and will not be able to afford some of the proposals being made, particularly by the Alliance Party.

There seems to be some confusion around the issue. Mr Girvan said that revenue raised in this way is then taken off the block grant; if that is the case, there is not much point in doing it in the first place. Perhaps, in his response, the Minister will explain the situation more clearly.

If we are creative, I believe that there are relatively low-cost ways in which we can boost our economy, ways that will have a long-term multiplier effect. The SDLP laid out those ideas previously in our papers. For example, increasing the social housing build is one such way. Building social housing is a well-known economic multiplier; it is capital investment in housing and infrastructure that underpins economic growth in the long term. Shovel-ready capital programmes boost employment in the construction industry and so stimulate the economy in the short to medium term. Some of the measures proposed today amount to nothing more than tinkering around the edges with relatively small sums of money.

We believe that, working on an all-island basis, the Executive could integrate long-term strategies for economic growth with the Irish Government's plans, particularly those to create the best research, innovation and commercialisation ecosystem in Europe — the innovation island. That would also help to tackle security of supply by encouraging the creation of an effective, long-term energy framework across the island and the development of renewables as Ireland's biggest economic opportunity."

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-23-02-2015.pdf>

Tuesday 24 February 2015

Budget Bill: Final Stage

Summary:

When speaking on the Final Stage of the Budget Bill, the Minister for Finance and Personnel Simon Hamilton noted his party's willingness to learn from and cooperate with the Irish Republic on areas of shared mutual interest. Moreover, the Minister voiced his support for the Health Minister's action on congenital heart disease and the cooperation in this area on a North/South basis, as well as the radiotherapy unit at Altnagelvin.

Mr Hamilton: ***Are we on these Benches content to learn from the Irish Republic? Yes. Are we content to cooperate with the Irish Republic on areas of shared mutual interest? Absolutely. However, doing everything that the Republic of Ireland does? Absolutely not.***

He spelt out a couple of areas — health and the economy. On health, there are lots of things that we can do. I admire and support what my colleague the Health Minister is taking forward on congenital heart disease and the cooperation on that on a North/South basis. There is also the radiotherapy unit at Altnagelvin, which some said that we should not have proceeded with. Those

are practical, sensible manoeuvres on a way forward. North/South cooperation on health? Absolutely, we can do that.

What we do not want to see is a move in Northern Ireland to an Irish-style health service where people have to pay between €40 and €60 to visit a GP. When we look across the border at some of the things that they do well in health, let us not kid ourselves that we want to do everything that they do here in Northern Ireland. Equally, in respect of the economy and public spending, I very much admire what the Republic of Ireland Government have done to quickly get to grips with the problems that they face. I and others in the Executive and this party have said to the Irish Government that we think they were absolutely right to do what they did. It was very difficult and challenging. It was difficult on their people and their country but we are seeing, in the way that their economy is improving, that it was worth doing and was absolutely necessary.

However, as he talks about the economy and employment in the South, he fails to talk about unemployment in the Irish Republic. We have an unemployment rate of 5.7%, which is falling and has fallen for 25 consecutive months. It is still too high and we need to continue to work at it. We need to reduce it further. It is now sitting at the UK average. As he talks about employment and what they are doing in the Irish Republic, he does not talk about unemployment there, which sits at 10.7%, a full five percentage points higher than it is here in Northern Ireland. I am happy, as are colleagues, to look at and learn from what the Irish Republic is doing to build its economy. Corporation tax is something that we have looked at incredibly closely, but we are not prepared to do everything that they did, because they have not got it right either. We are not going to take a lecture on Irish unity and how everything that they do is absolutely the right way to go about it.

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-24-02-2015.pdf>

Culture, Arts and Leisure

Irish Passport: Sport Eligibility

Summary: The Minister for Culture, Arts and Leisure was asked a question on the requirement of an Irish passport for representing the island of Ireland. Minister Ní Chuilín informed the member that Sport NI is talking to sports councils in Britain and Ireland about providing guidance for sports governing bodies on their responsibility under the Good Friday Agreement and the rights of citizens from the North to choose to hold either an Irish or British passport or both.

Mrs Dobson asked the Minister of Culture, Arts and Leisure what discussions she has had with the governing bodies of sports that are organised on an all-island basis, to establish how many require an Irish passport as part of their eligibility criteria. (AQO 7667/11-15)

Ms Ní Chuilín: *I thank the Member for her question. Sport NI is talking to sports councils in Britain and Ireland about providing guidance for sports governing bodies on their responsibility under the Good Friday Agreement and, in particular, the rights of citizens from the North to choose to hold either an Irish or British passport or both. I am committed to the principle in the Good Friday Agreement to: "recognise the birthright of all the people of Northern Ireland to identify themselves and be accepted as Irish or British, or both, as they may so choose". On that basis, I am happy to meet or make representation to any sports governing body that may be operating contrary to the*

spirit of the agreement and to encourage them to support its principles and review their eligibility criteria.

Mrs Dobson: *The Minister has partially answered my supplementary. I was going to ask whether the Minister agrees with me that, if the governing body of any sport were to require an Irish passport as a prerequisite for a team representing the island of Ireland, it would be contrary to the Belfast Agreement, which entitles citizens of Northern Ireland to define themselves as British, Irish or both.*

Ms Ní Chuilín: *I thank the Member for her question. As she said, part of my answer has covered some of her concerns. That has been the case. In fairness, the governing bodies and the sports councils here and in Britain all recognise the Good Friday Agreement and are happily working together to try to ensure that they support the athletes as well as possible. The important thing is to make sure that athletes are supported as well as possible. They do not need politics or concerns around citizenship, their identity, their background or their culture to get in the way of their performance.*

Link: <http://data.niassembly.gov.uk/HansardXml/plenary-24-02-2015.pdf>



Dáil Éireann

Thursday, 19 February 2015

Northern Ireland Issues

Summary: When commenting on Cross-border co-operation as a “weak dimension to the agreement”, the leader of the Opposition Micheál Martin questioned the Taoiseach on the Governments agenda for enhancing cross-Border co-operation between existing institutions and the possibility of new cross-Border institutions. The Taoiseach responded by advising that “the level and degree of co-operation between the Government and Ministers of State is very strong and visits take place regularly.”

Micheál Martin (Leader of the Opposition; Cork South Central, Fianna Fail): *Cross-Border co-operation is a weak dimension to the agreement. It has been withering on the vine over the past years, there is a lack of momentum in terms of the institutions that have been established and morale is low in a number of cross-Border institutions. Has the Government any agenda in terms of significantly enhancing cross-Border co-operation, in particular between the existing institutions, and are there any ideas for new cross-Border institutions? I believe, for example, that there should be just one Enterprise Ireland on the island, supporting all small to medium sized enterprises. I see no reason for two such institutions as one would suffice. However, these issues are not even being put on the table for these talks.*

Enda Kenny (Taoiseach, Department of An Taoiseach; Mayo, Fine Gael): *I agree with Deputy Martin on the truth of some of the issues he raised following his visit to Northern Ireland. **The level and degree of co-operation between the Government and Ministers of State is very strong and visits take place regularly. The next North-South Ministerial Council will take place in early summer 2015 and I understand a great deal of cross-Border work goes on at that.** The peace dividend arising from the European Presidency we held continues and we want to see it continue further. We have been supportive of the decision made by the British Government to allow our corporation tax rate to become the subject of examination and decision by the Northern Ireland Assembly. I have often made the point that this is a small island and clearly, it is a matter for Northern Ireland as to how it wants to make up the money it may lose in the context of reducing the overall corporate tax rate and of how we present the island of Ireland as an attractive location for industry and investment.*

Enda Kenny (Taoiseach, Department of An Taoiseach; Mayo, Fine Gael): *The Deputy asked about a savage austerity attack in Northern Ireland, an area of high unemployment. Since the Troubles, the public sector has pumped money into Northern Ireland because of the high rates of unemployment arising from the Troubles. The best answer to that problem is the creation of jobs, which means investing to make the place attractive to foreign direct investment and give business the opportunity to thrive. Exports can add value, create jobs and promote prosperity in Northern Ireland. That is why a number of personnel from Northern Ireland were based in Brussels during the Irish Presidency in order to become fully acquainted with the issues being discussed and bring them to the attention of officials and the Executive in Northern Ireland. The reason the Irish and British Governments were asked to assist in Northern Ireland was the parties were having difficulties in agreeing a range of measures to deal with the past, including flags, parades and other legacy issues.*

The budgetary situation, on the other hand, was one for the Executive and the parties elected to the Assembly to make decisions on. In accepting the budgetary allocation from the British Government, difficult choices sometimes had to be made as to how it should be spent. For our part, we continued to say we would provide Stg£50 million in two tranches for the A5 to the north west. I understand there are some legal challenges in that context, but the money is in place from our point of view. We also made provision for radiotherapy facilities at Altnagelvin and a range of other cross-Border activities in the areas of tourism, education, business and so on.

Our State has had a corporation tax rate of 12.5% for many years and it is not changing. It will not go up and it will not go down. Corporation tax and taxes in general are matters of national competence under the treaties of the European Union and any country is entitled to change its tax rates. An issue was raised by political representatives in Northern Ireland who said they should be allowed to decide to reduce the level of corporate tax applying there. The Chancellor of the Exchequer agreed and a commitment was given by the British Government which is being implemented. If it applies from 2017, there will be a loss to the Northern Ireland economy depending on the rate that is struck and a question will arise as to how it will be made up. That is a matter for the elected representatives in Northern Ireland. I have said on many occasions that I would welcome whatever decision they make. If it approaches closer to the 12.5% tax rate we have here, it will make it easier to promote the country as being a lower tax area from a corporate tax point of view for foreign direct investment. I hope that we can continue to promote the island of Ireland in that sense. Deputy Joe Higgins links that to welfare reform. The answer has to be that when one makes the structural changes, one makes one's economy and country more attractive to business and investment from outside. One

also makes it easier to set up businesses, create added value and export it where possible and create jobs and opportunities. That is beginning to happen, which is why I like to see the strong promotion of Northern Ireland that is taking place.

Many of these issues cross all political divides. I was able to attend with the First Minister and Deputy First Minister at the Royal School in Armagh to make the island of Ireland bid to host the 2023 Rugby World Cup, which I believe we will win. There will be a very strong national response to it. The First and Deputy First Ministers and people from across the divides were very amenable to that in terms of what it can bring and in terms of the reputation of the country. The Gaelic Athletic Association here made the decision in less than two minutes to provide appropriate stadia around the country if Ireland succeeds in its bid. With the world's No. 1 golfer being from Northern Ireland, the Irish Open this year in County Down will attract enormous worldwide attention. We will be very strong in promoting the country as a place to visit and invest in.

Link: <https://www.kildarestreet.com/debates/?id=2015-02-17a.248&s=cross+border#g292>

Garda Operations

Summary:

During questions to the Minister for Justice and Equality, Pádraig MacLochlainn (Sinn Fein) questioned the Minister on the plans of An Garda Síochána to tackle diesel laundering, cigarette smuggling and petrol stretching across the island. Minister Fitzgerald recognised the concentrated seriousness of this criminal activity along the Border and highlighted that co-operation between PSNI and of An Garda Síochána “has never been better.” The Minister also noted that a cross-Border policing strategy is in place to improve public safety and to disrupt this kind of criminal activity.

Pádraig MacLochlainn (Donegal North East, Sinn Fein): To ask the Minister for Justice and Equality the plans of An Garda Síochána and the resources available to it to tackle the criminal gangs involved in diesel laundering, cigarette smuggling and petrol stretching across the island

This question is about the plans of An Garda Síochána and the resources available to it to tackle the criminal gangs involved in diesel laundering, cigarette smuggling and petrol stretching throughout the island.

Frances Fitzgerald (Minister, Department of Justice and Equality; Dublin Mid West, Fine Gael): **The issue is receiving the attention of the PSNI and An Garda Síochána which work in close co-operation through the joint policing strategy and the North-South crime conferences which are held regularly. I am very pleased to say co-operation between the PSNI and An Garda Síochána has never been better.** Recently I met Theresa Villiers, Secretary of State for Northern Ireland, to discuss this and other issues and we both welcomed the fact that co-operation was so effective. This co-operation is necessary to deal with the type of crimes about which the Deputy is asking.

Just this month, as a result of a joint intelligence-led investigation, officers from Revenue's Customs service, supported by An Garda Síochána, and officers from Her Majesty's Revenue & Customs, supported by the PSNI, carried out searches in a number of premises along the Border in both

jurisdictions. **As a result, seizures of cigarettes with a value of €167,000 were made in this jurisdiction, together with the seizure of a tobacco processing plant, 2 million cigarettes and 12 tonnes of tobacco in Northern Ireland.** One can see the scale of the issue involved. A significant oil laundering plant was uncovered in County Monaghan. It had the capacity to launder an estimated 20 million litres of fuel per annum. These are just some examples of what is being done by the enforcement agencies.

Tackling organised crime, in all its guises, is a priority for An Garda Síochána. This is reflected in the policing commitments for the year ahead.

An Garda Síochána has a strong and productive relationship with the PSNI and takes actions to counter security and crime threats which face the island, including the activities of the organised criminal groups to which paramilitary groups are inextricably linked. This is a very challenging criminal justice area which is getting focused attention, North and South, to deal with the issues. A cross-Border policing strategy is in place to improve public safety and to disrupt this kind of criminal activity.

Pádraig MacLochlainn (Donegal North East, Sinn Féin): In April 2013, I made a speech in this House in which I referenced the presentation of Retail Excellence Ireland to the justice committee. It had brought to our attention that 12% of all diesel sold in Ireland was illegal. Nineteen oil laundries were detected and closed and 690,000 litres of oil were seized. It also made the point that almost 25% of the cigarette market is sourced from the black market and 109 million illegal cigarettes with a value of €45.9 million were seized. It estimates the Exchequer loses €861 million annually. This is a real threat. I wish to send two messages today. The first is to business people who work with the criminal gangs and to people who purchase cigarettes on the black market. We need the taxes on cigarettes for health services. When people smoke, as is their right, they will be unhealthy and will have to go to hospital. Those taxes, therefore, need to be paid to cover all of this.

Frances Fitzgerald (Minister, Department of Justice and Equality; Dublin Mid West, Fine Gael): This is a very serious crime. Organised crime gangs are involved in it and they have tried to spread their activities throughout the island. It is clear that a combined approach by the Revenue Commissioners, the Garda Síochána and the PSNI is being used to deal with this issue. These crimes are being interrupted and the figures show this. We will take every action we need to with respect to dealing with this and prioritising it. **There is a cross-Border taskforce on tobacco and cigarette smuggling and also on fuel laundering.**

In 2014, there were 1,109 detections of marked fuel oil and two oil laundries were detected and shut down resulting in 50,000 litres of oil being seized. There were 5,852 seizures of cigarettes made by the Revenue Commissioners resulting in the seizure of 53 million cigarettes with a value of €25 million. This is an indication of the scale of the issue. There have been recent surveys on this. The Deputy quoted a figure of 25% for the number of cigarettes on the market which were brought into the country illegally or were smuggled. I understand that this figure is lower now. I will give the Deputy up-to-date figures.

Pádraig MacLochlainn (Donegal North East, Sinn Féin): The second message I wish to send, as a Sinn Féin spokesperson on justice, is that the people involved in these activities, despite comments from some journalists, just one or two, are not the IRA that supported the peace process and that have

gone away. They are not republicans. They are criminal gangs. I am saying very clearly today, as a Sinn Féin spokesperson for justice, that those involved in these activities which I have asked about are criminal gangs. Anyone with information should assist the PSNI and an Garda Síochána in tackling them. The consequences are very severe for this State and the North. They are anti-peace process and are clearly criminal. I wish to put it on the record and send out a clear signal from everyone in this House that those involved in these activities are a threat to all of us.

Frances Fitzgerald (Minister, Department of Justice and Equality; Dublin Mid West, Fine Gael): I agree fully with the Deputy. This is absolutely serious criminal activity which has very serious implications for people's lives in this country. Everything possible will be done to interrupt this activity. There are links to paramilitary groups. I take the Deputy's points. These are criminal gangs and are being dealt with clearly as such by the PSNI and an Garda Síochána. No effort is being spared in terms of addressing this issue. On Monday, the British-Irish Parliamentary Body will be presenting a detailed report on these issues in the Seanad when it has its meeting. I have already met with it to give them my views and the views of An Garda Síochána, as have the relevant authorities in the North of Ireland. We are focusing on this issue again through this group. Senator Coghlan and others have been involved in this work and they will be reporting on it on Monday.

Link: <https://www.kildarestreet.com/debates/?id=2015-02-19a.50&s=cross+border#g56>

Wednesday 25 February 2015

Seanad Éireann

Summary:

When discussing fuel laundering and cigarette smuggling Paul Coghlan notes that "The truth is that co-operation between the police forces, North and South, is excellent."

Paul Coghlan (Fine Gael): *I read in the newspaper this morning that Deputy Mícheál Martin stated in the other House yesterday that the authorities are turning a blind eye to fuel laundering, cigarette smuggling and so on. He admitted that it may be an anecdotal view. Certainly there is that anecdotal view and we also met it recently in our study, before we compiled the report. **The truth is that co-operation between the police forces, North and South, is excellent. They have everything short of hot pursuit, which I would not recommend as they do not need it. In the Dundalk region there are 34 Border crossing points and it is difficult to police it all.** Our gardaí in that area have received threats from some of these people in the past. Some of these people have obstructed and driven through road blocks. North of the Border, in south Armagh, policing is even more difficult. There is a personnel shortage. One will not find any policemen on the beat or near on the beat. They have armoured vehicles for when they leave their barracks. The place is a fortress.*

Link: <https://www.kildarestreet.com/sendebates/?id=2015-02-25a.48&s=border#g72>



Summary:

The Joint Communique for this Institutional Meeting is as yet unpublished and will thus be made available within the next Legislative Affair bulletin.

Ministers Flanagan & Sherlock meet FM Robinson & dFM McGuinness at NSMC in Belfast

The Minister for Foreign Affairs and Trade, Charlie Flanagan, TD, and the Minister of State for Development, Trade Promotion, and North South Co-Operation, Seán Sherlock, TD, met in Belfast today with the First Minister, Peter Robinson, and deputy First Minister, Martin McGuinness, for a North South Ministerial Council Institutional Meeting. In this format, the NSMC considers institutional and cross-sectoral issues, including in relation to the EU.

The positive meeting included discussion on new priorities for North South co-operation, in line with the Stormont House Agreement of last December. It was also agreed that there would be meeting of Ministers from both Administrations in May in the North West that will focus on the future strategic approach to the region.

The meeting also featured discussions on general North South economic issues as well as issues relating to the functioning of the Council and North South Bodies.

Speaking from Belfast today, Minister Flanagan said:

“North South cooperation is going from strength to strength. In 2013 cross-border trade broke the €3 billion mark, which was a 7% increase on the previous year. At today’s meeting in Belfast, we delivered on one of the commitments we made at Stormont House last December by agreeing a report on new priorities for North-South co-operation. It is clear that there is significant scope for greater co-operation in areas that deliver tangible benefits to the people of this island such as higher and further education, agri-food, energy, climate change, creative industries and sport.

“Through our work to make the commitments of the Stormont House Agreement a reality and through making significant decisions on North South matters, we are ensuring that this new co-operation can happen.”

Minister of State Sherlock added: “I am particularly pleased that we saw progress today on planning for the North West Gateway Initiative meeting. This will be a key opportunity for Ministers from both North and South to bring a strengthened focus to the North West region. I know from my visits to Derry that it will be a welcome development for everyone living in the region.”

See more at:

http://www.merrionstreet.ie/en/NewsRoom/Releases/Ministers_Flanagan_Sherlock_meet_FM_Robinson_dFM_McGuinness_at_NSMC_in_Belfast.html#sthash.oKqOMPc5.dpuf