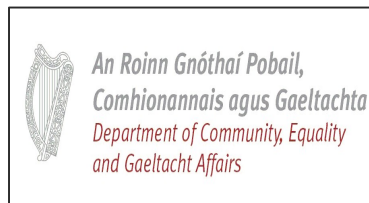


2nd Seminar on Good RDP Management

Brussels

28-29 September 2010



MS Ireland

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Equality & Gaeltacht Affairs



Focus of Presentation

- n Cohesion Process
 - i Late start to RDP
- n Delivery of Axis 3 and 4
- n Progress to date
- n Challenges/Possible solutions

Cohesion - When?

- n Process began as early as 2003 after several Ministers initiated a review of local and community development structures
 - i Environment, Heritage and Local Gov't
 - i Justice, Equality and Law Reform
 - i Community, Rural and Gaeltacht Affairs

Cohesion – Why?

- n Extensive number of structures delivering a range of services
 - n Including, Drugs, Unemployment, Youth services, Community and Enterprise development
- n Becoming to complex and difficult for the communities they were there to serve
- n Government wanted to ensure the best possible assistance to communities

Cohesion - Overall Aims

- n Improve on the ground services, supports and impacts on local communities
- n Streamline structures
- n Avoid duplication
- n Cut administrative costs
- n LEADER and Partnership companies agreed to operate across areas aligned as far as possible with county and city boundaries

Aims cont'd

- n Improve transparency, co-ordination
- n Improve control over funding
- n Reduce the number of companies delivering local and rural development programmes
 - i Aim to reduce from 106 to 55
 - i Result was 54 – 36 of which now delivering Axis 3 of the RDP

Delivery of Axis 3 and 4

- n Cohesion process finally completed late 2008
- n LAG selection process began immediately
- n Contracts agreed and signed in early 2009
- n RDP delivery commenced immediately

Axis 3 and 4

- n All measures in Axis 3 are delivered through the LEADER approach i.e. Axis 4
- n 36 Local Action Groups (LAGs) who are Integrated Local Development Companies
 - i Axis 3 and 4 of RDP
 - i LCDP (formerly LDSIP)
 - i Others e.g. Peace, Interreg, Drugs etc

Axis 3 and 4 (contd.)

- n The LAGs are the principal decision-makers in relation to the allocation of project funding
- n Funding decisions are made in the context of the individual LAGs' Local Development Strategy and in line with the Programme, the Operating Rules and EU Regulations
- n The LAGs have sole responsibility for ensuring compliance with Article 26 of Commission Regulation (EC) No. 1975/2006 (Administration Checks)

Expenditure to date

- n Budget available 2009 - €27m
- n Spend 2009 - €19m
- n Budget available 2010 - €40m
- n Spend to date 2010 - €20m
- n Expect to spend the full allocation in 2010
- n Budget for 2011 onwards – not available yet
– subject to National process

Estimated Expenditure Profile

Committed in	2009	2010	2011	2012	2013	2014	2015	TOTALS Committed
2009	19	15						34
2010		25	40	30	30	0	0	125
2011			40	30	30	30	0	130
2012				25	30	30	0	85
2013						15	11	26
2014						15	0	15
2015							10	10
Total	19	40	80	85	90	90	21	425

Project Allocations to date

		All figures in €m		
Measure - AXIS 3	No. of Applications	Total Programme Allocation	Allocation to date	% Allocation Committed
Basic Services for the Economy and Rural Population	780	56.61	28.60	50.5%
Business Creation and Development	570	48.26	10.88	22.5%
Conservation and Upgrading of the Rural Heritage	333	60.85	5.44	8.9%
Diversification into non-agricultural activity	140	16.66	3.01	18.0%
Encouragement of Tourism Activities	536	45.40	9.15	20.2%
Implementing co-operation projects	76	10.70	0.89	8.3%
Village Renewal and Development	252	61.20	6.36	10.4%
Skills acquisition and animation	14	34.63	0.09	0.3%
Training and Information	573	29.45	4.84	16.4%
Total	3,274	363.76	69.25	

Cohesion Comparison

LAG	Programme Allocation	% spend 2010 to date	No of Cohesing companies
Avondhu/ Blackwater Partnership Limited	9,057,810	6.24	2
Sligo LEADER Partnership Co	10,888,673	4.69	0
North Tipperary LEADER Partnership Company	9,708,008	4.47	3
Louth LEADER Partnership	8,839,815	4.05	3
Carlow County Development Partnership Limited	8,878,177	4.03	2
Wexford Local Development	12,515,565	3.88	3
Ballyhoura Development Limited	11,673,519	3.75	0
Clare Local Development Company Limited	14,028,529	3.59	4
South Tipperary Local Development Company Limited	11,106,187	3.53	2
Waterford LEADER Partnership Limited	10,558,519	3.52	0

Challenges affecting RDP

- § Current economic situation
 - Access to credit facilities
 - Match funding

- § Cash flow for LAGs
 - Don't have own resources to draw upon for upfront costs

- § Mainstreaming, control requirements are proving a challenge, particularly for smaller grants
 - Administration costs equalling or exceeding the grant amount

Challenges cont'd

- § Poor take up under the economic measures
 - Farm diversification measure particularly poor
 - Not consistent across all LAGs
 - 25% of LAGs have committed 1% or less

- § MS Ireland currently exploring the possible reasons behind the situation with a view to implementing appropriate interventions
 - Possible difficulties in creating synergies between farm families and RDP

Some positives!

- § More competitive pricing, particularly for capital works
 - Many projects completing under original estimate

- § Excellent progress under the Basic Services measure - 46% of allocation committed

Steps being taken

- § Looking at the possibility of increasing the rates of aid
- § Examining the possibility of making funds available to LAGs to improve cash flow
- § Review of LAG business plans with particular focus on distribution of funds across measures

Steps cont'd

- n Ongoing discussions with the Social Banks re the provision of loans and bridging finance to Community Groups
- n Examining the possibility of introducing a less involved process for small grants – under €10k

Summary

- n Late start to delivery of Axis 3 and 4 of RDP due mainly to Cohesion
- n LAGs fully up and running during 2009
- n LAG activity at a satisfactory level at this stage
- n Some challenges to overcome but LAGs, Managing Authority and Paying Agency working together to overcome them
- n Expect successful delivery of Programme



Thank you for your time.

The End.