

Citizens Summary

Implementation of Ireland's

ERDF funded Southern & Eastern Regional Operational Programme 2014-2020

in 2014 and 2015

1. Introduction

1.1 Introduction Citizens Summary

The aim of the Citizens Summary is to provide a brief summary of the first Annual Implementation Report for the Southern & Eastern Regional Operational Programme (S&E ROP) 2014-2020, which reports on the progress achieved under the S&E ROP 2014-2020 for the years 2014 and 2015.

The Citizens Summary is a required annex to the Annual Implementation Report and has been compiled in accordance with the format specified in the relevant Regulations. The aim of the Citizens Summary is to provide a comprehensive overview of the implementation of the OP, including detailed information at scheme level.

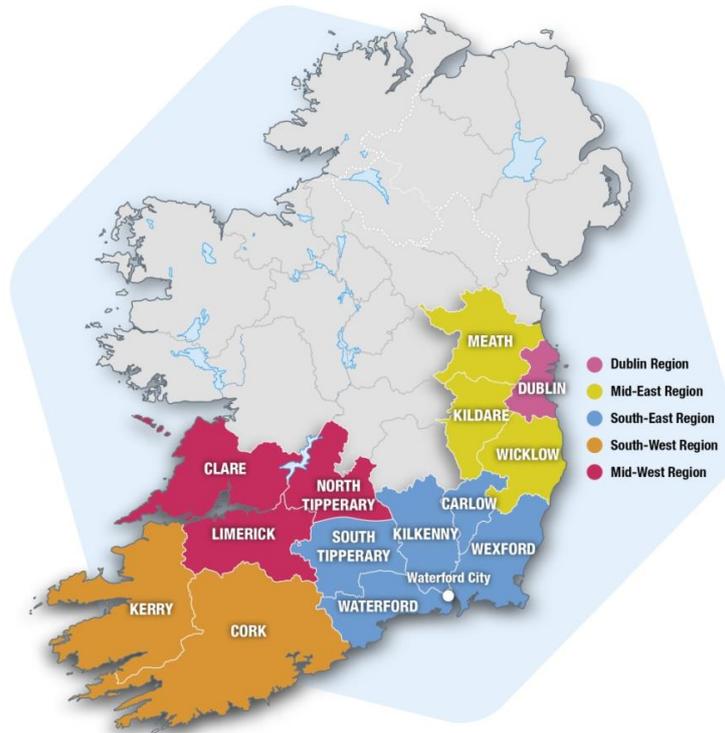
The Annual Implementation Report is a key document in the management of European Structural and Investment Funds programmes and is a central element in the process by which programme performance is reviewed by the European Commission and by the Programme Monitoring Committee. It also serves as the basis for information on the contribution of the Programme to achieving the targets set out in the Operational Programme. The admissibility of the report is a pre-condition for continuation of interim payments by the European Commission.

1.2 Background

The eligible region as covered by this ROP is called the Southern and Eastern (S&E) Region which is a NUTS II region. The S&E region accounts for 53% of the land area of Ireland, 73% of the population and 81% of GVA. As of the 1st June, 2014 the S&E Region consists of the following 17 No. Local Authority areas:

Dublin City, Cork City, Limerick City & County, Waterford City & County, and Counties Dún Laoghaire-Rathdown, Fingal, South Dublin, Clare, Carlow, Tipperary, Wexford, Kilkenny, Cork, Kerry, Kildare, Meath, Wicklow.

Map of the Southern & Eastern region



Source: Southern Regional Assembly

Arising from planned reforms of local and regional administration in Ireland announced by the Irish Government in October 2012, the two existing Regional Assemblies and eight Regional Authorities were re-configured into revised Regional Assemblies following the European and Local elections in mid-2014. Ireland has applied to Eurostat to re-define the NUTS classifications based on the revised regional structures but these will not come into effect until 2018. In compliance with Articles 90 and 99 of the Common Provisions Regulation, the existing NUTS II classifications must therefore be used for programming purposes for the 2014-2020 programme period. The Southern and Eastern region has been classified as a 'more developed region' for the 2014-2020 programme period, having a GDP per capita which was above 90% of the average GDP of the EU 27 over the 2007-2009 reference period .

The Irish Government, as set out in the Partnership Agreement for the European Structural and Investment Funds has decided that European Regional Development Funds made available to Ireland under the EU's Multi-annual Financial Framework (MFF) 2014-2020 will be delivered through separate Regional Operational Programmes (OPs) for the BMW and the S&E Regions. The Southern and Eastern Regional Assembly has been designated by the Government to be the Managing Authority for the S&E Regional Operational Programme 2014-2020 and is responsible for its preparation and delivery, in accordance with the Common Provisions Regulation.

Given the agreed objectives of Cohesion policy, European Structural and Investment Funds will be concentrated on implementing the priorities of the Union, in particular the Europe2020 goals of smart, sustainable and inclusive growth. The specific focus of the European Regional Development

Fund under the investment in growth and jobs goal will be on research and innovation, information and communications technologies (ICT), small and medium-sized enterprises (SMEs) and promoting a low carbon economy. In addition, it is considered necessary for the ERDF to support integrated actions for sustainable urban development.

The ROP has been prepared in this context and sets out a development strategy, including a coherent set of priorities to meet the strategic objectives that have been set for the ROP, taking account of specific regional needs.

1.3 Legal Basis

The Treaty on the Functioning of the European Union (Article 176) provides that the European Regional Development Fund is intended to redress the main regional imbalances in the Union, thus contributing to economic, social and territorial cohesion.

The legal basis for the preparation and content of the Operational Programme is set out in the Common Provisions Regulation (EU) 1303/2013 and is supplemented by a guidance document and a structured template for the content of the Operational Programme, which has been provided by the European Commission under a Delegated Act.

Specific provisions concerning the types of activity which can be supported by the ERDF, in order to contribute to the investment priorities within the agreed thematic objectives set out in the Common Provisions Regulation, are laid down in the ERDF Regulation (EU) 1301/2013.

1.4 Preparation of the Operational Programme

The Southern and Eastern Regional Operational Programme was prepared in co-operation with a wide range of partners and stakeholders as required under Article 5 of the Common Provisions Regulation and as detailed in the 'Code of Conduct on Partnership' which is intended to support and facilitate Member States and Managing Authorities in the implementation of the partnership principle. This principle has long been one of the key guiding principles of the EU funds under shared management with Member States and Regions and it implies close co-operation and involvement of public authorities, regional and local stakeholders, private and sectoral and community representatives in all stages of programming, from planning through to implementation, monitoring and evaluation. The added value of the partnership principle lies in the enhanced commitment to and ownership of Cohesion Policy and the increased expertise and valuable perspectives which each partner brings to the programming process. Partnership also helps to improve co-ordination and avoid policy fragmentation.

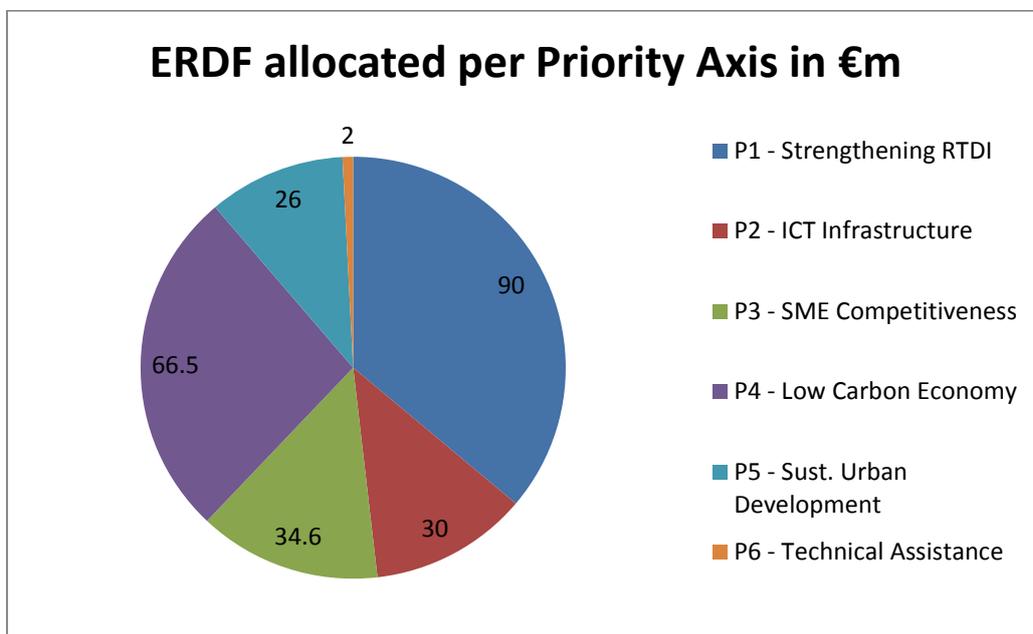
The Code of Conduct on Partnership requires that all partners who can significantly influence or be significantly affected by implementation of the programmes should be involved in a timely, meaningful and transparent manner; and, in particular those partners who are most relevant in view of the planned use of the European Structural and Investment Funds contributing to the programme.

The preparation of this programme followed several key overlapping stages, with attention paid to the partnership principle at every stage.

1.5 Financing Plan

The S&E ROP 2014-2020 was approved by the European Commission on 15th December 2014 and launched in Wexford on 3rd July 2015 by Brendan Howlin TD, Minister for Public Expenditure & Reform.

The total ERDF allocation over the 7 year programming period amounts to €249m for the S&E ROP 2014-2020. Another €249m in national funding is envisaged to be contributed which brings the total funding for the S&E ROP 2014-2020 to €498m over the 7 year period.



2. Overview of the Implementation of the Operational Programme

2.1 Funding Priorities

The S&E ROP 2014-2020 is focused on the following funding Priorities during the programming period:

Priority 1 – Strengthening RTDI in the Regions

Priority 2 – ICT Infrastructure

Priority 3 – SME Competiveness

Priority 4 – Low Carbon Economy

Priority 5 – Sustainable Urban Development

Priority 6 – Technical Assistance

2.2 Summary of Progress with Priority implementation during 2014 and 2015

2.2.1 Priority 1: Strengthening RTDI in the Regions

The overall objectives of this Priority are to increase the level of research taking place in the S&E region with company engagement by supplying applied research and to increase the level of commercialisation of research by the higher education institutions in the region. This priority seeks to enhance research and innovation (R&I) infrastructure and to build the capacities to develop R&I excellence while promoting centres of competence. It also has a focus on promoting business investment in R&I through developing links and synergies between enterprises, research and development centres and the higher education sector. The priority has been aligned with Ireland's identified priority research areas as set out in the Smart Specialisation Strategy (RIS3). The priority comprises 2 investment priorities (1a & 1b) and includes 5 individual schemes around research centres, marine research, and commercialisation of research. Cumulative public eligible expenditure paid to beneficiaries to end December 2015 is reported as €14m and 8% of the overall allocation to the priority. Except for one scheme included in investment priority 1a (Marine Research), all schemes included in priority 1 are progressing in accordance with agreed targets and reported output indicator achievements range from 13% to 76% of the agreed target values. Overall, achievements are in line with targets and expenditure has been incurred in accordance with the profile. As regards the Marine Research scheme, to date no expenditure or achievements have been reported and the Intermediate Body is currently reviewing the scheme.

Overview on progress with individual schemes included in Priority 1:

Science Foundation Ireland (SFI) Research Centre Programme

The scheme is managed by SFI and aims at developing a set of world-leading, large-scale research centres to link scientists and engineers in partnerships across third level institutions with industry.

Over a period to December 2015, four awards were made under the Research Centre programme in S&E Region with a total SFI award value of €93m (direct cost budget). Projects selected were CONNECT (centre for future Networks/Communications), ADAPT (dynamic research centre), LERO (Irish software research centre), and iGRAG (applied geosciences).

Over 174 new researchers employed in the research centres and with 40+ new industry partners engaged.

SFI Spokes Programme

The scheme is managed by SFI and aims at promoting the further development of existing SFI Research Centres to incorporate new areas of research, new industrial and academic collaborators, allowing the Centre to expand and develop in line with new priorities and opportunities. This scheme allows smaller regionally based institutions to collaborate with larger research centres in Universities.

In the two year period ended 31 December 2015, 10 awards were made under the Spokes Programme with a total SFI award value of €17m all of which are based in the S&E region.

Marine Research Programme

The scheme is managed by DAFM and the Marine Institute. Overall objectives consist of providing assistance for appropriate marine research activities that support the goals of the national policy 'Harnessing Our Ocean Wealth'.

No expenditure and achievements were reported for 2014-2015 because the Marine Institute is currently reviewing the scheme in the S&E ROP 14-20.

Enterprise Ireland (EI) Commercialisation Fund

The scheme is managed by Enterprise Ireland (EI) and aims at providing support to researchers in third level institutions and research performing organisations for applied research generating outputs for commercial exploitation for the benefit of the Irish economy. The scheme does not support applied research for companies.

By end 2015, 43 projects with lead applicants from the S&E region were funded by EI. €5m in total cost were reported under the OP.

EI Innovation Partnership Programme

The scheme is managed by Enterprise Ireland (EI) and aims at encouraging Irish-based companies to work with Irish research institutes resulting in mutually beneficial co-operation and interaction. Companies benefit in terms of growth, evolution of strategic R & D and the creation of new knowledge. Research institutes benefit in terms of developing skill sets, intellectual property and publications. EI funding is paid to the research performing institution.

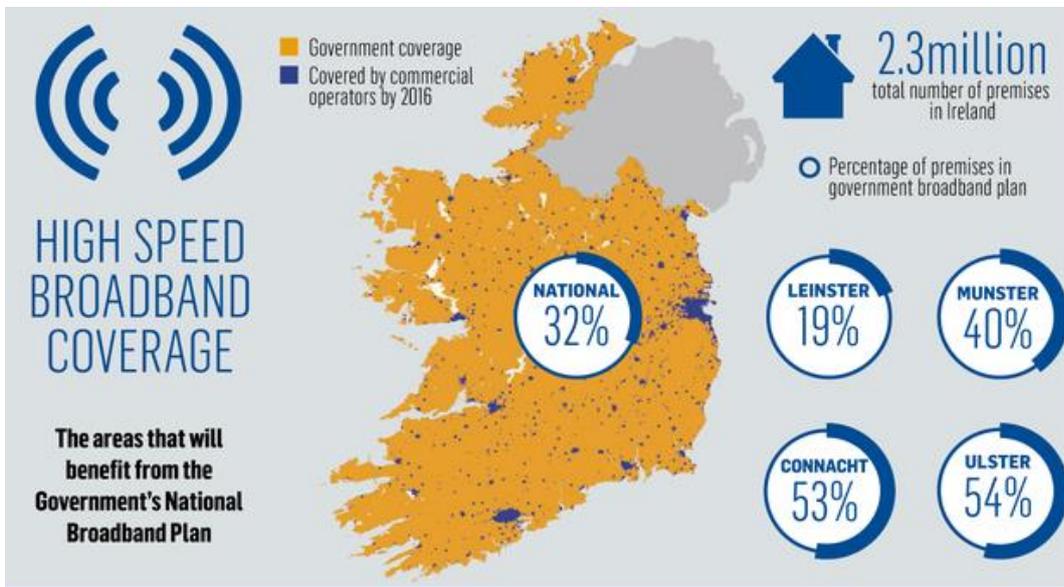
109 enterprises in the S&E region received support (non-financial) through Innovation Partnership projects funded by EI. The total EI funding paid to research institutions involved in Innovation Partnership projects amounted to €5.5m.

2.2.2 Priority 2: ICT Infrastructure

The intervention that will be supported under this Priority is a targeted State led investment providing broadband infrastructure in those areas that will not be covered by the commercial sector.

This will facilitate the widespread availability of reliable and guaranteed high speed broadband which is a key component in delivering the objectives of the National Broadband Plan and the National Digital Strategy.

The National Broadband Plan reflects Government objectives to deliver new opportunities for jobs, growth and social inclusion. Furthermore, it aims to underpin and support wider public policy objectives and initiatives both nationally and within the European context. The scheme is managed by DCENR and aims at providing high speed broadband to all un-served towns and villages in the Regions (as identified in mapping exercise). It is foreseen that a min. of 30 mbps of broadband at current market rates will be delivered by the scheme. The project was in the planning stage for the duration of 2014-2015. On 22/12/2015 Minister Alex White TD, Minister for Communications, Energy and Natural Resources, formally launched the Procurement Process with publication of the Project Information Memorandum and the Pre-Qualification Questionnaire (PQQ).



<http://www.broadband.gov.ie>

2.2.3 Priority 3: SME Competitiveness

The Entrepreneurship in Micro enterprise scheme is delivered through the 18 Local Enterprise Offices (LEOs) located in the Southern and Eastern region. The focus of the intervention is to increase the rates of business start-up and expansion, and enhance management capability, competitiveness, innovation, technological adaptation and the export-orientation of microenterprises. The specific objective of this priority is to increase employment levels in micro-enterprises in this region by supporting business start-ups, business expansion and higher innovation levels in micro-enterprises.

This investment priority is supporting innovative and growth-oriented SME start-ups and expansions through the provision of business information, advisory services, capacity building, mentoring and financial supports. Some major developments of the LEO project in 2015 include revised financial supports issued in March 2015, the finalisation and/or review of protocols with eight other support

providers, and the establishment of a new Youth Entrepreneurship Competition - IBYE programme focusing on Young Entrepreneurship 30 and under. Cumulative public eligible expenditure to end December 2015 is reported as €10 million and 14% of the overall allocation to the priority. Actual achievements were reported against all agreed output indicators in accordance with agreed targets. By the end of 2015, 14,195 micro-enterprises received support (financial & non-financial), including an employment increase of 1,700 FTE (full time equivalent) in the S&E region. Overall, the implementation of the Entrepreneurship in Microenterprise scheme is well advanced. Achievements are in line with targets and expenditure has been incurred in accordance with the profile.

The scheme is managed by Enterprise Ireland and the 18 LEOs in the S&E region.

2.2.4 Priority 4: Low Carbon Economy

The overall objective of the Priority is to support the shift towards a low-carbon economy in all sectors in the S&E region. Specific objectives include improving energy efficiency in the housing stock by focusing on supporting energy efficiency, smart energy management and renewable energy use in public infrastructures, including in public buildings, and in the housing sector. Overall, implementation is well advanced with the exception of the apartment scheme which is due to commence in 2017. Achievements are in line with targets and expenditure has been incurred in accordance with the profile. Cumulative public eligible expenditure paid to beneficiaries to end December 2015 is reported as €33 million and 25% of the overall allocation to the priority. Progress under investment priority 4c is in accordance with agreed targets. 56% of the main output indicator has been reported as achieved by the end of 2015.

The priority comprises 2 initiatives that are managed by different Intermediate Bodies:

- The Social Housing Retrofit initiative is managed by Dept. of Environment Communications and Local Government and is targeted at both large apartment complexes in the major cities in S&E Region and conventional local authority housing schemes throughout the regions which have poor building energy ratings.

Scheme 1 – Apartment Complexes

The scheme is targeted at 2,000 older flat complexes located in Dublin, Cork & Limerick which are seriously thermally deficient. The scheme will not commence until 2017.

Scheme 2 -Social Housing Energy Efficiency Retrofitting Programme

A pilot phase 2 project was carried out in the Fingal Council area. Work was carried out on 326 properties at an overall cost of €1.66m and related mostly to draught proofing and the replacement of windows and doors.

A Targeted measure with focus on vacant and boarded-up properties reported that in 2014 1,696 vacant units were retrofitted of which 1,417 had energy efficient works undertaken at a cost of €7,854,152. In 2015 a further 2,068 vacant units were retrofitted of which 1,676 units had energy efficiency works undertaken at a cost of €9,937,527.

- The Better Energy Warmer Homes Scheme is managed by Sustainable Energy Authority of Ireland and Dept. of Communications, Energy and Natural Resources.

It targets low-income households at risk of energy poverty. The scheme aims at improving the energy efficiency of the household at risk and in the process reduce the amount of expenditure that is required to be spent on energy.

By the end of 2015, 7,451 low-income households in the S&E region have had their energy efficiency improved. This was funded with €26.6m by SEAI.

2.2.5 Priority 5: Sustainable Urban Development

Under this theme, local authorities for the designated growth centres in the Southern and Eastern region were invited to submit projects which fit with their integrated strategies to tackle the social, economic, environmental, climate and demographic challenges affecting the urban centres, in accordance with Article 7 of the ERDF Regulation (EU) 1301/2013, and which support the overall development strategy for the urban area concerned.

The national launch of the Designated Urban Centre Grant Scheme (DUCGS) took place in Waterford on the 27th July 2015 with an information briefing being held at the Regional Assembly Headquarters on the 3rd September 2015 for those Local Authorities invited to participate in the Scheme. A deadline for submission of 30th October 2015 was also specified and the Local Authorities were asked to rank their proposals in accordance with specified criteria which they did. An indicative allocation of ERDF funding was also provided to each Authority so as to allow them to further scope their submissions.

Following receipt of the submissions Regional Assembly staff carried out an assessment of each project during November 2015 and presented these to the DUCGS Steering Committee in early December 2015. Formal approval was granted in January 2016.

Projects were approved in the S&E region's four Gateway cities: Dublin, Cork, Limerick/Shannon & Waterford and in the Hub towns: Ennis, Kilkenny, Mallow, Wexford, Tralee – Killarney.

All grants will have to be matched to 50% by local authority own resources and Local Authorities will have up to three years to complete the projects from date of project approval.

Four projects were selected for the Dublin Gateway – one per each Dublin Local Authority – with a total ERDF allocation of €7m. Projects consist of: Forbes Street Pedestrian & Cycle Bridge in Dublin City; Regeneration of the pavilion baths site in Dun Laoghaire- Rathdown; Swords Castle Cultural and Civic Quarter in Fingal; and works on the Dodder Valley Greenway in South Dublin.

ERDF funding of €5m was allocated to the Cork Gateway. Selected projects consist of the Development of the Marina Park area to provide a contemporary City Park in Cork City; a dedicated cycle and pedestrian bridge across the North Channel of the River Lee linking Merchants Quay to Harley Street; and the redevelopment of the Mallow town hall as an Arts and Cultural Mallow Hub Centre.

ERDF funding of €4.5m was allocated to Limerick / Shannon Gateway. In Limerick City, an Urban centre revitalisation project on O'Connell Street, starting at the Denmark Street junction and end at the Barrington Street junction was selected.

In Shannon, the selected project consists of the redesign of an existing space called Rineanna Park by incorporating circulation footpaths linking the town centre to the schools and community facilities to the South and to the estuary walks.

ERDF funding of €4m was allocated to the Waterford Gateway. The selected project consists of the creation of an all-weather space in the Apple Market in Waterford City. A continuous mostly pedestrianised 'retail spine' will run for over a ½ kilometre and this will be connected to the Viking Triangle by public realm improvements and traffic management measures.

In Ennis, €1m in ERDF funding was allocated to construct a new county library on site adjoining the existing Arts Centre.

In Kilkenny Hub, €1m in ERDF funding was allocated to the development of the Abbey Creative Quarter (formerly the Smithwicks brewery site), including the creation of a new Riverside Garden.

In Tralee, €1.5m in ERDF funding was allocated to the redevelopment of former Denny Factory site in centre of town for mixed uses and public park, and to enhance the linkages to the rest of the town centre.

In Wexford, €1m in ERDF funding was allocated to the regeneration of the Crescent Quay focusing on the area from Crescent Quay to Trinity Wharf aiming at improving the economic vitality, ease transport and facilitate pedestrianisation.

2.2.6 Priority 6: Technical Assistance

During 2015 the Southern Regional Assembly (SRA), as MA for the S&E ROP, has been engaged in detailed preparatory work with the various Intermediary Bodies and the Department of Public Expenditure on the design of the architecture surrounding the various schema contained within the ROP. Expenditure on these activities was €190,000 (approx.) during the calendar year 2015. Expenditure relating to 2014 activities and which related to closure activities has been reported under the 2007-2013 Regional Operational Programme.

Having regard to the recent reconfiguration of regional bodies in Ireland, the Technical Assistance Priority will also cover the approved costs of the Midland and Eastern Regional Assembly in relation to their participation in any of the above activities. The Technical Assistance Priority will cover the appropriate costs of the ERDF Audit Authority, as well as the costs of the management controls undertaken by the Managing Authority.

The Programme Monitoring Committee adopted and agreed the Communication's Strategy for the S&E Regional OP 2014-2020 at the 1st meeting of the Monitoring Committee in March 2015, subject to some minor amendments proposed by the EU Commission. Throughout 2015 the Regional Assembly has engaged in a number of communications activities such as the required Major Event, held in Wexford in July 2015 and a number of Study visits to ERDF co-funded projects in December 2015. Regional Assembly staff also gave presentations to a number of outside bodies on ERDF related activities.

3. Useful Links

EU Regulations:

http://ec.europa.eu/regional_policy/en/information/legislation/regulations/

S&E ROP Regional Operational Programme 2014-2020:

http://www.southernassembly.ie/en/info/southern_and_eastern_regional_operational_programme_2014_2020

Consultation on the Draft S&E Regional Operational Programme 2014-2020 and Environmental Report

http://www.southernassembly.ie/en/info/preparation_of_draft_southern_eastern_regional_operational_programme_2014_2

Strategic Environmental Assessment (SEA) Statement

http://www.southernassembly.ie/en/info/strategic_environmental_assessment_sea_statement

Partnership Agreement Ireland 1 January 2014 – 31 December 2020:

<http://www.per.gov.ie/en/>