

COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 02.03.1994

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Proposal for a

COUNCIL REGULATION (EC)

ON COMMUNITY FINANCIAL CONTRIBUTIONS TO THE INTERNATIONAL FUND FOR IRELAND

(presented by the Commission)

EXPLANATORY MEMORANDUM

The International Fund for Ireland was established in 1986 in order to contribute to the work envisaged in Article 10(a) of the Anglo-Irish Agreement of 15 November 1985 which provides that "The two governments shall co-operate to promote the economic and social development of those areas of both parts of Ireland which have suffered most severely from the consequences of the instability of recent years, and shall consider the possibility of securing international support for this work".

The objectives of the Fund are to promote economic and social advance and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland.

The EC, recognising that the objectives of the Fund were a reflection of those pursued by itself, wished to give practical support to the initiative. Since 1989, this has taken the form of an annual contribution of MECU 15 which was written into the budget and implemented by the Commission.

The Commission has been represented by an observer at Board meetings since the beginning of 1989 and has thus been able to monitor the progress of the Fund.

Since its inception, the Fund has supported some 3,000 projects to the benefit of both communities.

The Commission has always insisted that the Community's contribution be used as a priority for cross-community projects, thereby encouraging dialogue and reconciliation and that it have a genuine additional impact in the areas concerned, i.e. that it should not be used as a substitute for other public or private expenditure.

The Fund is in particular an example of successful Anglo-Irish cooperation in promoting reconciliation between the two communities and their economic and social progress.

The Joint Declaration by the Taoiseach Mr. Reynolds and Prime Minister Major of 14 December 1993 has given new impetus to the reconciliation process.

The Joint Declaration was welcomed by the Commission in a statement issued on 16 December 1993 indicating that the achievement of peace would bring many social and economic benefits to the region, the Member States concerned and the European Union as a whole, and expressing the wish to give practical support to the process.

The Joint Declaration was also welcomed in a statement issued by the General Affairs Council on 20 December 1993.

Notwithstanding the very important Community structural Fund commitment for the whole of the Island of Ireland, continuation of financial contributions to the International Fund for Ireland would provide a clear indication of Community support for the peace process.

Since the present arrangement for Community contributions needs to be covered by a more formal legal basis, it is proposed that the Council adopt the attached regulation.

In order to allow for the fact that the situation in the region should improve it is suggested initially to limit the term of the support to three years and, in due course, to reassess the need for continuing support beyond 1997. In the Commission's view the annual contribution for each of the years 1995, 1996 and 1997 should remain at 15 MECU.

It is further proposed that the following conditions shall apply in respect of this contribution:

- priority shall be given to projects which have a strong cross-border or cross-community element;
- It shall be ensured that it has a genuine additional impact in the areas concerned and not therefore be used as a substitute for other public or private expenditure.

PROPOSAL FOR A COUNCIL REGULATION

ON COMMUNITY FINANCIAL CONTRIBUTIONS TO THE INTERNATIONAL FUND FOR IRELAND

The Council of the European Union

Having regard to the Treaty establishing the European Community and in particular Article 235 thereof;

Having regard to the proposal of the Commission,

Having regard to the opinion of the European Parliament⁽¹⁾,

Whereas Article 10(a) of the Anglo-Irish Agreement of 15 November 1985 provides that the two governments shall cooperate to promote the economic and social development of those areas of both parts of Ireland which have suffered most severely from the consequences of the instability of recent years, and shall consider the possibility of securing international support for this work;

Whereas in order to contribute to the work envisaged in Article 10(a) of the Anglo-Irish Agreement the International Fund for Ireland was established to promote economic and social advance and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland;

(1) Opinion delivered on

Whereas the Joint Declaration of the Taoiseach Albert Reynolds and Prime Minister John Major of 14 December 1993 provides a framework for a peace process in this part of the European Union;

Whereas the Commission in its statement of 16 December 1993 expressed the wish to give practical support to this process;

Whereas the General Affairs Council in its statement of 20 December 1993 declares that the ending of the bitter conflict in Northern Ireland would bring many social and economic benefits to the region, the Member States concerned and the European Union as a whole;

Whereas the governments of the United Kingdom and Ireland in 1988 invited the Community to contribute to the International Fund for Ireland;

Whereas 15 MECU per annum has been provided from the Community budget since 1989 to support projects of the International Fund for Ireland which have a genuine additional impact in the areas concerned;

Whereas the programmes of the International Fund for Ireland encourage cross-border and cross-community cooperation and thereby promote dialogue and reconciliation between nationalists and unionists;

Whereas the International Fund for Ireland has since its establishment provided support to over 3.000 projects to the benefit of both communities;

Whereas the International Fund for Ireland encourages those in the most deprived areas to participate in and take responsibility for the economic regeneration of their own areas;

Whereas the International Fund for Ireland is an example of successful Anglo-Irish cooperation in promoting reconciliation between the two communities and their economic and social progress;

Whereas a framework for continued Community support for the International Fund for Ireland should be established;

Whereas such support should take the form of financial contributions for a period of three years and be reassessed in due course;

Whereas this support will contribute to reinforcing the solidarity between the Member States and between their peoples;

Whereas the Treaty provides no powers other than those in Article 235 for the adoption of this Regulation;

HAS ADOPTED THIS REGULATION.

Article 1

An annual contribution shall be made to the International Fund for Ireland, hereinafter called the Fund, for each of the years 1995, 1996, 1997.

Article 2

The contribution shall be used by the Fund in priority for projects of a cross-border or cross-community nature.

The contribution shall be used in such a way that it has a genuine additional impact on the areas concerned and should not therefore be used as a substitute for other public and private expenditure.

A Commission representative shall be enabled to continue to assist as an observer at the Board meetings of the Fund.

Article 3

The Commission shall administer the contribution mentioned in Article 1.

Article 4

The annual contribution shall be paid over in two parts in accordance with the following provisions:

- an advance of 80% will be paid over after signature by the chairman of the Board of the Fund of the Commission's standard undertaking relating to grants and after having made the undertaking to use the contribution in accordance with the provisions of Article 2;
- the remaining 20% will be paid over after receipt and acceptance by the Commission of the beneficiary's annual activity report and audited accounts.

Article 5

Before the end of 1996, the Commission shall draw up an evaluation report to the European Parliament and the Council assessing the need for continuing contributions beyond 1997.

Article 6

This Regulation shall enter into force on 1. January 1995.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels

For the Council

FINANCIAL STATEMENT

1. TITLE OF OPERATION:

COMMUNITY CONTRIBUTIONS TO THE INTERNATIONAL FUND FOR IRELAND.

2. BUDGET HEADING INVOLVED: B2-604

3. LEGAL BASIS: Draft Proposal for a Council Regulation under Article 235

4. DESCRIPTION OF OPERATION

4.1. General objective: to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland by promoting the economic and social advance of the two communities.

4.2. Period covered and arrangements for renewal of extension: 1995, 1996, and 1997. An assessment will be made before the end of 1996 with a view to possible renewal or extension of the arrangement.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1. Non-compulsory expenditure

5.2. Non-differentiated appropriations

6. TYPE OF EXPENDITURE

- Subsidy for joint financing with other sources in the public and/or private sector.

7. FINANCIAL IMPACT

7.1. Indicative schedule of appropriations

7.1.1. Schedule for proposed new operation

	MECU (in current prices)			
	1995	1996	1997	TOTAL
Commitment appropriations	15	15	15	45
Payment appropriations	15	15	15	45

8. FRAUD PREVENTION MEASURES: the Commission is represented on the Board of the Fund and the final annual contribution is only paid over after receipt and acceptance of the Fund's annual report and audited accounts.

9. SPECIFIC OBJECTIVE

9.1. Through economic and social development to promote reconciliation between the two communities in both parts of Ireland which have suffered most severely from the consequences of the instability of recent years.

9.2. Grounds for the operation

- The Community, recognising that the objectives of the Fund are a reflection of those pursued by itself, has given practical backing (MECU 15 p.a.) since 1989. Continuation of this contribution would provide a clear indication of Community support for the peace process in Northern Ireland.

9.3. Monitoring and evaluation of the operation

- The Commission will make a detailed assessment of the impact of Community support to the Fund's operations before the end of 1996. It will also monitor the Fund's activities through its continuing presence on the Board as an observer.

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