

Procedure file

Basic information	
CNS - Consultation procedure Regulation	2006/0194(CNS) Procedure completed
International Fund for Ireland: Community financial contributions 2007-2010 Repealed by 2010/0004(COD)	
Subject 4 Economic, social and territorial cohesion 6.10.05 Peace preservation, humanitarian and rescue tasks, crisis management	
Geographical area Ireland	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	REGI Regional Development	PPE-DE HIGGINS Jim	06/11/2006
	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets	PPE-DE LEWANDOWSKI Janusz	25/10/2006
	Committee for opinion on the legal basis	Rapporteur for opinion	Appointed
	JURI Legal Affairs	NI SPERONI Francesco Enrico	12/06/2006
Council of the European Union	Council configuration	Meeting	Date
	Agriculture and Fisheries	2774	19/12/2006
European Commission	Commission DG	Commissioner	
	Regional and Urban Policy	HÜBNER Danuta	

Key events			
12/10/2006	Legislative proposal published	COM(2006)0564	Summary
23/11/2006	Vote in committee		Summary
29/11/2006	Committee referral announced in Parliament		
29/11/2006	Committee report tabled for plenary, 1st reading/single reading	A6-0432/2006	
13/12/2006	Results of vote in Parliament		

13/12/2006	Decision by Parliament	T6-0562/2006	Summary
19/12/2006	Act adopted by Council after consultation of Parliament		
19/12/2006	End of procedure in Parliament		
30/12/2006	Final act published in Official Journal		

Technical information

Procedure reference	2006/0194(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Repealed by 2010/0004(COD)
Legal basis	EC Treaty (after Amsterdam) EC 308
Stage reached in procedure	Procedure completed
Committee dossier	REGI/6/41841

Documentation gateway

Legislative proposal		COM(2006)0564	12/10/2006	EC	Summary
Document attached to the procedure		SEC(2006)1227	12/10/2006	EC	
Committee draft report		PE380.843	08/11/2006	EP	
Committee opinion	JURI	PE382.196	21/11/2006	EP	
Amendments tabled in committee		PE382.199	21/11/2006	EP	
Committee opinion	BUDG	PE380.850	22/11/2006	EP	
Committee report tabled for plenary, 1st reading/single reading		A6-0432/2006	29/11/2006	EP	
Text adopted by Parliament, 1st reading/single reading		T6-0562/2006	13/12/2006	EP	Summary
Commission response to text adopted in plenary		SP(2007)0303	24/01/2007	EC	

Additional information

National parliaments	IPEX
European Commission	EUR-Lex

Final act

[Regulation 2006/1968](#)
[OJ L 409 30.12.2006, p. 0086](#) Summary

[Corrigendum to final act 32006R1968R\(01\)](#)
[OJ L 036 08.02.2007, p. 0031](#)

International Fund for Ireland: Community financial contributions 2007-2010

PURPOSE: to continue providing the International Fund for Ireland (IFI) with EU contributions for a further 4 year period (2007-2010).

PROPOSED ACT: Council Regulation.

CONTEXT: the International Fund for Ireland (IFI) was established in 1986 in order to contribute to the implementation of 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".

Following early contributions from the United States and other countries, the European Community wished to give practical support to the initiative. It began contributing to the IFI in 1989. EC funding now represents approximately 48 % of annual contributions to the Fund and 40 % of cumulative contributions to date.

Even though the political background of the region has evolved over the years, there is still a significant level of security related incidents with sectarian motivation and psychological and physical division between the main communities. The NI Assembly is currently suspended, which illustrates the threats and uncertainties surrounding the peace process in the region.

In this context, economic and social development in support of peace and reconciliation at grassroots level is a long term process. As an instrument towards this goal, the IFI complements the action carried out by the EU Programmes for Peace and Reconciliation in Northern Ireland and the Border Region of Ireland ("PEACE I" 1995-1999, "PEACE II" 2000-2006 and "PEACE III" 2007-2013).

Nevertheless, in 2005, the International Fund knowing that the current level of international support cannot be maintained indefinitely, carried out a review of its structures and priorities in order to redefine its mission in light of the new realities and has adopted a strategic framework which will bring the life of the Fund to an end in 2010. This strategy is entitled "Sharing this Space" and launches the final phase of activities of the Fund (2006-2010). During this closing period the Fund will target the areas of greatest need and will seek to ensure that its work is made sustainable in the longer term.

CONTENT: it is proposed that EU contributions of EUR 15 million per year to the IFI continue for a further period of 4 years. The proposed new period will therefore end in 2010, which would coincide with the end of the life of the IFI.

The new Council Regulation should also reflect the observations made in the Commission report (refer to the summary of the follow-up document in procedure reference CNS/2004/0228), in particular those reinforcing synergy of objectives and co-ordination with Structural Funds interventions, in particular with the new PEACE Programme and the provisions on closure.

In allocating the contribution the Fund shall give priority to projects of a cross-border or cross-community nature, in such a way as to complement the activities financed by the Structural Funds, and especially those of the PEACE programme operating in Northern Ireland and the Border Counties of Ireland. The contribution shall be used in such a way as to bring about sustainable economic and social improvement in the areas concerned. It shall not be used as a substitute for other public and private expenditure.

Subject to an assessment of the Fund's financial needs, the annual contribution shall normally be paid in instalments as follows:

- a first advance payment of 40% shall be made after the Commission has received an undertaking, signed by the Chairman of the Fund's Board complying with the Council Regulation;
- a second advance payment of 40% shall be made six months later; and
- a final payment of 20% shall be made after the Commission has received and accepted the Fund's annual activity report and audited accounts for the year in question.

Before paying out an instalment the Commission shall carry out an assessment of the Fund's financial needs on the basis of the Fund's cash balance at the time scheduled for each payment. If following that assessment, the Fund's financial needs do not justify payment of one of those instalments, the payment concerned shall be suspended. The Commission shall review that decision on the basis of new information provided by the Fund and shall continue payments as soon as they are considered justified.

Lastly, a contribution from the IFI may be allocated to an operation which receives or is due to receive financial assistance under a Structural Funds intervention, only if the sum of that financial assistance plus 40% of the contribution from the Fund does not exceed 75% of the operation's total eligible costs.

For further information concerning the financial implications of this measure, please refer to the
financial statement.

International Fund for Ireland: Community financial contributions 2007-2010

The committee adopted the report by Jim HIGGINS (EPP-ED, IE) approving the proposed Council regulation concerning Community financial contributions to the International Fund for Ireland (2007-2010). It adopted just one amendment, under the consultation procedure, making Article 159 of the TEC the legal base of the regulation rather than Article 308 as proposed. The committee argued that, as one of the primary aims of the IFI was "to promote economic and social advance", the regulation fell within the remit of economic and social cohesion policy. Article 159 was therefore the most appropriate legal basis. It should be noted that this article provides for codecision procedure, which would give the European Parliament a stronger role.

International Fund for Ireland: Community financial contributions 2007-2010

The European Parliament adopted a resolution based on the report drafted by Jim HIGGINS (EPP-ED, IE) approving the proposed Council

regulation concerning Community financial contributions to the International Fund for Ireland (2007-2010), subject to just one amendment. (Please refer to the summary of proceedings in committee dated 23/11/2006.)

International Fund for Ireland: Community financial contributions 2007-2010

PURPOSE: to continue providing the International Fund for Ireland (IFI) with EU contributions for a further 4 year period (2007-2010).

LEGISLATIVE ACT: Council Regulation 1968/2006/EC concerning Community financial contributions to the International Fund for Ireland (2007 to 2010).

CONTENT: the International Fund for Ireland ("the Fund") was established in 1986 by an Agreement between the Irish and UK governments in order to promote economic and social advance, and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland, in implementation of one of the objectives specified by the Anglo-Irish Agreement of 15 November 1985.

The EC has provided financial contributions to the Fund from 1989. For the period 2005 to 2006 EUR 15 million was committed from the Community budget for each of the years 2005 and 2006 in accordance with Council Regulation 177/2005/EC, which expires on 31 December 2006.

The peace process in Northern Ireland requires a continuation of Community support to the Fund beyond 31 December 2006. Accordingly, the Regulation provides that the financial reference amount for the implementation of Fund for the period 2007-2010 is EUR 60 million. The Community contribution to the Fund will take the form of financial contributions for the years 2007, 2008, 2009 and 2010, thus terminating at the same time as the life of the Fund. In allocating the contribution the Fund will give priority to projects of a cross-border or cross-community nature, in such a way as to complement the activities financed by the Structural Funds, and especially those of the PEACE programme operating in Northern Ireland and the Border Counties of Ireland. The contribution must be used in such a way as to bring about sustainable economic and social improvement in the areas concerned. It must not be used as a substitute for other public and private expenditure.

The Fund strategy launched for the final phase of its activities (2006 ? 2010) and entitled "Sharing this Space" focuses on four key areas: building foundations for reconciliation in the most marginalised communities, building bridges for contact between divided communities, moving towards a more integrated society and leaving a legacy. Consequently, the ultimate aim of the Fund and of this Regulation is, therefore, to encourage inter-community reconciliation.

An assessment reviewing the closure provisions of the Fund will be carried out before 1 July 2008.

The Commission will represent the Community as an observer at the meetings of the Board of the Fund. The Fund will be represented as an observer at the Monitoring Committee meetings of the PEACE programme, and of other Structural Funds interventions as appropriate.

The Commission will administer the annual contribution, which will be paid in instalments as follows:

- a first advance payment of 40 % will be made after the Commission has received an undertaking, signed by the Chairman of the Fund's Board, to the effect that the Fund will comply with the conditions for the grant of the contribution set out in the Regulation;
- a second advance payment of 40 % shall be made six months later;
- a final payment of 20 % shall be made after the Commission has received and accepted the Fund's annual activity report and audited accounts for the year in question.

A contribution from the Fund may be allocated to an operation which receives or is due to receive financial assistance under a Structural Funds intervention, only if the sum of that financial assistance plus 40 % of the contribution from the Fund does not exceed 75 % of the operation's total eligible costs.

ENTRY INTO FORCE: 1 January 2007 and it expires on 31 December 2010.