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EUROPEAN COMMISSION APPROVES SPECIAL SUPPORT PROGRAMME FOR PEACE AND RECONCILIATION IN NORTHERN IRELAND AND THE BORDER COUNTIES OF IRELAND

The European Commission has given the green light for the special support programme for peace and reconciliation in Northern Ireland and the border counties of Ireland, thus making it possible for implementation and payments to commence immediately. With its decision the Commission meets the schedule that was given by Monika Wulf-Mathies, the Commissioner in charge of regional policies, when the plans for the programme were first unveiled in February.

Commenting on the decision, Mrs. Wulf-Mathies underlined that the channels for the distribution of aid will not be remote and bureaucratic but will be close to those working at ground level. "An extensive consultation process took place before the programme was prepared and the outcome of that process is reflected in the programme drawn up by the national authorities, particularly in the provision for social inclusion and in the recognition given to the importance of women's groups," the Commissioner added.

The central feature of the programme is the fact that more than half the EU aid will be distributed through intermediary bodies and local partnerships which are in close touch with needs and opportunities at ground level. The largest allocation of the EU funding (30%) goes to promote and assist social inclusion, thereby increasing the chances of disadvantaged people of sharing in the benefits of the economic growth which is forecast to occur in coming years.

EU Funding

The total expenditure under the programme in the first three years (1995-97) will amount to 416 MECU (351 million pounds sterling, 340 million Irish Punts) of which 300 MECU is provided by the EU Structural Funds. Up to 80% of the EU funding will be for activities in Northern Ireland; not less than 20% will be for activities in the border counties of Ireland; a minimum of 15% will be for activities carried out in a cross-border context.

All the Structural Funds (ERDF - European Regional Development Fund; ESF European Social Fund; EAGGF - European Agricultural Guidance and Guarantee Fund, Guidance Section) together with the Financial Instrument for Fisheries Guidance, will contribute to the programme.

The allocations of EU assistance will be as follows:

SUB-PROGRAMME	Allocations (MECU) Northern Ireland	Allocations (MECU) Border Counties
Employment	37.39	4.375
Urban Regeneration	18.945)
Rural Regeneration	18.945) 12.000
Cross-Border Development	22.503)
Social Inclusion	57.333	13.125
Productive Investment and Industrial Development	36.89	7.063
Technical Assistance	3.789	0.937
Partnerships	44.205	
TOTAL	240.00	60.00

Assistance for the period 1998-1999 will be examined following a review of progress based on a report to be prepared by the Commission.

Implementation

In Northern Ireland, assistance will flow through 3 channels: central funding, intermediary bodies and partnerships. Central funding will normally be provided by a Central Government Department or a statutory agency. It is agreed to aim at the disbursement of more than half (130 MECU) of Northern Ireland's aid allocation through decentralised bodies. Designated agents (including women's organizations and bodies working on cross-border matters) will be selected to distribute at least 50 MECU of the 130 MECU targeted for Northern Ireland. These bodies will be independent of Government, and Peace Programme grant arrangements will be established between them, the European Commission and the Northern Ireland authorities. The bodies will be identified by the Northern Ireland authorities and the Commission.

In the border counties more than half of the programme will be delivered on the global grant contracts to be managed by Area Development Management Ltd and the Combat Poverty Agency.

The programme will be implemented under the general supervision of a single Monitoring Committee, which will be composed of representatives of both Governments, the European Commission, local authorities, business, trade unions, community groups and voluntary organisations. In addition, a Consultative Forum will be established, which will give its advice and opinions at the request of the Monitoring Committee or on its own initiative.

Priorities

The **Employment Sub-Programme** will focus on:

upgrading skills and on training; on action for jobs, including advice and assistance for the long-term and youth unemployed; extending childcare facilities to permit greater access by women to training and to employment;

Urban and Rural Regeneration will focus on:

a wide range of actions in favour of urban and village renewal, local infrastructure, rural economic development, fisheries and aquaculture;

Cross-Border cooperation will focus on:

projects which tap into the vast potential for North-South trade will be encouraged and supported. In addition, cooperation between public bodies, e.g. in the health and education sectors, will be supported.

Social Inclusion will focus on:

a wide range of actions will be supported, including pre-school care and education projects; schemes to build closer home/school/community/business links; remedial support and effort to improve pupil performance; more integrated education opportunities; studies of problems and opportunities at neighbourhood level; the dissemination of information on good practice in combating social exclusion;

Productive Investment will focus on:

an interest rate relief which the EIB and the Commission propose to be at 4% for a maximum of 5 years on loans for Small and Medium-Sized Enterprises and by the stimulation of SME-focused innovation actions;

Partnerships

A separate scheme provides for the creation of **Partnerships** in District Council areas in Northern Ireland, which will receive funding to carry out action plans for their areas. Allocations of assistance, based on population weighted by deprivation, will be made to every District Council area. Action plans will be submitted to, and evaluated by, a Partnership Board. The allocation of a total of 44 MECU should help that this bottom-up development will contribute significantly to the peace process.

Technical Assistance will not only assist the management, monitoring and evaluation of the programme, as well as information and publicity, but also help local groups to develop project proposals.

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