Structural funds, implementation of the budget. special reports 6/1999, 7/1999, 3/2000, 7/2000, Court of Auditors

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PURPOSE : to present the special report 7/2000 by the Court of Auditors concerning the International Fund for Ireland and the Special Support Programme for Peace and Reconciliation in Northern Ireland and in the border counties of Ireland. CONTENT : this report examines the European Union support for the activities of the International Fund for Ireland (IFI) up to December 1997 and the implementation of the Special Peace and Reconcilitation Programme (P&R) in the period 1995-1997. As a reminder, the IFI was created in 1986 under the Anglo-Irish Framework Agreement; its objective was to promote reconciliation between the divided communities in Northern Ireland. In 1995, the European Commission put in place a Community Initiative under the form of a special support programme favouring Northern Ireland with a view to reinforce progress towards a peaceful and stable society and to promote reconciliation by increasing economic development and employment and promoting urban and rural regeneration. The Court's audit covered the legality and the regularity of Community financing and examined the effectiveness of the measures relating to the payment of funds in the framework of the two actions. As far as the IFI is concerned, the Court highlights that the Commission's payment of aid in advance of need did not ensure the most efficient use of EU funding. The IFI procedures concerning staffing arrangements and delegations of power have not been set out in writing. The evaluation of project applications and the post-grant monitoring of projects has not ensured sound financial management in all cases and the inspections have been insufficient. With regard to P&R, the Court points out its positive role but signals also that the structure of the programme was complicated by the wide diversity of implementing bodies and by the differing needs of the two regions. The decision to entrust a large part of the management functions and decision-making to non-governmental organisations has led to difficulties in the selection of the implementing bodies. In certain cases, inadequate consideration was given by the implementing bodies to developing an effective methodology for targeting community projects and social groups. Furthermore, the Court points out that the allocation of three years' funding to a five year project has caused difficulties in the planning and management of measures. Lastly, it is noted that a significant overlap between the P&R, the activities of the IFI and the Structural Funds which had led to inevitable duplication. Consequently, the Court recommends that the inspection and evaluation procedures be reinforced. As regards the IFI, the Court believes that there is scope for better evaluation of needs before proceeding to the payments and that responsibilities should be clarified. Moreover, the Court believes that the Commission should reinforce its project evaluation criteria as well as its evaluation measures. With regard to P&R programming, critics have already voiced an opinion on the reinforcement of the evaluation criteria, the Court believes that there is scope to reinforce the decision process of the programme by better justifying the NGOs responsibilities. Given the complexity of the programme andthe large number of organisations in charge of implementation, the monitoring Committee should in addition ensure that the appropriate control mechanisms be put in place in order to ensure the protection of the Community funds. The Commission needs to ensure sufficient publicity is given to implementation measures in the P&R framework in order to optimise the impact.