# International Fund for Ireland: continuation of the Community financial contributions for 2005-2006

2004/0228(CNS) - 12/10/2006 - Follow-up document

PURPOSE: to present the Commission report on the International Fund for Ireland.

CONTENT: this report on the activities of the International Fund for Ireland (IFI) is required under Council Regulation 177/2005/EC which provided for the continuation of the funding of the IFI for the period 2005-2006. The primary purpose of the report is to review the activities of the IFI during that period. This review comprises a description of the IFI and its activities, its sources of finance, past assessments of its activities, publicity and complementarity with other EC programmes. In addition, this report also looks forward to the new five year strategy of the IFI to its anticipated winding-up in 2010, the twenty-fifth anniversary of its creation, and outlines a proposal for EU involvement during this final phase of the IFI's work.

**Context**: since the 1960's, political divisions and inter-community violence have dominated Northern Ireland, impacting also on the Republic of Ireland. In 1985, 13 years before the Belfast/Good Friday Agreement (April 1998), the Anglo-Irish Treaty provided for the two Governments to "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 "to consider the possibility of securing international support for this work".

This gave birth in 1986 to the International Fund for Ireland, an independent international organisation with its own governing body.

The European Community has been contributing to the IFI since 1989. At the end of 2006, European Union support will represent about 57% of the annual contribution to the Fund and 39% of cumulative contributions to that date.

**Outline of the financial activities of the IFI**: this report and its annexes build on the 2004 Report on the International Fund for Ireland, and fulfil the requirements for the assessment mentioned above. The IFI’s **principal objectives** areto promote economic and social advance and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland. Approximately 75 % of the IFI’s resources shall be distributed in Northern Ireland.

As regards beneficiaries, the IFI assists basically the same categories of people as the PEACE II Programme. Where projects can be funded by both IFI and EC programmes, the IFI policy is to be the “first money on the table” although it may offer a lower financial contribution. Compared to the EC programmes, the IFI processes applications quickly using streamlined selection procedures, and is more flexible in responding to emerging needs and opportunities as its budget is decided annually

**Conclusions and future proposals**: all the European Commission reports have unanimously recognised the very positive contribution of the IFI's activities to peace and reconciliation in Northern Ireland and the Border Region of Ireland thereby fulfilling its objectives, namely to promote economic and social advance, and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland.

The current round of EC Structural Funds Programmes (in particular the PEACE II Programme), which are the major instruments to promote economic and social progress in the region, present new opportunities for the IFI. The priorities set by both IFI and EC Programmes complement each other and this high potential for synergies needs to be further harnessed. The continuation of the PEACE programme and the new strategy for the IFI – Sharing the Space – will enable these synergies to be further realised.

The Commission welcomes the strategy Sharing the Space. It is a realistic strategy which will ensure that progress is made towards a shared future, promoting integration and understanding and ensuring that the work of the IFI is continuing and lasting beyond the end of its life. Given that reinforcing the solidarity between Member States and between their peoples is a core EU objective, it is therefore important for the EU to remain committed to these objectives, alongside other international donors, and to renew its contribution to the IFI.

**Funding after 2006**: the Commission believes that funding should still be provided on the basis of the observations made in this report, which could be reflected either in the future Council Regulation on the EC contribution to the IFI (CNS/2006/0194), or through other appropriate means of co-operation between the Commission and the IFI.