



Representation in Ireland

SPEECH BY MR CARLO TROJAN, Deputy Secretary General, European Commission at the Forum for Peace and Reconciliation, Dublin Castle, 16 December 1994

Madam Chairman

Could I begin by thanking you and the party leaders for the opportunity to address the Members of the Forum, and today's distinguished guests on behalf of President Delors and of the European Commission.

The Commission fully supports the objective of the Forum, to achieve lasting peace, stability and reconciliation by agreement among all the people of Ireland, and to promote respect for the equal rights and validity of both traditions and identities. Indeed these objectives in many ways echo the objectives set for the European Institutions in the Treaties.

In particular we seek to work together with the Forum in its objective of finding new approaches to serve economic interests common to both parts of Ireland, including the European Union framework.

This is why I am here today; I also wish to offer to the Forum all the help and assistance which the Commission and its services can provide to you in your work.

Before I begin however, I would like to extend, on behalf of President Delors and the European Commission, our congratulations to the new Taoiseach, Mr Bruton; the Commission looks forward to working with you and your Government. The continued presence of the Tanaiste, Mr Spring, with whom I have the pleasure of working in recent times means that the transition will be easy. We welcome the fact that your programme refers in particular to the development of a deeper and more complex relationship with Europe, its commitment to playing a full part in the European Union and its support for the Social Policy Agreement.

Also, I would like to repeat the many homages which were paid at the Essen Summit by the Commission and the Heads of Government to the outgoing Taoiseach Mr Reynolds. You leave behind many achievements; notably the Joint Declaration, which in one year has transformed the political landscape, and an economy which, Commission reports confirm, has been performing impressively and which shows every prospect of continuing to do so.

Earlier this week I participated in Prime Minister Major's Investment Conference in Belfast. I explained how the new European Union support programme which was approved by the Essen Summit could assist in promoting the new opportunities for business and job creation which were arising from the new situation.

These new opportunities are not a zero sum game. The whole island of Ireland has suffered directly from the past 25 years of violence - in investment, in tourism, in the diversion of resources toward security expenditure. It has also suffered indirectly from the underlying political divisions - in its failure to develop common infrastructures, to share resources, and to benefit from the ordinary interactions of business, commerce, education and culture. In particular the border regions have suffered. Now we are on the threshold of an era in which the whole island of Ireland can benefit; as peace takes root so will investment and jobs and prosperity can flow throughout the island.

The Single Act created throughout Europe an area without internal frontiers in which the free movement of goods, persons, services and capital was ensured. It is now up to administrations, businesses and citizens to make the Single Market a reality. Throughout Europe where border regions may have lived previously back-to-back, assistance, both financial and structural, is required to help them take advantage of the Single Market; this is the rationale behind the Interreg Programme, which has been in place since 1990.

With the Joint Declaration and the announcements of cessation of violence the Commission became convinced that securing long lasting peace calls for immediate measures to show to the people on the ground who have been the most affected by 25 years of violence, that the peace process which is now under way can yield real dividends to their life. It was strengthened in this conviction by the historic debate held in the European Parliament last October. I wish to acknowledge the strong support Parliament has given the Commission in its efforts and in particular that of the distinguished Parliamentarian Mr Leo Tindemans who will also be addressing you.

One of the main objectives of the special support programme which the Commission adopted last week, and which was endorsed by the European Council was to show the European Union's solidarity with the people in Ireland in the search for peace and reconciliation. Building prosperity is essential to building lasting peace. The complete cessation of violence opens new windows of opportunities for promoting economic recovery and social development and for addressing the most immediate needs of the most vulnerable groups in the society.

Before elaborating on the so-called 'Delors Peace Package', I would wish to underline the European Union's efforts for social and economic development in the context of existing policies.

Under the recently adopted Community Support Framework (CSF), Ireland will receive more than 5.6 billion ECU over the next six years. Further assistance is foreseen under Community Initiatives and the Cohesion Fund.

We have asked the Irish Government to commit itself to refocus the operational programmes in order to accommodate the new demands and challenges which have arisen from the cessation of violence and thereby optimise support for sustained social and economic development of the border counties. Obviously the same commitment has been asked for from the authorities in Belfast as far as Northern Ireland is concerned.

We have also asked the two Governments to take the best advantage of the new situation in finalizing and implementing their operational programmes under the existing Community Initiatives such as INTERREG for cross-border development, LEADER for rural development, URBAN for urban regeneration and EMPLOYMENT for training and job creation.

As far as the border counties are concerned I personally consider that additional emphasis should be given to reinforcing infrastructures especially in connection with the reopening of cross-border links and the perspectives of a far greater flow of goods and persons between North and South.

This special support programme for Northern Ireland and the border counties is not a topping-up of existing Structural Funds policies. It is a distinct programme, multi-annual, comprehensive and complementary to existing policies under the Structural Funds. It is additional in its funding both as to the European Union's contribution - 300 million ECU for the next three years - and as to the matching parts of both Governments. The new Minister of Finance, Mr Quinn should see to that. It focuses its attention on the new opportunities and additional needs occasioned by the changing situation. It focuses more particularly on deprived and marginalised areas and on the most vulnerable groups in society. But the overriding objective is reconciliation. As I said in Belfast: hearts and minds rather than bricks and mortar.

In formulating the priorities of this programme, the Commission Task Force which I headed, deliberately opted for a broad consultative approach.

We did not invent those priorities ourselves. The package was now drawn up behind the desk of some anonymous Eurocrats in Brussels but the result of a widespread consultation with British and Irish Governments, MEP's, local authorities, employers, trade unions and the voluntary sector. I personally met with Irish MEP's from the border counties as well as Chairmen of County Councils and County Managers. The joint input of the three Northern Ireland MEP's was very important indeed and I am glad to acknowledge that in the presence of John Hume. This bottom-up approach has been very valuable indeed. We have been impressed by the quality of the submissions and by the creative thinking at local and grassroot level. It was rather surprising, in fact, to discover that on an island so renowned for disagreement, there was so much common ground and cross-community support on how to target additional European Union funding.

As a matter of fact, there was also a large identity of views between Dublin, Belfast and London on the general thrust of our support programme and its main priorities. We got also the very firm impression that at all levels, and in all communities and areas both North and South, there is a genuine and collective determination to seize the historic opportunity for a lasting peace.

The package of measures which the Commission adopted last week should boost the peace process, encourage economic growth and the expansion of job opportunities.

It think that it is also important to note that there was a large agreement on the need to include a North/South element in the package on top of the overriding objective of reconciliation between the two communities.

Cross-border development will be an important programme priority. This would involve a wide range of measures to exploit the opportunities for increased cross-border development arising from the new situation through, for example, enhanced trade, economic and agricultural cooperation as well as the upgrading of infrastructures. Assistance could be given to companies to establish joint ventures, and to undertake joint marketing and R & D on a cross-border basis. Examples could include:

- the creation of a business innovation centre
- establishing energy links and
- reinstating closed cross-border roads and bridges.

The concrete actions under the new programme should have an immediate and visible impact on the ground through improvement of the physical environment of towns and villages, through new outdoor facilities and community services, through local development and new business and investment opportunities.

The complete cessation of violence will create new job opportunities and attract inward investment. Positive fall out was already noticeable at the Investment Conference in Belfast. The support programme should build on this and kickstart the economic upsurge by adding new facilities notably to SME's. One of the elements in the Commission's programme will be the extension of the existing SME facility for a further period and under more attractive conditions. Both the Commission and the EIB expect considerable uptake for new investments under such a scheme.

This would come on top of measures foreseen in the existing SME Community Initiative which will provide the possibility of procuring seed and venture capital. In the programme particular emphasis will be given to the people who should reap the benefits of a lasting peace. The new circumstances will provide a unique challenge to promote social inclusion by encouraging grassroot cross-community cooperation, by addressing specific needs of the most vulnerable groups and by promoting activities which bring communities and individuals together. Examples of activities

which offer particular scope for bring communities and individuals together include culture and the arts, sports and leisure, the environment, education and care services. This would also include the encouragement of cross-community contacts and exchanges in Northern Ireland and the border counties of the Republic.

The implementation of the support programme will call for close involvement and collaboration of all levels in joining up plans and projects. Again, this is a bottom-up process where the European Commission will function as a catalyst and fund provider. We are not in a business of financing projects; our role is to co-finance programmes according to the rules and priorities to be set in the new Community Initiative for Northern Ireland and the border counties. This will involve local government and other fund providers such as the International Fund for Ireland which in the immediate wake of the cessation of violence got an extra cash injection from both the European Union and the United States.

But the main responsibility for good programmes will be here in Ireland itself.

Obviously it is very important that the European Union is helping in supporting the process of economic recovery and social development in areas where years long violence has constituted a very important impediment.

We should however bear in mind that real sustainable economic growth and job creation can not be generated by grants only. We should also be aware not to stimulate a grant mentality. Sustainable economic growth has to come from the private sector and from private investment.

The existing facilities and the new measures will be helpful but not decisive. Any investor will look for stability in the political and economic climate, for good infrastructure both in roads and in telecommunications, for high level of skill and for facilities for training and education. He will also look for opportunities in new export markets and for appropriate sites to establish his business.

This island as part of the European Union has most if not all these assets, both North and South. With the complete cessation of violence, the most important impediment for investment and for job creation has disappeared. We have to build on that new opportunity and on the obvious dynamism which exist in your society to seize that opportunity.

I am confident that the people on this island with the support of both governments and the solidarity of the European Union will be capable of meeting this challenge.