



COMMISSION OF THE EUROPEAN COMMUNITIES

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2004/0224(AVC)

Proposal for a

COUNCIL REGULATION

amending Regulation (EC) No 1260/1999 laying down general provisions on the Structural Funds concerning the extension of the duration of the PEACE programme and the granting of new commitment appropriations

(presented by the Commission)

EXPLANATORY MEMORANDUM

The EU is supporting the peace process in Northern Ireland and the whole or part of the Republic of Ireland.

Since 1995, the PEACE Programme has a strategic aim "to reinforce progress towards a peaceful and stable society and promoting reconciliation". This unique mission among Structural Funds follows the work pioneered by the Special Support Programme (PEACE I), established in 1995-1999 following the announcement of ceasefires by the main paramilitary organisations in the region. In April 1998 the Belfast ("Good Friday") Agreement set a political settlement for a peace process, including the devolution of powers to a Northern Ireland Assembly and Executive Committee, which were set up at the end of 1999.

The Programme's total expenditure for the period 2000-2004 is estimated at €708 million, of which the four Structural Funds contribute €531 million (80% Northern Ireland – 20% Border Region). 15% of the total allocation is attributed to cross-border projects.

On 18 May 2004 the UK and Irish Prime Ministers wrote to the President of the European Commission requesting an extension of the EC contributions to the PEACE Programme for two years (2005-2006), which they consider to be essential for the consolidation of the peace and reconciliation process.

On 16 June 2004 Commissioner President Romano Prodi responded that the Commission was keen to maintain these efforts. He also added that unless the European Council was able to provide a clear mandate in this regard, it would be difficult for the Commission to bring forward budgetary and legislative proposals that would meet these ambitions.

On 17-18 June 2004 the European Council took note of the current difficulties in the peace process in Northern Ireland and confirmed its support for the efforts of the two governments in seeking to re-establish the devolved institutions. In order to support these efforts, the European Council called on the Commission to examine the possibility of aligning interventions under the PEACE II Programme with the programmes of the Structural Funds that come to an end in 2006.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 161 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the assent of the European Parliament²,

Having regard to the opinion of the European Economic and Social Committee³,

Having regard to the opinion of the Committee of the Regions⁴,

Whereas:

- (1) Article 7(4) of Council Regulation (EC) No 1260/1999⁵ sets up a programme under Objective 1 to assist the peace process in Northern Ireland (PEACE) for an initial period of four years from 2000 to 2004, for the benefit of Northern Ireland and the border areas in Ireland.
- (2) The European Council held in Brussels on 17 and 18 June 2004 asked the Commission to study whether measures under the PEACE programme and the International Fund for Ireland could be aligned with those under the other Structural Funds programmes, which will end in 2006, to include the financial consequences thereof.
- (3) Consolidation of the peace process in Northern Ireland, to which the PEACE programme has made an original and essential contribution thus far, requires continuing financial support from the European Community to the regions concerned and the extension of the PEACE programme for another two years.

¹ OJ C [...], [...], p. [...].

² OJ C [...], [...], p. [...].

³ OJ C [...], [...], p. [...].

⁴ OJ C [...], [...], p. [...].

⁵ OJ L 161, 26.6.1999, p. 1. Regulation as last amended by the 2003 Act of Accession.

- (4) Regulation (EC) No 1260/1999 should therefore be amended accordingly so as to extend the implementation of the PEACE programme by two years, coinciding with the programming period for the Structural Funds.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1260/1999 is hereby amended as follows:

- 1) Article 7 is amended as follows:
 - a) In paragraph 1, first subparagraph, the amount “195” is replaced by “195,1”;
 - b) In paragraph 2, second subparagraph, the amount “135,6” is replaced by “136”;
 - c) In paragraph 4, first subparagraph, the years “2000-2004” are replaced by “2000-2006”.
- 2) Annex I to Regulation (EC) No 1260/1999 is replaced by the text in the annex of the present Regulation.

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council
The President*

ANNEX

“ANNEX I

STRUCTURAL FUNDS

Annual breakdown of commitment appropriations for 2000-06 (referred to in Article 7(1))

(EUR million, 1999 prices)

2000	2001	2002	2003	2004	2005	2006
29430	28840	28250	27670	27080	27133	26712