COUNCIL REGULATION (EEC) No 2619/80

of 7 October 1980

instituting a specific Community regional development measure contributing to the improvement of the economic and social situation of the border areas of Ireland and Northern Ireland

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund (1), as amended by Regulation (EEC) No 214/79 (2), and in particular Article 13 (3) thereof,

Having regard to the proposal from the Commission (3),

Having regard to the opinion of the European Parliament (4),

Having regard to the opinion of the Economic and Social Committee (5),

Whereas Article 13 of Regulation (EEC) No 724/75 (hereinafter referred to as the 'Fund Regulation') provided, independently of the national allocations of resources fixed by Article 2 (3) (a) of that Regulation, for participation by the Fund in financing specific Community regional development measures which are in particular linked with Community policies and with measures adopted by the Community in order to take better account of their regional dimension or to reduce their regional consequences;

Whereas the Member States concerned have provided the Commission with information on problems in border areas likely to be the subject of a specific Community measure;

Whereas the Fund's resources are allocated having due regard to the relative severity of regional imbalances in the Community;

Whereas the Council has stated its willingness to examine, under Article 13 of the Fund Regulation, on a proposal from the Commission, any requests for aid relating to border problems in the most deserving regions of the Community submitted jointly by two or more Member States concerned;

Whereas the border areas in Ireland and Northern Ireland are situated in regions which are among the least developed in the Community, involving as they do a high dependence on less productive agriculture, high levels of unemployment and low incomes per head and as such a widening of the base for economic development of these areas is necessary in order to reduce the handicaps suffered by the regions concerned;

Whereas communications difficulties and other problems related to border areas have hindered the fuller development of economic and social policies in border areas of Ireland and Northern Ireland;

Whereas the difficult situation of these border areas justifies a specific Community regional development measure;

Whereas the Economic and Social Committee, in its opinion of 12 July 1978 (6) on the cross-border communications study for the Londonderry/Donegal area carried out at the request of the Governments of Ireland and of the United Kingdom, and also of the Commission, recommended that the cross-border area be made the subject of a specific Community regional development measure;

Whereas measures have already been taken in the field of common agricultural policy, and other assistance from Community funds, capable of being usefully combined, should be given in these areas;

Whereas the considerable tourist potential existing in the border areas of Ireland and Northern Ireland offers significant prospects of generation of non-agricultural economic development;

Whereas development of craft industries and of small and medium-sized undertakings can make a significant contribution towards strengthening the economic fabric in these areas;

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(1) OJ No L 73, 21. 3. 1975, p. 1.
(2) OJ No L 35, 9. 2. 1979, p. 1.
(3) OJ No C 285, 15. 11. 1979, p. 3.
(4) OJ No C 85, 8. 4. 1980, p. 24.
(5) OJ No C 83, 2. 4. 1980, p. 4.
(6) OJ No C 114, 7. 5. 1979, p. 5.

Whereas development of tourism in the border areas of Ireland and Northern Ireland is seriously handicapped by shortage of accommodation, and of recreational and cultural facilities for tourists, including means of communication with tourist centres;

Whereas the development of craft industries is handicapped by lack of finance, information and advice;

Whereas, because of their remoteness from the economic centres of the Community, small and medium-sized undertakings in these areas have difficulty in obtaining information on markets and advice on management and organization matters;

Whereas the Community measure must be implemented in the form of special multi-annual programmes; whereas it is for the Commission, in approving these programmes, to ensure that the operations planned thereunder comply with this Regulation;

Whereas the special programmes must respond to certain of the objectives encompassed by the regional development programme provided for under Article 6 of the Fund Regulation;

Whereas the Commission must verify that the special programmes are properly carried out by examining the annual reports which the Member States will present to it for this purpose;

Whereas the Council, the European Parliament and the Economic and Social Committee must be informed regularly on the implementation of this Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

A specific Community regional development measure within the meaning of Article 13 of the Fund Regulation (hereinafter referred to as the 'specific measure') is hereby established contributing to the improvement of the economic and social situation of the border areas of Ireland and Northern Ireland.

Article 2

The specific measure shall be applicable to the following border areas:

Ireland:

the counties directly adjoining the border: that is Donegal, Leitrim, Cavan, Monaghan and Louth;

Northern Ireland:

the council districts directly adjoining the border: that is Londonderry, Strabane, Omagh, Fermanagh, Dungannon, Armagh, Newry and Mourne.

Article 3

1. The specific measure shall be implemented in the form of a special programme (hereinafter referred to as 'special programme') to be presented to the Commission by each of the Member States concerned.

2. The aim of the special programme shall be to contribute to the development of economic activities in tourism, communications, craft industries and small and medium-sized undertakings in the areas referred to in Article 2, with a view to improving the employment situation.

3. The special programme shall fall within the framework of the regional development programmes mentioned in Article 6 of the Fund Regulation.

4. The special programme shall contain appropriate information, as specified in the Annex to this Regulation, analysing the situation and needs related to the aim stated in paragraph 2, the operations proposed, the timetable for carrying them out and, in general, all factors necessary to enable its consistency with regional development objectives to be assessed.

5. The duration of the special programme shall be five years starting from the 60th day after the date on which this Regulation enters into force.

6. The special programme shall be approved by the Commission after intervention by the Fund Committee in accordance with the procedure laid down in Article 16 of the Fund Regulation.

7. The Commission shall inform the European Parliament of the amounts adopted for the areas when the special programme is approved.

8. Once it has been approved by the Commission, the special programme shall be published for information in the *Official Journal of the European Communities.*

Article 4

The Fund may participate, within the framework of the special programme, in the following operations:

1. Construction and conversion of tourist accommodation including self-catering and farm holidy accommodation and provision of caravan and camping sites.

2. Establishment and development of joint services or bodies responsible for promotion, publicity, stimulating tourist interest and co-ordinated management of tourist accommodation and facilities, including the organization of information seminars for the staff concerned.

3. Provision of amenities and infrastructures directly linked to the development of tourism and to cultural and recreational facilities including angling and riding; works aimed at improving scope for water sports, particularly through the development of inland waterways, for example in the River Erne basin.

4. Improvement of communications giving access to tourist areas, including construction or modernization of minor roads and telephone exchanges.

5. Development of transport activities aimed at providing easier access for tourists to the areas covered by the specific measure.

6. Establishment and development, by means of financial aids, of craft industries and of facilities including the provision of information and advice.

7. (a) Preparation of sectoral analyses intended to provide small and medium-sized undertakings with information on the potential of national, Community and external markets and on the effects to be anticipated therefrom on the production and organization of these undertakings;

   (b) establishment or development of consultancy firms or other bodies for management or organization matters by means of direct or indirect aid. Activities of such firms or bodies may include temporary assistance to undertakings for implementing their recommendations;

   (c) establishment or development of common services for a number of undertakings.

Article 5

1. The special programme shall be the subject of joint financing between the Member State and the Community. The contributions from the Fund shall be provided within the framework of the appropriations entered for this purpose in the general budget of the European Communities. The Community participation is laid down as follows:

(a) operation for tourist accommodation under point 1 of Article 4: where the investment is linked to agricultural activity, 50 % of public expenditure resulting from the granting of aid to the investment; in other cases, 50 % of public expenditure resulting from the granting of aid to the investment, but no more than 30 % of the cost of the investment;

(b) operations for the promotion of tourism under point 2 of Article 4: aid covering part of the operating costs of the bodies. This aid shall last for three years and be degressive. It shall cover 70 % of the operating costs in the first years and shall not exceed 55 % of the total costs over the three-year period;

(c) operations for amenities and infrastructure under point 3 of Article 4: 50 % of public expenditure;

(d) operations for improving communications under point 4 of Article 4: 50 % of public expenditure;

(e) operations for developing transport activity under point 5 of Article 4: 50 % of public expenditure on subventions towards the net cost of providing transport services;

(f) operations for craft industries under point 6 of Article 4: 50 % of public expenditure resulting from the granting of aid to the investment, but not more than 30 % of the cost of the investment; and 70 % of public expenditure resulting from aid to information and advising services;

(g) operations relating to sectoral analyses under point 7 (a) of Article 4: 70 % of the total expenditure;

(h) operations relating to consultancy services under point 7 (b) of Article 4: aid covering part of the expenditure of undertakings relating to services provided by consultancy firms or bodies. The aid shall last for three years and shall be degressive. It shall cover 70 % of expenditure in the first year

and shall not exceed 55 % of total expenditure over the three-year period (indirect aid);

(i) in respect of the operations referred to in (h), the Member State may replace this system by an equivalent system of aid to consultancy firms or bodies (direct aid);

(j) operations relating to common services under point 7 (c) of Article 4: aid covering part of the expenditure of undertakings relating to the operation of these services. The aid shall last for three years and shall be degressive. It shall cover 70 % of expenditure in the first year and shall not exceed 55 % of total expenditure over the three-year period.

2. For the aid referred to in paragraph 1 (a), (c), (d) and (f), the combination of aid from the Fund quota and non-quota sections is excluded.

3. The categories of beneficiaries of Fund assistance in respect of operations provided for in paragraph 1 may be: public and local authorities, other bodies, undertakings or individuals. The aids referred to in paragraph 1 (h) and (j) may not have the effect of reducing the share paid by undertakings to less than 20 % of total expenditure.

4. The amount of the Fund's assistance in favour of the special programme may not exceed the amount fixed by the Commission at the time when the programme is approved under Article 3 (6).

5. Budgetary commitments relating to the implementation of the special programme shall be decided by annual tranche in accordance with progress made.

Article 6

1. The amount of the Fund contribution in respect of the measures included in the special programme shall be paid to the Member State concerned (or in accordance with the instructions the latter communicates to this end to the Commission) according to the following rules:

(a) expenditure incurred from the date of entry into force of this Regulation shall be eligible;

(b) when there is a financial contribution by the Member State, payments, other than advance payments referred to in (c), shall be made as far as possible in parallel with the payment of the Member State's contribution. In any other case, payments shall be made when the Member State certifies that the payment is due and may be paid by the Community.

Each request for payment shall be accompanied by a statement from the Member State certifying the operation and the existence of detailed supporting documents, and shall contain the following information:

— the nature of the operations covered by the payment claim;

— particulars of the amount and nature of expenditure paid in respect of the different operations during the period covered by the claim;

— confirmation that the operations described in the payment claim have been begun in accordance with the special programme;

(c) on production by the Member State concerned of written evidence that the special programme has already occasioned expenditure under an annual tranche, the Fund may, at the State's request, make an advance of 30 % of the appropriations committed. When the amount of this advance has been exhausted and when the Member State has forwarded to the Commission the certificate referred to in (b), further successive advance payments may be made, each of 30 % of the appropriations committed for each annual tranche.

2. At the end of each year, the Member State concerned shall present to the Commission a report on the progress made in carrying out the special programme by reference to the information required in the Annex to this Regulation. These reports should enable the Commission to satisfy itself that the special programme is being executed, to observe its effects and to establish that the different operations are being carried out in a coherent manner. They shall be forwarded to the Regional Policy Committee.

3. On the basis of these reports and the relevant decisions, the Commission shall report under the conditions laid down in Article 21 of the Fund Regulation.

4. Where major amendments are made to a special programme during implementation, the procedure provided for in Article 3 (6) shall apply.

5. When each special programme has been implemented, a report shall be presented by the Commission to the Regional Policy Committee.

6. Article 9, paragraphs 1 to 5, of the Fund Regulation shall apply, as required, to the specific measure provided for in this Regulation.

Article 7

This Regulation shall not prejudice the re-examination of the Fund Regulation provided for in Article 22 of that Regulation which is to take place before 1 January 1981, on a proposal from the Commission.

Article 8

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

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

Done at Luxembourg, 7 October 1980.

For the Council

The President

G. THORN

ANNEX

The special programme shall include the following information on the areas covered under Article 2:

1. (a) an analysis of the present situation of tourism and artisan activities and an estimate of potential tourist demand during the period covered by the programmes; an analysis of the situation and of the requirements of SMUs, in particular as regards market information and management and organization consultancy services;

   (b) particulars of aid schemes and other measures designed to promote tourism and artisan activity and to develop SMUs with an estimate of average annual public expenditure incurred under such systems.

2. **In relation to the operations envisaged in Article 4:**

   (a) (i) a global estimate of the capacity and type of additional accommodation proposed to be installed or converted;

   (ii) the nature and activities of the bodies responsible for the development and promotion of tourism and craft industries;

   (iii) a statement setting out the types of tourist and communication infrastructures to be provided, and their location;

   (iv) the name, address and details of transport undertakings which could participate in the implementation of the special programme, with indications of public service obligations;

   (b) a description of public aids related to the different measures planned.

3. **In respect of the totality of the special programme:**

   (a) a description, as far as possible with figures, of the objectives covered by the special programme, particularly regarding employment;

   (b) in so far as this information has not been identified with sufficient accuracy in the regional development programme, a description of the existing or future public measures which it is intended to implement alongside the special programme and which will contribute towards improving the employment situation in the areas covered by Article 2;

   (c) intentions of the national authorities for using other resources deriving from Community structural funds;

   (d) the timetable for carrying it out;

   (e) estimation of the volume of public expenditure connected with the programme's implementation, including an annual breakdown of such expenditure for each of the operations envisaged;

   (f) designation of the bodies responsible for execution of the programme and of different operations;

   (g) information measures planned to make the potential beneficiaries and the professional organizations aware of the possibilities offered by the special programme, and of the role played by the Community in this respect.