

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 163 final

Brussels, 6 april 1983

Proposal for a  
COUNCIL REGULATION (EEC)

instituting a specific measure to promote urban renewal  
in Northern Ireland (Belfast)

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(presented by the Commission to the Council)

COM(83) 163 final



## STATEMENT OF GROUNDS

Northern Ireland has always been considered, both within the framework of national regional policy and at the level of Community structural policies, as a peripheral region experiencing exceptionally serious structural problems.

For this reason Northern Ireland benefits in the context of all Community policies and financial instruments from the priority treatment, from the higher rates of Community aids and from several specific actions intended to improve, in conjunction with measures undertaken by the United Kingdom, the impact of measures designed to deal with the above mentioned problems in their various fields.

Total Community grants (commitment) for structural purposes on behalf of Northern Ireland from 1973 to 1982 inclusive are some £363 million. It may be estimated that this was 1.0 % of regional GDP in 1982 (EEC average 1982 : some 0.19 % of GDP). The importance of the Community effort can also be illustrated by the two following tables :

Grants in ECU/head

Commitments	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Northern Ireland	7.5	8.2	17.7	24.7	22.5	32.5	57.3	56.0	76.5	93.0
EEC	1.6	2.1	3.3	4.2	4.7	5.7	9.7	11.6	14.2	17.2

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Northern Ireland	-	3.2	-	-	18.0	-	50.2	53.3	5.9	-
EEC	3.7	4.9	7.8	8.4	9.0	10.9	12.8	15.7	14.0	20.1

The initiative taken by the Commission in proposing to the United Kingdom Government an integrated operation in Belfast should be viewed within this general framework. With this integrated operation in mind, this Government has sent details to the Commission of groups of linked investments which are important for developing the urban area of Belfast. This is the main urban industrial conurbation of the region, containing about one third of the total population. Also involved is the main port of the region. However, the area suffers from the consequences of concentration of industrial sectors in decline and of an especially marked urban decline.

Despite national and Community measures, the social and economic situation of the region has worsened continuously. The European Parliament, in its resolution of 19 June 1981 (1) adopted on the basis of detailed reports on social and economic problems in Northern Ireland, has stressed this worsening situation and has asked for further remedial measures. The reports have stressed in particular poverty and low incomes, housing conditions and health of the population, unemployment and under employment and the conditions governing energy supply in this peripheral region. The Parliament has recommended the Commission to study more particularly certain points among which are the "housing stock renewal and renovation of accommodation in certain areas (particularly Belfast) as a matter of urgency, since job creation must be linked with improved living conditions".

(1) O.J. n° C 172 of 13.7.1981, p. 122

The Commission therefore considers that the field in which a Community measure can most rapidly produce tangible improvements in the situation described is that of urban renewal, particularly in Belfast.

Until now, the United Kingdom government has not been able to provide the means to take adequate and sufficiently rapid action to meet Belfast's needs for urban renewal. Community aid would therefore produce tangible results in speeding up the execution of a greater volume of infrastructure works with beneficial effects on employment and on the many sectors of activity connected with these works.

In order to be effective and significant, the action to promote urban renewal in the Belfast area should cover several years and be implemented over a period at least as long as that envisaged for the integrated operation, i.e. three years. Expenditure in the region of 100 million ECU therefore seems appropriate.

The additionality of the increased Community expenditure in relation to national expenditure should be measured with reference to the total annual volume of expenditure incurred by the United Kingdom for urban renewal in Northern Ireland and in the Belfast area. Expenditure for this purpose should not diminish in real terms in the course of the period of application of the special measure, or, at least, the proportion of this expenditure in the total national expenditure in Northern Ireland should be maintained, the report of the United Kingdom authorities indicating clearly how the money from the Community has been used.

To obtain this result, a rate of contribution up to 70 % and advances up to 80 % of the contribution should be possible.

As the regulation is based on Article 235 of the EEC Treaty, consultation of Parliament is indispensable. The Commission also recommends the Council to obtain the opinion of the Economic and Social Committee.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Whereas Northern Ireland is one of the peripheral regions of the Community  
experiencing particularly serious structural problems; whereas it therefore  
benefits, at both national and Community levels, from priority treatment  
and from a number of specific measures in various fields;

Whereas the European Parliament, in its resolution of 19 June 1981 (1),  
emphasized the steadily deteriorating social and economic situation in  
this region and drew particular attention, in the reports on which

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(1) O.J. No C 172, 13.7.1981, p. 122

that resolution is based, to the poverty and low incomes, the housing and health conditions of the population, particularly in Belfast, the unemployment and underemployment, and the energy supply conditions in this region;

Whereas the United Kingdom Government has transmitted to the Commission details of a series of related investment projects which are important for the development and urban renewal of the Belfast area;

Whereas almost half the expenditure on these projects concerns housing; whereas other infrastructure investment projects are also necessary for urban renewal; whereas the volume of national expenditure allocated each year to infrastructure contributing to urban renewal in Northern Ireland is not sufficient for investment projects to be completed at a rate commensurate with the needs either of the region or of Belfast;

Whereas the budgetary authority has entered in Item 5411 of the General Budget appropriations for "Community measures in the framework of integrated operations";

Whereas the implementation of an exceptional measure to promote urban renewal in the Belfast area, in addition to the possibilities currently offered by the existing financial instruments, would make a contribution, together with all the specific measures undertaken in Northern Ireland, to the efforts needed to bring about a steady improvement in the situation in that region, provided that all the investment projects are carried out with due dispatch;

HAS ADOPTED THIS REGULATION :

Article 1

A specific measure to promote urban renewal in Northern Ireland is hereby established for the Belfast area.

Article 2

The specific measure shall consist of the joint financing by the Community and the public authorities in Northern Ireland of infrastructure investment projects contributing to urban renewal in the Belfast area.

Article 3

The infrastructure projects which the Community may help to finance shall be chosen from a list to be submitted each year by the United Kingdom, accompanied by all the information necessary for the assessment of each project, such as its nature, characteristics and location, the authority responsible, the total cost, the financing arrangements, the schedule of work and expenditure and any other relevant details.

The Commission may request any additional information concerning any of the projects on this list.

Article 4

In order to qualify for a Community contribution under this Regulation, projects must satisfy the following conditions :

- they must not have been completed at the time the list is submitted;
- they must involve capital expenditure borne by the public authorities;

- they must contribute to urban renewal in the Belfast area, to the raising of living standards and to the improvement of the environment;
- they must be consistent with the regional development programme for Northern Ireland which the United Kingdom is required to communicate<sup>1</sup> to the Commission under Article 6 of Council Regulation (EEC) No 724/75.

#### Article 5

The United Kingdom Government shall also provide the Commission with all the information it needs to satisfy itself that the Community aid is additional to the total volume of national expenditure allocated to the investment projects necessary for urban renewal, including the infrastructure projects benefitting from this Community aid. The granting of the aid shall be subject to a finding that it is indeed additional thereto.

#### Article 6

Within the limits of the budget resources earmarked for this measure under the budgetary procedure and available for the period 1983 to 1985, the amount of Community aid may not exceed 70% of the cost of the investment. This limit shall also apply where different Community aids are combined.

#### Article 7

The annual list of projects and the draft Commission decisions concerning the granting of contributions shall be transmitted to the European Regional Development Fund Committee. Decisions shall be taken by the Commission in accordance with the procedure laid down for the granting of aid from this Fund.

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<sup>1</sup> OJ No L 73, 21.3.1975, p. 1

Article 8

At the request of the United Kingdom, advances not exceeding 80 % of the amount of the contribution granted for each project may be paid. The balance for each project shall be paid after its completion, on receipt of a statement from the United Kingdom Government certifying that the project in question has been completed and that all the payments relating to it have been made.

The United Kingdom shall refund to the Commission any amounts which have not been used pursuant to this Regulation or pursuant to the decisions to grant contributions and which have not been used for other projects on the list.

Article 9

In December of each year, beginning in December 1983, the United Kingdom shall transmit to the Commission, together with the list of projects for the following year, a report on the projects in progress which have received aid from the Community. This report shall be transmitted to the Council and the European Parliament at the same time as a report from the Commission on the application of this Regulation.

Article 10

The United Kingdom shall provide the Commission with all the information necessary for the proper implementation of the specific measure and shall take all the measures required to facilitate any checks which the Commission considers should be made, in particular those involving the authorities and bodies responsible for carrying out the infrastructure projects, including on-the-spot checks.

Article 11

In agreement with the Commission, the United Kingdom shall take all the steps necessary to provide information on and to publicize the specific measure.

Article 12

This Regulation shall apply for a period of three years starting from the date on which the specific measure commences. This period may be extended by the Council on a proposal from the Commission.

Article 13

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 Brussels, ..... 1983

For the Council  
The President

