



Treaty Series No. 58 (1987)

Agreement

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Republic of Ireland
concerning the International Fund for Ireland

London and Dublin, 18 September 1986

[The Agreement entered into force on 1 December 1986]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
December 1987*

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**AGREEMENT
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT
BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE
REPUBLIC OF IRELAND CONCERNING THE INTERNATIONAL FUND FOR
IRELAND**

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Ireland:

Desiring to establish a Fund to contribute to the work envisaged in Article 10(a) of the Anglo-Irish Agreement of 15 November 1985¹, which provides as follows: "The two Governments shall 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 shall consider the possibility of securing international support for this work.";

Convinced that such a Fund would be an important expression of international support for the common commitment of the two Governments to peace, stability, dialogue and reconciliation in Ireland and their common opposition to the exploitation of instability for political ends;

Recognising that serious under-employment and multiple deprivation create an environment in which instability can flourish, and that instability and conflict in turn create conditions which are inimical to social and economic progress;

Recognising the damage caused to both parts of Ireland by that instability;

Have agreed as follows:

ARTICLE 1

The International Fund for Ireland is hereby established by the two Governments for the purposes and in the manner set out in this Agreement.

ARTICLE 2

The objectives of the Fund are to promote economic and social advance and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland.

ARTICLE 3

In pursuance of these objectives, the Fund shall stimulate private investment and enterprise, supplement public programmes and encourage voluntary effort, including self-help schemes. In the voluntary sphere, special emphasis shall be placed on supporting economic and social projects sponsored by men and women of goodwill throughout Ireland who are engaged in the task of communal reconciliation. The need to maximise the economic and social benefits of the Fund in Ireland shall be an overriding consideration in making disbursements from its resources and these disbursements shall be consistent with the economic and social policies and priorities of the respective Governments. Because of the special problems in Northern Ireland associated with the instability of recent years, approximately three-quarters of the resources of the Fund shall be spent there.

ARTICLE 4

In accordance with the objectives and criteria set out above, the Fund shall give priority on a value for money basis to the following:

- (a) the stimulation of private sector investment, in particular by means of venture capital arrangements using some of the resources of the Fund;

¹ Treaty Series No. 62 (1985), Cmnd. 9690.

- (b) projects of benefit to people in both parts of Ireland, for example, improved communications and greater co-operation in the economic, educational and research fields;
- (c) projects to improve the quality and conditions of life for people in areas facing serious economic and/or social problems. Spending will be carefully targeted to meet needs arising from factors such as high unemployment, under-developed social, health or education facilities, poor environment and sub-standard infrastructures;
- (d) projects to provide wider horizons for people from both traditions in Ireland including opportunities for industrial training and work experience overseas.

ARTICLE 5

- (1) The Fund is established as an international organisation of which the two Governments are members.
- (2) The Fund shall have legal personality. Its legal capacity shall include the capacity to contract, to acquire and dispose of property and to institute legal proceedings. In particular it shall have power to enter into agreements with any donor consistent with the provisions of this Agreement provided that neither Government has indicated any objection. The Fund shall be exempt from the payment of direct taxes.

ARTICLE 6

The Fund shall have as its sole principal organ a Board which will consist of a Chairman and not less than six other members. The Chairman and other members of the Board shall be appointed jointly by the two Governments. They shall serve on terms and conditions decided by the two Governments. Donor countries if they so wish may send observers to participate in Board meetings. The decisions of the Board shall be taken by a majority. The Board shall, subject to the approval of the two Governments, establish rules of procedure and operating rules. Under these rules, a power of the Board may be delegated to one or more of its members. Subject to this Agreement, the members of the Board shall act independently and shall not receive instructions from Governments as to the exercise of their powers.

ARTICLE 7

The Board shall consider applications for assistance from the resources of the Fund and, if the Board is satisfied that they fall within the purposes set out above, may authorise grants and loans to any authority or any person or association for the purposes set out in the foregoing Articles. The Fund shall also provide resources for the establishment of the two companies referred to in Article 9 below.

ARTICLE 8

The Fund may contribute to the resources of existing bodies specialising in the provision of venture capital to be used for purposes within Article 4 of this Agreement.

ARTICLE 9

The Fund shall also provide money for and initiate the establishment of two Investment Companies, one to be established in each part of Ireland, with a significant number of common directors and similar objectives, whose function will be to furnish venture capital for the private sector. Persons of established commercial experience especially in the international field shall be invited by the Board of the Fund to participate in the management of these Companies. Each of these Companies shall be concerned with ventures primarily in one of the two parts of Ireland and shall be registered there: but in appropriate cases, they may both support a venture or enterprise. The Companies shall identify the risk capital needs for ventures of existing or new industrial and commercial enterprises and will provide, on sound commercial criteria, equity capital or loans. The aim of the Companies shall be further to stimulate viable and self-sustaining growth in the private sector of the economies of both parts of Ireland.

ARTICLE 10

The Board shall be assisted by an Advisory Committee composed of representatives of the two Governments, in particular as regards all applications made to the Fund under Article 7. The accommodation and secretarial services necessary for the proper functioning of the Fund, together with its general administrative and organisational expenses, shall be provided jointly by the two Governments.

ARTICLE 11

The Board shall appoint auditors who will annually audit the accounts of the Fund. The report of the auditors shall be published.

ARTICLE 12

The Board shall present annually a report to the two Governments and to donors to the Fund.

ARTICLE 13

This Agreement may be amended by a further Agreement between the two Governments.

ARTICLE 14

This Agreement shall enter into force on the date on which the two Governments exchange notifications of their acceptance of it except that Article 5(2) shall become effective only after the completion of any remaining steps necessary in that connection¹. The Agreement shall continue in force until terminated by mutual agreement or by one Government giving the other six months' written notice, and thereafter shall remain in force for as long as and to the extent necessary for an orderly disposal of any remaining assets of the Fund in accordance with the spirit of the Agreement in full consultation with the donors.

In witness whereof the undersigned², being duly authorised thereto by their respective Governments, have signed this Agreement.

Done in two originals at both London and Dublin on the 18th day of September 1986.

For the Government of the United
Kingdom of Great Britain and
Northern Ireland:

For the Government of the Republic of
Ireland:

GEOFFREY HOWE

NOEL DORR

¹ The Agreement entered into force on 1 December 1986.

² The Agreement was signed in Dublin by PAEDAR de BORRA [PETER BARRY] and R. F. STIMSON.