

REGIONAL STRATEGIC FRAMEWORK CONFERENCE (27 NOVEMBER, 9.30 am)

DRAFT WELCOME AND OPENING SPEECH BY MINISTER OF STATE, MR PAUL MURPHY

· Commissioner Wulf-Mathies, Lord Dubs, Lord Mayor, Ladies and Gentlemen. On behalf of the Secretary of State, who cannot be here this morning because of Cabinet commitments, I welcome you all.

· Government attaches a high priority to this conference as a critical step in the debate about the evolving shape of Northern Ireland regional policy over the next 25 years.

My colleague Lord Dubs, as Minister for the Environment, will shortly introduce the challenges of today's conference.

· It is most appropriate that Commissioner Wulf-Mathies, Commissioner responsible for Regional Policy in Europe, can join us for this debate.

As Minister responsible for European matters in NI, I am pleased to extend her a particular welcome at this time when discussions on the future of Structural Funds are at a crucial stage.

NI's Relationship with EU

· The EU has had a special relationship with NI for many years, as demonstrated tangibly through the Single Programme, Peace Programme and separately the International Fund for Ireland.

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· Thanks to NI's special Objective 1 status, which we value most highly, the Province has attracted considerable financial support from the Union. Over £200 million per annum from 1994 to 1999.

· EU membership of course has broader benefits in terms of economic and social benefits, Single Market benefits to industry, exports and attracting inward investment.

· Last week in Brussels I met with a number of Commissioners, NI Committee of the Regions' members, senior Commission officials and members of the Northern Ireland Centre in Europe network. All were very positive and constructive towards Northern Ireland and its relationship with Europe.

Agenda 2000

· This Government takes a new and co-operative approach to Europe and is a committed player.

· However, in approaching the important Structural Funds reform element of the Commission's Agenda 2000 proposals, the UK has 4 very clear guiding principles - affordability, durability, fairness and effectiveness. Let me explain.

Affordability - the Structural Funds should be constrained to below 0.46 percent of the EU GNP, both before and after enlargement. We strongly resist any

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higher level of resourcing as this would place too heavy a burden on Member States.

- Durability - the Commission must look beyond the forthcoming financing period ending in 2006 to consider how further accessions will be accommodated within the 0.46 percent ceiling.

- Fairness - necessity for fairness in allocating Structural Funds between Member States. Allocations should be based on national GDP rather than unemployment since this measure of relative prosperity is far more appropriate to underlying objectives of Structural Funds.

- Finally, effectiveness - every ecu should be used to achieve the best possible effect. As Finance and European Minister for NI, I can confirm unequivocally that this is certainly our approach.

Objective 1 Status

- Against this background, NI's Objective 1 status is of tremendous importance to the economic and social development of the region.

- I see a continuing need for substantial EU support for NI, commensurate with its special circumstances to help in adapting the region's economy to peace.

- I would like to take this opportunity today in the presence of Commissioner Wulf-Mathies, to say that if there is any region which can

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claim special circumstances, it is Northern Ireland.

- NI provides a good example of why wealth and other economic indicators, apart from unemployment, need to be taken into account.

- I see a clear need for constructive EU support for all deserving regions in the UK.

Peace Programme

- I must mention the EU Peace Programme to which I attach high priority; inclusive processes involved in implementation have achieved a great deal in terms of encouraging groups and individuals to work together.

- Some 600 people from all walks of life are involved in 26 new District Partnerships.

- The aim of the Programme is to achieve sustainable economic and social outcomes which underpin Peace and Reconciliation, promoting both cross-community and cross-border development.

- I am grateful to Commissioner Wulf-Mathies' continuing personal commitment to NI and on-going support for the Peace Programme.

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· I would also like to acknowledge the efforts of the 3 NI MEPs for their work in seeking further support for the Programme.

· I welcome the European Parliament's recent vote for a further 100 mecu (£70 million) for the 1998 EU budget for Peace Programme; I hope it will be possible to find a further 100 mecu for 1999 and seek the Commission's continuing support for this. This would send the right signal to NI at this time.

· It is important we ensure that this second round of funding is used to lasting benefit of community.

· I understand the Commissioner will be meeting with a large number of representatives from the Programme later today and will have the opportunity to talk to them about the success of the Programme at first hand.

IFI

· EU also provides substantial and very welcome support to the International Fund for Ireland which operates on a cross-border basis - some £150 million ecu over period 1989 to 1997.

· Up to September 1996, some 3,400 projects were assisted, helping to create some 28,000 jobs mainly in disadvantaged areas and triggering a further £600 million from other private or public sources.

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- IFI's work often involves fresh thinking, such as a series of innovative community-led economic regeneration initiatives developed in partnership with Government.

- Very welcome that EU has proposed additional contributions to the Fund in 1998 and 1999.

Conclusion

- In closing, there are many opportunities for NI to play an active role in the EU and I am keen to ensure we avail of them.

- One forthcoming example is the UK Presidency of the Union, where I will be working hard to ensure NI interests are well represented and we have every opportunity to play our part.

- Finally, I hope today's conference is a great success.