



ECONOMIC  
CO-OPERATION  
AND  
DEVELOPMENT

Treaty Series No. 57 (1986)

## Agreement

between the Government of Ireland, the Government of the  
United Kingdom of Great Britain and Northern Ireland  
and the Government of the United States of America

### concerning the International Fund for Ireland

Washington, 26 September 1986

[The Agreement entered into force on 26 September 1986]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
October 1986*

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

The Government of Ireland, the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter together referred to as "the two Governments") and the Government of the United States of America acting through the Agency for International Development (hereinafter referred to as the "Donor"):

Considering that the two Governments:

- (i) concluded an Agreement dated 15 November 1985<sup>(1)</sup> which in Article 10(a) provided that: "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"; and
- (ii) signed a further Agreement on 18 September 1986<sup>(2)</sup> for the purpose of establishing an International Fund for Ireland (hereinafter referred to as "the Fund") as an international organization of which the two Governments are members, that Agreement to enter into force in accordance with the terms of Article 14 thereof;

Considering that the Congress of the United States enacted, and the President signed a law, for the appropriation of \$50,000,000 as a contribution to the Fund;

Have agreed as follows:

**ARTICLE 1**

The purpose of this Agreement is to set out the understanding of the Parties to this Agreement with respect to the undertaking described below and with respect to the financing of the Fund by the Donor.

**ARTICLE 2**

It is agreed that, before the establishment of the Fund, the two Governments and, after its establishment, the Board of the Fund shall involve the Donor in substantive discussions in order to take into account, among other matters, the concerns and procedural and programmatic emphases expressed by the US Congress in authorizing and appropriating the assistance granted herein.

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<sup>(1)</sup> Treaty Series No. 62 (1985), Cmnd. 9690.

<sup>(2)</sup> Republic of Ireland No. 1 (1986), Cmnd. 9908.

### ARTICLE 3

As a contribution to the capital of the Fund, the Donor agrees with the two Governments to grant the Fund, under the terms of this Agreement, a sum not to exceed Fifty Million United States Dollars (\$50,000,000.00) (hereinafter referred to as the "Grant").

### ARTICLE 4

Disbursement of the Grant, in whole or in part, and the issuance by the Donor of documentation enabling such disbursement, will take place only after the two Governments have furnished to the Donor:

- (i) evidence of the establishment of a separate US dollar-denominated bank account (hereinafter referred to as the "Trust Account") in a recognized bank (hereinafter called the "Trustee Bank") to receive and hold the Grant pending legal establishment of the Fund and satisfaction of the condition set forth in Article 6 herein,
- (ii) evidence that the Trustee Bank has undertaken:
  - to hold the Grant in trust for the Fund pending further instructions from the two Governments either to transfer the grant to the Fund or to return the grant, with interest, to the Donor;
  - to open a separate account for the interest earned on the Grant, such interest to be at the highest rate consistent with the need for the Grant to be transferred to the Fund on one week's notice;
  - to transfer the interest to the Donor for the credit of the United States Treasury;
  - to maintain, in accordance with the Trustee Bank's usual accounting principles and practices, books and records relating to the Trust Account, to be audited at quarterly intervals in accordance with generally accepted auditing standards;
  - to maintain these books and records for a period of three years after the date of the transfer of the Grant from the Trust Account to the Fund;
  - to provide the Donor with a full statement of the Trust Account before any transfer from it takes place;
  - to afford the authorized representatives of the Donor the opportunity at all reasonable times to inspect and audit the Trust Account and books, records, and other documents relating thereto.

If the evidence referred to above has not been furnished by 26 September 1986 the Donor, at its option, may terminate this Agreement by written notice to the two Governments.

### ARTICLE 5

On receipt of the evidence specified in Article 4, disbursement of the Grant by the Donor may be made to the Trust Account through electronic funds transfer.

## ARTICLE 6

The Donor will issue documentation to the two Governments indicating its approval, and the two Governments will instruct the Trustee Bank to transfer the Grant to the Fund, only after:

- (i) the two Governments have furnished to the Donor evidence of the legal establishment of the Fund as set out in Annex A and
- (ii) the Fund, after its establishment, has furnished to the Donor evidence as to its administration and operation as set out in Annex B.

If the conditions specified in this Article have not been met by 31 March 1987 or such later date as the Donor may agree to in writing, the Donor may require the two Governments to instruct the Trustee Bank to return the Grant, and any earned interest, in United States Dollars, to the Donor within thirty (30) days after receipt of a request therefor.

## ARTICLE 7

After the establishment of the Fund, the Donor and the Fund may use Grant Implementation Letters which have been jointly agreed to confirm and record their mutual understanding on aspects of the implementation of this Agreement.

## ARTICLE 8

Any notice, request, document, or other communication under this Agreement will be sent through the diplomatic channel in the case of communications addressed to the two Governments; to the Joint Secretaries in the case of communications addressed to the Fund; and to the Agency for International Development in the case of documents addressed to the Donor.

## ARTICLE 9

For the purposes of this Agreement, the two Governments will be represented by the individuals holding the office of Joint Chairman of the Advisory Committee to the Board of the Fund and the Donor will be represented by the individual holding or acting in the office of Deputy Assistant Administrator, Bureau for Asia and Near East, each of whom, by written notice, may designate additional representatives for all purposes other than amending this Agreement.

## ARTICLE 10

This Agreement shall enter into force on signature.

In witness whereof, the undersigned, duly authorized thereto, have signed this Agreement.

Done in three copies at Washington this 26th day of September 1986.

For the Government of Ireland:

**PADRAIC MacKERNAN**  
Ambassador

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

**ANTONY ACLAND**  
Ambassador

For the United States of America:

**M. PETER McPHERSON**  
Administrator,  
Agency for International Development

## ANNEX A

Evidence of the legal establishment of the Fund should be interpreted to mean:

- (a) Copies of the Agreement between the two Governments establishing the Fund;
- (b) Certifications by competent legal authorities of each Government that the Agreement and any other legal action required by each Government, sufficient to establish the Fund as a legal entity with all necessary authorities, has been accomplished and that the Fund exists in fact;
- (c) Documentation providing evidence of the organization of the Fund, and its designated representatives authorized to act legally on its behalf.

## ANNEX B

In order to confirm clearly before disbursement of the Grant that the Fund conforms to the purposes and objectives for which it has been established, it will supply:

- (a) Documentation providing evidence of the objectives of the Fund, the priority development investments it intends to pursue, and preliminary programming estimates guiding the Fund on investments to be pursued by geographic region and sectors of activities;
- (b) Documentation outlining the appraisal process including the criteria against which a project will be measured and any relevant engineering, financial, economic and social analysis necessary to assess its feasibility, value for money and economic and social impact;
- (c) The names of the members of the Board and of the Joint Secretaries of the Fund;
- (d) Documentation outlining the role and responsibilities of donors to the Fund;
- (e) Documentation outlining the scope and nature of reporting to donors on the impact of Fund activities on meeting its objectives and the internal and external auditing procedures which the Fund intends to follow in managing its resources. It is understood that financial records shall be maintained in accordance with generally accepted accounting practices. All such financial records shall be retained for at least three years. It is further understood that the programs of the Fund will be subject to independent audit by the Fund's outside certified or chartered accountant and that the Fund will furnish copies of these audit reports to the Donor along with such other related information as may be requested by the Donor with respect to questions arising from the audit report.