

Sr. C. Mally
Mr. D. Bleakley
Dr. E. Kane
Mr. R. Sweetman.

Agency for Personal Services Overseas

Mr. D. Rowe (Chairman)
Mr. B. Parsons (Earl of Rosse)
Mr. I. Finlay
Mr. J. O'Shea
Ms. H. Cole
Ms. E. Doyle
Mr. O. Curley
Ms. D. Field
Mr. J. Scanlan
Fr. S. Farrell
Ms. B. A. Ryan.

No remuneration is paid to the chairman of either body.

ODA Spending.

60. Miss Flaherty asked the Minister for Foreign Affairs his views on the case made by a Trócaire publication (details supplied) regarding the economic implications for Ireland of further aid reduction; and if he will ensure that, for economic reasons, the programme will be protected from further cuts.

Minister for Foreign Affairs (Mr. Lenihan): I have read the publication referred to and I would agree generally with its conclusions concerning the economic implications for Ireland of aid expenditures. I concur with the statement that the primary case for official development assistance remains the altruistic or humanitarian one but I would disagree with the assertion that our credibility in regard to ODA was greatly diminished last year. Our partners in development understand and appreciate that we are going through a necessary process of reductions in Government expenditure.

As was stated in the Dáil as recently as 9 November 1988, Government policy remains one of commitment to the maintenance and expansion of ODA as soon as economic circumstances permit. In the interim, allocations for ODA will reflect the maximum possible amount consistent with budgetary circumstances.

In the current situation it is not possible to set a formula or structure for the

achievement of the UN target of 0.7% of GNP for ODA.

Delegation to Iraq.

61. Mr. P. O'Malley asked the Minister for Foreign Affairs if an official delegation visited Iraq prior to 15 October 1988; if he will give a list of the members of the delegation; the purpose of their visit; if he will give details of any meetings which took place with members of the Iraqi Government or their representatives; if any Irish Government officials or representatives of Irish companies or trade organisations attended such meetings; if so, their names; and if he will make a statement on the matter.

Minister for Foreign Affairs (Mr. Lenihan): I am not aware of the visit of any official delegation to Iraq during the six months prior to 15 October 1988. Representatives of Irish trade promotion bodies as well as private commercial interests have on-going contacts with the authorities in Iraq for the discussion of private business matters but the contents of such contacts normally remain confidential between the parties.

Overseas Aid Programme.

62. Mr. J. O'Keefe asked the Minister for Foreign Affairs whether the Sudan is still regarded as a priority country in our Overseas Aid Programme; and if he will indicate the amount of official assistance committed to that country for development projects from our Overseas Development Aid Programme in 1988.

Minister for Foreign Affairs (Mr. Lenihan): The Sudan remains a priority country for receipt of assistance under the bilateral aid programme. The allocation for projects in the Sudan in 1988 is £900,000. Areas and projects being supported include primary health care, agricultural research, community forestry, rail transport, education and a dairy co-operative.

In addition, £515,000 has been provided for disaster relief in the Sudan during 1988.

Nuclear Powered Vessels.

63. Mr. Keating asked the Minister for Foreign Affairs the number of nuclear powered-nuclear capable vessels which have been granted permission to visit Irish ports within the last ten years; the type of visit these vessels were on; the criteria which are used in deciding whether to grant permission to these vessels; and whether it is necessary to ensure that these vessels are observing the guidelines as laid down by the Government in so far as whether they are carrying any nuclear, biological or chemical weapons.

Minister for Foreign Affairs (Mr. Lenihan): It is the policy of the Government not to grant permission to nuclear-powered vessels or to vessels which are carrying nuclear weapons to visit Irish ports. The Government take steps to ensure that these requirements are met and, accordingly, permission has not been granted for any such visits.

The Government also ensure that ships entering our ports comply with certain safety requirements. In accordance with these requirements visits by ships carrying biological or chemical weapons which might pose a hazard to the population are not permitted.

Overflights by Foreign Military Aircraft.

64. Mr. Keating asked the Minister for Foreign Affairs the number of applications received within the last three years for passage through Irish air space by military aircraft; the number of these aircraft which were (a) nuclear-capable and (b) carrying nuclear weapons; the number of applications which were turned down; the reason for turning them down; and the criteria used in coming to such decisions.

Minister for Foreign Affairs (Mr. Lenihan): In the three-year period to 31

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October, 1988 24,324 applications were received for overflight of Ireland by foreign military aircraft. The main conditions on which permission for such overflights is normally granted are that the aircraft concerned be unarmed, not carry arms, ammunition or explosives nor engage in intelligence-gathering and that the flights in question do not form part of military exercises or operations.

In the three-year period to 31 October, 1988 ten requests for authorisation for overflights by military aircraft were refused, because they did not meet the conditions set by us for overflights.

Nuclear Submarine Traffic.

65. Mr. T. Kitt asked the Minister for Foreign Affairs if he will seek details from the British and American authorities of (1) the number of nuclear submarines passing through the Irish Sea in the past six years and (2) the number of boats damaged or lost over the last six years as a result of this recent increase in the traffic of nuclear submarines in the Irish Sea.

Minister for Foreign Affairs (Mr. Lenihan): (1) The Deputy will be aware that Ireland's national control over foreign vessels ends at the 12 mile limit of our territorial waters. Submarines are entitled to exercise rights of innocent passage within our territorial waters. While doing so they are obliged to travel on the surface and to show identification. No submarines have exercised their rights of innocent passage in our territorial waters in this manner over the last six years. All nations have free access under international law to the international waters beyond territorial waters.

Submarines play a central role in the strategic plans of military alliances, a role in which their capacity to circulate unobserved is essential. Accordingly, the powers concerned do not release information about movement of their vessels in international waters, or their numbers.

(2) The safety of Irish vessels at sea has been a matter of particular concern to

the Government. The Government have brought the issue to the attention of all parties concerned through the channels of the International Maritime Organisation (IMO). Four incidents involving boats damaged or lost have been raised by the Government at the IMO. The list includes well publicised casualties for fishing vessels which were caused or were likely to have been caused by submerged submarines.

VAT Rates.

67. Mr. Kenny asked the Minister for Finance if his attention has been drawn to the representations from tourism interests concerning recent reports that following harmonisation of VAT rates within the EC a rate of 19 per cent will apply to hotels and restaurants subsequent to 1992; and if he will make a statement on the matter.

Minister for Finance (Mr. MacSharry): The EC Commission's proposals for harmonisation of indirect taxes envisage a dual VAT structure: a standard rate in the range 14 to 20 per cent which would apply to the generality of goods and services, and a reduced rate in the range to 9 per cent which would apply exclusively to food, medicines, publications, fuel for lighting and heating, passenger transport and the supply of water. The Commission's proposals, implemented in their present form, therefore, the provision of meals and hotel accommodation would attract a new standard rate in the range 14 to 20 per cent. The specific rate would have to be decided in due course.

The overall proposals from the Commission are still at an early stage of discussion in the Council of Ministers. Considerable further discussion and negotiation is likely before an agreed package might emerge.

EC Aid for Border Counties.

68. Mr. Leonard asked the Minister for Finance the amount of funding approved to date under EC aid for