


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1996/2216(COS)	Procedure completed
Structural Funds. 7th annual 1995 Report		
Subject 4.70.01 Structural funds, investment funds in general, programmes		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	REGI Regional Policy		17/12/1996
		ARE NOVO BELENGUER Alfonso	
	Committee for opinion	Rapporteur for opinion	Appointed
	AGRI Agriculture and Rural Development		19/03/1997
		ELDR VALLVÉ Joan	
	BUDG Budgets		04/11/1996
		PPE MCCARTIN John Joseph	
	CONT Budgetary Control		26/02/1997
		PSE DANKERT Pieter	
	PECH Fisheries		20/03/1997
		PPE LANGENHAGEN Brigitte	
Council of the European Union			

Key events			
30/10/1996	Non-legislative basic document published	COM(1996)0502	Summary
29/01/1997	Committee referral announced in Parliament		
10/06/1997	Vote in committee		Summary
10/06/1997	Committee report tabled for plenary	A4-0210/1997	
25/06/1997	Debate in Parliament		
26/06/1997	Decision by Parliament	T4-0359/1997	Summary
26/06/1997	End of procedure in Parliament		
21/07/1997	Final act published in Official Journal		

Technical information	
Procedure reference	1996/2216(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	REGI/4/08359

Documentation gateway					
Non-legislative basic document		COM(1996)0502	30/10/1996	EC	Summary
Committee of the Regions: opinion		CDR0355/1996 OJ C 215 16.07.1997, p. 0028	12/03/1997	CofR	
Economic and Social Committee: opinion, report		CES0461/1997 OJ C 206 07.07.1997, p. 0034	23/04/1997	ESC	Summary
Committee report tabled for plenary, single reading		A4-0210/1997 OJ C 222 21.07.1997, p. 0003	10/06/1997	EP	
Text adopted by Parliament, single reading		T4-0359/1997 OJ C 222 21.07.1997, p. 0015-0058	26/06/1997	EP	Summary

Structural Funds. 7th annual 1995 Report

OBJECTIVE: presentation of the 7th annual report on the Structural Funds (1995). **SUBSTANCE:** the Commission's 7th annual report on the Structural Funds covers the measures financed during 1995, the year during which three new Member States were integrated into the structural policies, and the second year of implementation of the 1994-1999 planning period. The report describes the types of intervention, the strategies adopted and the financial contributions allocated by region and by country. In 1995 ECU 21.9 billion was committed (against 19.2 billion in 1994) out of ECU 24 billion available for all assistance. Of this amount 56% concerns the ERDF, 26% the ESF, 16% the EAGGF Guidance section and 2% the FIGG. With regard to the different objectives, the commitments are allocated as follows: objective 1 (less-favoured regions): ECU 14.5 billion or 64% of appropriations; objective 2: ECU 1.7 billion; objectives 3 and 4: ECU 1.6 billion and ECU 94.5 million respectively; objective 5a: ECU 655.9 million for agriculture and ECU 179 million for fisheries; objective 5b: ECU 517.9 million; objective 6: ECU 125.9 million. At the end of the first two years of the programming period one third of the allocations available had been committed. 1995 also saw the adoption of Community Initiative Programmes. The very large number of programmes presented by the Member States (400 in total) has given rise to intensive preparation. Two-thirds of the programmes planned could be adopted in 1995, which represents more than 80% of the total allocation of funds for the twelve Member States and almost 45% of that provided for the three new Member States. It should be noted that environmental considerations form a strong theme in the report as regards regional development and direct or indirect investment and also encouragement to environmental impact assessment of projects and public awareness. Employment is also a major challenge for the Union. The Commission hopes to increase the impact of the funds by incorporating them into the European strategy for employment. In practice, without undermining the programming of the Funds this means using the flexibility offered under the CSFs/SPDs by stressing proactive and preventive measures and also directing the monitoring and assessment systems to the implementation of the priorities selected for employment. ?

Structural Funds. 7th annual 1995 Report

The opinion welcomes the report, and suggests a few ways of improving future reports.?

Structural Funds. 7th annual 1995 Report

The committee unanimously adopted the proposal for a resolution on the seventh annual report on the Structural Funds. Having stressed that 1995 was an important year (this was the year in which Structural Fund interventions commenced, following approval of the majority of programmes in 1994), the rapporteur, Mr Novo Belenguer (ARE, E), examined several aspects of their operation in order to draw the Commission's attention to any weak points and encourage the initiatives which were most conducive to cohesion, which was the overriding objective of the Funds. Thus, with regard to implementation, the report adopted highlighted, for example, that the rate of implementation had been excellent, especially in the 4 beneficiary states of the Cohesion Fund and that, with respect to other objectives, the weakest rate had been in Objectives 3 and 4. The rapporteur therefore called on the Commission to evaluate the seriousness of the under-implementation of appropriations from the Structural Funds and then take the steps needed to carry Community expenditure forward to the level recommended

at Edinburgh. Other topics addressed included: - complementarity with other Community policies: the rapporteur noted here that the horizontal nature of the cohesion policy set out in the Treaty "ran the risk of being neglected" and criticized the gaps in Community policy with regard to sexual equality and development aid in Member States for SMEs; - additionality: the report adopted insisted that the Commission take action to demonstrate observance of this principle, which it has not yet done with regard to 7 Member States; - coordination and partnership: given that the role of local authorities is still inadequate, the report suggested that efforts with regard to information at local level should be stepped up and the regions should be involved in the signature of planning documents, together with the Commission and the Member State; - monitoring and evaluation: while welcoming initiatives such as the publication of the "joint monitoring guide", and the new evaluation procedure, which makes provision for assistance from independent experts, the text adopted urges the Commission to continue work to simplify procedures and improve information for Fund beneficiaries. Finally, the European Parliament reiterated its right to co-legislate in all areas of cohesion, especially through the codecision procedure which applied to the Fund regulations. ?

Structural Funds. 7th annual 1995 Report

In its adoption of the report by Mr Alfonso NOVO BELENGUER (ARE, E), Parliament expresses its concern at the degree of budgetary under-implementation as regards the Structural Funds, and, in particular, the European Social Fund. Parliament calls on the Commission to analyse the causes of the delays and to submit an annual report on the state of financial execution of each Community Support Framework and Union initiative. The Commission is asked to inform Parliament, in its subsequent annual reports, on developments concerning the outstanding appropriations. Parliament expresses its deep concern at the slow pace of the procedures for programming and allocation of appropriations in respect of the Funds, and advocates consideration of more carefully targeted measures and reallocation of unused resources to Member States which have demonstrated their capacity to absorb the appropriations concerned over the programming period in question. Parliament notes that in 1995 the shortfall was accounted for essentially by Member States not covered by the Cohesion Fund. Parliament welcomes the attention paid by the Commission to compatibility and complementarity of the Structural Funds with other Community policies, particularly environment policy. It calls on the Commission to undertake a closer analysis of the question of compatibility with the fundamental objective of the Structural Funds, namely economic and social cohesion. There are still considerable inequalities between the regions of Europe which have to be bridged: Parliament believes the Commission should draw up a study for new Community policies with a view to the reform of the Funds in 1999, the aim being to establish the causes of the gaps existing between the most developed regions and those suffering from natural disadvantages (island, outlying and mountain regions). Parliament notes that the principle of additionality is not always respected by the Member States: in respect of the first programming period, it notes the Commission's failure to ensure respect for the principle in all cases, in seven of the Member States. Parliament suggests the inclusion of an aid suspension clause linked to compliance with the additionality principle, in the context of the future reform of the Funds. It rejects applying the conditionality principle to the Structural Funds, considering that they should not be subject to compliance with the convergence criteria or with the budgetary constraints envisaged in the future stability pact. Parliament commends the new assessment system providing for intervention by independent experts, and welcomes the Commission's drawing-up of the 'Common guide for monitoring'. Noting the substantial progress achieved in applying the principle of partnership with the regional authorities, Parliament deplores the shortcomings noted in the application of this principle with respect to local authorities and the social partners. In the interests of employment promotion, Parliament considers that the regional authorities and the social partners should have a greater role in the planning, management and monitoring of projects cofinanced by the EU. The workings of the monitoring committees should be improved. Parliament wishes to see a radical simplification of the existing administrative rules as part of the forthcoming reform of the regulations, as well as more decentralized management and the streamlining of procedures. With respect to agriculture, Parliament considers that the intervention of the Structural Funds is a key element in income support for farmers, and that the payment circuits should be made more flexible. Parliament reiterates its support for the efforts to decentralize management and its demand for the simplification of the rules and clarification of the question of eligible investment as far as agriculture is concerned. Finally, Parliament calls for the codecision procedure to be applied to the Structural Funds and the Cohesion Fund. ?