


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1997/2261(COS)	Procedure completed
Structural Funds. 8th annual Report 1996		
Subject 4.70.01 Structural funds, investment funds in general, programmes		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	REGI Regional Policy		18/11/1997
		PPE KLASS Christa	
	Committee for opinion	Rapporteur for opinion	Appointed
	AGRI Agriculture and Rural Development		
	BUDG Budgets		08/12/1997
		ELDR VIRRANKOSKI Kyösti	
	CONT Budgetary Control		22/04/1998
		PSE DANKERT Pieter	
	PECH Fisheries		02/12/1997
	PPE MCCARTIN John Joseph		
FEMM Women's Rights			
Council of the European Union			

Key events			
30/10/1997	Non-legislative basic document published	COM(1997)0526	Summary
17/11/1997	Committee referral announced in Parliament		
22/04/1998	Vote in committee		Summary
22/04/1998	Committee report tabled for plenary	A4-0160/1998	
28/05/1998	Debate in Parliament		
28/05/1998	Decision by Parliament	T4-0324/1998	Summary
28/05/1998	End of procedure in Parliament		
22/06/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1997/2261(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/4/09472

Documentation gateway					
Non-legislative basic document		COM(1997)0526	30/10/1997	EC	Summary
Committee report tabled for plenary, single reading		A4-0160/1998 OJ C 167 01.06.1998, p. 0004	22/04/1998	EP	
Economic and Social Committee: opinion, report		CES0794/1998 OJ C 235 27.07.1998, p. 0034	27/05/1998	ESC	
Text adopted by Parliament, single reading		T4-0324/1998 OJ C 195 22.06.1998, p. 0014-0055	28/05/1998	EP	Summary

Structural Funds. 8th annual Report 1996

OBJECTIVE: to report on the application during 1996 of the EU Structural Funds regulation, in particular implementation of their objectives (Objectives 1 to 6). **SUBSTANCE:** more than half the Structural Funds assistance for the period 1994-1999 has been committed by the Member States and a third has already been paid, as shown by a Commission report. The eighth Annual Report on the Structural Funds shows that more than 500 regional aid programmes are currently in operation throughout the Union. Expenditure is increasing as the various regional aid programmes are beginning to be implemented. Progress, however, is very variable and a large number of regions and programmes are lagging behind. The report also highlights numerous financial and administrative irregularities in the Member States. These have been brought to light through monitoring by the Funds' inspectors, the Commission's Directorate-General for Financial Control and its Anti-Fraud Unit (UCLAF). In 1996 the commitments for all these Structural Funds together amounted to ECU 26.14 bn, i.e. 98% of the ECU 26.59 bn available, compared with 90% for the two first years of the current programming period. Payments amounted to ECU 22.45 bn, i.e. 95% of the ECU 23.68 bn available, compared with 81% in 1995. This satisfactory implementation shows a very significant increase in the financial movements in 1996: up 19% from 1995 in terms of commitment appropriations (+ ECU 4.2 bn) and up 30% in terms of payment appropriations (+ ECU 5.233 bn). Commitments for the various objectives amount to ECU 23.11 bn (89% of the total) within which Objective I accounts for 66% (ECU 15.36 bn). Each Fund's proportion of the total commitment varies from 2% for FIFG (ECU 448 m) to 53% of the total for the ERDF (ECU 13.8 bn). The seventh Annual Report (1995) showed that the environmental aspect had been integrated into all the structural activities, this report similarly emphasizes activities in the area of research, the information society and technological innovation. ?

Structural Funds. 8th annual Report 1996

Mrs Christa KCLASS (EPP, D) will be reporting for the committee on the Eight Annual Report on the Structural Funds for 1996. She notes that 1996 marks the half way point in the current programming period and that in the two previous years there was unsatisfactory take-up of funds. She welcomes the fact that in 1996 this had improved with a take up of 98% of available commitments and 95% of available payments. However she wants future reports to provide data on the transmission of funds to final beneficiaries which would give a fuller picture on actual implementation in the field. However, Mrs Klass is concerned that provisional figures for 1997 show a deterioration in the situation. Among other issues, she welcomes the fact that the percentage of financing by the European Investment Bank (EIB) is again on the increase. She stresses the importance of making policy compatible with other EU policies, and she regrets the continuing problems with implementation of the partnership principle, particularly in respect of local authorities and social partners. Finally, she stresses the importance of an improved and simplified evaluation system, in particular in the field of environmental protection.?

Structural Funds. 8th annual Report 1996

In adopting the report by Mrs Christa KCLASS (PPE) on the eighth annual report on the Structural Funds, the European Parliament expresses its satisfaction at the take-up of appropriations in 1996 (98% of available commitments and 95% of available payments) while calling on the Member States to respect the three-month deadline for transferring funds to final beneficiaries. Parliament adopted an amendment expressing its concern at the snowball effect of unused appropriations. In April 1998 commitment appropriations for the 1999 budget totalled ECU 3171 million. Parliament accordingly stresses the need to table by July 1998 a report on the general situation regarding the funds proposing modifications and any improvements to previously adopted programmes. It also expresses concern at the increase in irregularities with financial implications and considers it unacceptable that according to information from the Member States in 1996 ECU 64 million were

misappropriated. Parliament expresses its satisfaction at the fact that the percentage of financing by the European Investment Bank in aid of regional development is again on the increase. It notes however that verification of compliance with the principle of additionality is not being carried out satisfactorily. Similarly, Parliament regrets the continuing problems with the implementation of the partnership principle, particularly as regards the involvement of local authorities and social partners. Referring to Article 130b of the EC Treaty, under which other Community policies must contribute to achieving the objective of economic and social cohesion, Parliament stresses the need to obtain tangible results in this respect. Noting that there are continuing shortcomings with monitoring and evaluation, Parliament is particularly critical of the Commission's approach to the evaluation of large-scale projects, commissioning expensive studies with such divergent results that it was impossible to draw any conclusions. Finally, it stresses once more the importance of research and technological development and urges that the fifth framework research programme take into account economic and social cohesion.?