

Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1999/2127(COS)	Procedure completed
Structural Funds: coordination with the Cohesion Fund, guidelines for programmes 2000-2006		
Subject		
4.70 Regional policy		
4.70.01 Structural funds, investment funds in general, programmes		
4.70.02 Cohesion policy, Cohesion Fund (CF)		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	RETT Regional Policy, Transport and Tourism		31/08/1999
		V/ALE SCHROEDTER Elisabeth	
	Committee for opinion	Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs		22/09/1999
		PPE-DE EVANS Jonathan	
	ITRE Industry, External Trade, Research, Energy		04/10/1999
		GUE/NGL SEPPÄNEN Esko	
	EMPL Employment and Social Affairs		28/09/1999
		V/ALE FLAUTRE Hélène	
	AGRI Agriculture and Rural Development		11/10/1999
		PPE-DE REDONDO JIMÉNEZ Encarnación	
PECH Fisheries		23/09/1999	
	UEN SOUCHET Dominique F.C.		
Council of the European Union			

Key events			
01/07/1999	Non-legislative basic document published	COM(1999)0344	Summary
13/09/1999	Committee referral announced in Parliament		
14/12/1999	Vote in committee		Summary
14/12/1999	Committee report tabled for plenary	A5-0108/1999	
	Debate in Parliament		

17/01/2000			
18/01/2000	Decision by Parliament	T5-0007/2000	Summary
18/01/2000	End of procedure in Parliament		
24/10/2000	Final act published in Official Journal		

Technical information

Procedure reference	1999/2127(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	RETT/4/11083

Documentation gateway

Document attached to the procedure	SEC(1999)0103	03/02/1999	EC	Summary
Non-legislative basic document	COM(1999)0344	01/07/1999	EC	Summary
Committee of the Regions: opinion	CDR0217/1999 OJ C 057 29.02.2000, p. 0056	18/11/1999	CofR	
Committee report tabled for plenary, single reading	A5-0108/1999 OJ C 304 24.10.2000, p. 0007	14/12/1999	EP	
Text adopted by Parliament, single reading	T5-0007/2000 OJ C 304 24.10.2000, p. 0021-0057	18/01/2000	EP	Summary
Document attached to the procedure	COM(2003)0110	12/03/2003	EC	Summary

Structural Funds: coordination with the Cohesion Fund, guidelines for programmes 2000-2006

PURPOSE : presentation of a Working Paper of the Commission on the Structural Funds (draft guidance for programmes in the period 2000-2006). **CONTENTS** : this document defines the main project guidelines for programmes of the intervention of the Structural Funds for the period 2000-2006. It essentially aims at helping the national and regional authorities in the preparation of their programme strategies under each of the Objectives 1, 2 and 3 of the new structural funds and their links with the Cohesion Fund. Its aim is to set out the priorities of the Commission based on past experience in the implementation of programmes and on current Community policies for structural assistance. These priorities should help to ensure the best possible use of Community assistance at the national and regional level. Once the new regulation has come into force, the Commission will adopt, in accordance with the relevant provisions, a Communication formalising the guidance.?

Structural Funds: coordination with the Cohesion Fund, guidelines for programmes 2000-2006

PURPOSE : presentation of a Communication on the Structural Funds regarding the guidelines for programmes for the period 2000-2006. **CONTENTS** : continuing on from the Commission's Working Paper which laid down the priorities for Structural Fund assistance for the period 2000-2006 prior to the adoption of the regulation governing the new structural policy (in particular refer to procedures 1998 0090/AVC, 0104/AVC, 0114/COD, 0115/COD), this communication formalises the draft guidelines for the drawing up of regional development programmes by Member States. As a consequence and following the entry into force of the general Regulation on Structural Funds (1260/1999/EC), the Commission presents its broad guidelines which seek to help national and regional authorities to prepare their programming strategies for Objectives 1, 2 and 3 of the Structural Funds and their links with the Cohesion Fund. These guidelines are presented on the basis of thematic priorities which must be taken into account under each of the three objectives to varying degrees depending on the specific situations in the Member States and regions. The areas of priority are : 1) Economic and Social cohesion - growth and competitiveness for employment : the document indicates that there are clear signs of economic and social convergence, particularly in those regions whose development is lagging behind and so are eligible under Objective 1. However, substantial gaps between the regions still remain and require attention: in regional incomes, infrastructure and human capital endowments and the competitiveness of enterprises and unemployment rates. Furthermore, despite the fall in unemployment rates in the Union, the overall level of unemployment and its regional

disparities remain at unacceptable levels. Job-creation is therefore still the main structural challenge facing the Union. The next generation of programmes must help to continue the reduction of all such disparities and to establish the conditions which will assure the long term development of the regions, for it is only through support for sustainable growth and improved competitiveness in the regions that employment will be fostered. The European Employment Strategy and the Member States' National Action Plans for employment will allow for measures to support employment policies under the Structural Funds, and in particular the European Social Fund. The document also insists on the conditions for investment and the impact of the EMU. The efforts of the Member States to maintain macro-economic stability will be important in creating the appropriate conditions for investment. As this will involve continuing budgetary discipline, the need for a high level public investment, especially in infrastructure, may require some restructuring of government expenditure. For the regions within the euro area, economic and monetary union (EMU) further increases integration in the Single Market for which diversified economic structures, an entrepreneurial environment and a working population adapted to the needs of competition within the Union are more essential than ever.

2) Sustainable development and equal opportunities : under the Treaty of Amsterdam, the Union's financial instruments are required to work, simultaneously and in the long term interest, towards economic growth, social cohesion; in other words, sustainable development. In addition, equality for men and women is a basic democratic principle underpinned by the Treaty of Amsterdam. Its incorporation into all policies is no longer an option but an obligation and must be introduced into all Structural Fund programming. This involves both efforts to promote equality and specific measures to help women and the mobilisation of all general policies by actively taking into account at the planning stage their possible effects on the respective situation of men and women; 3) Effectiveness enhanced by a strategic approach and partnership: in order to make the system of implementation more effective, the Commission believes that it is necessary: - on the one hand, that the plans drawn up by the Member States reinforce the integrated strategies for development and conversion. These strategies must concentrate on 3 main priorities : increasing the competitiveness of regional economies, in order to create sustainable jobs; increasing employment and social cohesion, chiefly through the upgrading of human resources, and urban and rural development in the context of a balanced European territory; - on the other hand, the creation of a decentralised, effective and broad partnership is a key factor in the success of structural programmes : so it is necessary to improve partners' skills where appropriate, maximise synergies, increase the commitment of all involved at regional and local level and calls on a wide range of financial and intellectual contributions, principally through the system of global grants. Lastly, the document indicates guidelines which are structured on the basis of 3 strategic priorities: regional competitiveness, social cohesion and employment and the development of urban and rural areas (including specific actions for fisheries areas). These guidelines are illustrated with a number of key examples of good practice from the current (1994-99) programmes and could contribute to the identification of coherent and balanced development priorities for the next round of programmes (for the period 2000-2006).?

Structural Funds: coordination with the Cohesion Fund, guidelines for programmes 2000-2006

The committee adopted the report by Elisabeth SCHROEDTER (Greens/EFA, D) containing Parliament's resolution on the Commission communication on the guidelines for programmes under the Structural Funds. The report stressed that the guidelines were necessary for achieving the Community reform objectives of efficiency, concentration and administrative simplification, but pointed out that Parliament had not been consulted on them in time and had been unable to assess their content before they came into effect. It issued a reminder that Parliament should be consulted at the drafting stage in connection with all guidelines devised by the Commission. It also regretted that the Commission document contained no recommendation to the Member States on simplifying national legal procedures and arrangements for the presentation and examination of projects by the national authorities and for their funding, implementation and monitoring. The regulatory and administrative constraints imposed by certain Member States were at times major obstacles to operators seeking access to structural funds. The report noted that the indicative guidelines could provide guidance only if progress could be gauged in terms of verifiable targets and the extent of convergence with Community policy strategies, and regretted that this was not fully reflected in the Commission communication. The report was critical of the guidelines in several respects, pointing out, inter alia, that they did not address the implications of enlargement either for the regional and national authorities undertaking structural funds programmes or for the applicant states. Moreover, the urban agenda had been the focus of only marginal attention, and the report therefore urged the Commission to make sure that funding for urban projects was provided in all regional programmes and objective areas. Other points raised included the need to focus on programmes to encourage the return to work of unemployed people aged over 40, the need to expand research infrastructure, particularly in the countries eligible under the Cohesion Fund, and the need for more programmes involving low energy consumption and sources of renewable energy, so as to achieve sustainable regional development. ?

Structural Funds: coordination with the Cohesion Fund, guidelines for programmes 2000-2006

The European Parliament adopted its resolution drafted by Mrs. SCHROEDTER (Green/EFA, D), concerning the communication from the Commission in the field of the Structural Funds and their coordination with the Cohesion Fund. The Parliament stresses: - the importance of the guidelines as an instrument for decentralised, efficient and comprehensive partnership to be based on the skills and commitment of all actors in regional and local authorities, - with regard to structural assistance, that the indicative guidelines are classified by thematic area, since this is the only way in which they can foster an integrated approach in the new plans and programmes, which must be based on decently devised development and conversion plans, - the decentralisation of the management of the Structural Funds' financial resources, taking account both of the potentialities of partnership and of regional and local authorities competences. The EP calls on the Commission to: - focus - during negotiations with the Member States on the new plans and programmes - on the promotion of a favourable environment for labour-intensive SMEs, setting up clear targets for alternative financing sources, including capital risk and private financing schemes, business support services, including new information technologies, and investment in innovative fields; - make greater use of decentralised support instruments both as regards the development of rural areas and the development of areas dependent on fishing and not to confine support for model regions only to the Community initiative LEADER; - allow for plans to pay greater attention to integrated strategies for revitalising relations between town and countryside, and again stresses the fundamental importance of the European Spatial Development Perspective (ESDP); - report to Parliament, before negotiations with the Member States, on the planning documents are concluded, on how plans reflect the guidelines, in particular with regard to horizontal Community policies and/or possible difficulties involving this new instrument; - take over at the mid-term the EP proposals for the final revision of the guidelines, and to recall the Code of Conduct and the obligations deriving from it; - to use local and regional territorial pacts as the framework for the concentration and the coordination of structural operations between the parties involved; - give greater attention to programmes which make use of energy with a low energy consumption and invest in sources of renewable energy, so as to achieve sustainable regional development. The Parliament also calls for the mid-term review, performance reserve allocation

and the final assessment to be based on objective and pragmatic criteria, capable of securing the complete interaction of structural measures and programmes which are by definition multifactorial, so that not only are quantitative indicators taken into account but also the qualitative aspects, including human development, as defined by the UN, and employment benchmarking are analysed with equal attention.?

Structural Funds: coordination with the Cohesion Fund, guidelines for programmes 2000-2006

PURPOSE : to present a communication from the Commission on further indicative guidelines for the candidate countries. **CONTENT :** pursuant to Article 10(3) of Council Regulation 1260/1999/EC laying down general provisions on the Structural Funds, on 1 September 1999 the Commission published 'Guidelines for programmes in the period 2000 to 2006'. This document sought "to help national and regional authorities to prepare their programming strategy for each of the Objectives 1, 2 and 3 of the Structural Funds and their links with the Cohesion Fund" so as to make the best possible use of Community assistance. The 10 accession countries should become members of the European Union during the current programming period and in line with the common European Union position on the negotiation of chapter 21 on "Regional policy and co-ordination of structural instruments". Given the particular situation faced by the regions in these ten countries, the Commission has decided to publish a "Complement to the indicative guidelines". This new document does not replace the 1999 Communication, which remains the reference document, but constitutes a useful supplement to it by proposing specific further guidelines which take account both of the particular situations of these countries and the institutional framework specific to this enlargement. The first programming period for the new members will be very short because it will cover the years 2004-06 at most instead of the seven years for the current Member States. Thus, as a first stage of a medium to long-term development strategy, these countries should not aim to tackle and solve all their difficulties within these three years but should establish clear priorities designed to concentrate the impact of the Funds on their most crucial needs. Furthermore, despite substantial progress, the candidate countries still have only limited capacity as regards administration, programming, management and monitoring. Compliance with Community rules, particularly as regards public contracts and the environment, still poses enormous difficulties. Virtually all the regions of the ten candidate countries are on the list of the 25% of regions with the lowest per capita GDP. The main challenge is thus to promote the growth-enhancing conditions and factors that will lead to substantial real convergence of all regions, and to ensure that the strategy focuses on the development of those investments likely to increase competitiveness while paving the way for greater job creation and sustainable development. As a result, meeting the challenge of implementing the first programming in 2004-06 in the new Member States rests on three vital conditions: 1) anticipation: wherever possible, preparing and negotiating the programming documents with the Commission before accession so that the implementing period can be as long as possible; 2) a quest for simplification, which has led the Commission and the Member States to suggest that these countries should adopt a realistic and pragmatic approach to implementing the Funds during this first programming period. This approach both complies with the *acquis* and, most important, seeks to limit the number of items of assistance and Community Initiatives: - six of the ten candidate countries have chosen the single programming document (SPD) as the form of assistance; - four will submit a development plan and a limited number of sectoral operational programmes plus a single regional operational programme for all the regions eligible under Objective 1; - only two programmes under the Interreg and Equal Community Initiatives will be implemented in these ten countries between 2004 and 2006; - measures of the Leader+ and Urban type may be included in the single programming documents or the operational programmes; - the SPDs or OPs for Objectives 1 or 2 may, where appropriate, support the Interreg III A cross-border cooperation programmes; - innovative actions will not be implemented in the new Member States during this programming period; 3) a limit on the number of items of assistance, priorities and measures, through genuine choices to target the work of the Structural Funds on the needs which have greatest priority. This approach should facilitate the financial management of future programmes and allow a more flexible response to problems of absorption which may affect the implementation of certain measures. However, the development strategy adopted under the Community support framework (CSF) or SPD should pay particular attention to coherence among the various items of assistance and priorities involved. It should also take account of the actual capacity for absorption assessed in terms of the capacity to prepare projects and the existence of management structures which are adequate for the various priorities and measures contemplated. With regard to compliance with State aid rules, and in accordance with the mechanism set out in the common positions on competition policy, the candidate countries are expected to draw up a list of those existing aid measures that they wish to continue after the date of accession, and which the relevant State aid authority considers as compatible with the *acquis*. Only aid measures that are included in the list and to which the Commission has not objected, or that were otherwise notified to and approved by the Commission upon accession, can be eligible for part-financing from the Structural Funds. The document highlights sectoral needs and priorities in the current candidate countries such as: substantial needs in infrastructure and equipment (transport, environment, energy, fisheries agriculture and rural development, justice and home affairs employment and human resources, research and development, enterprise and innovation policy and the information society).?