


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1999/2211(COS)	Procedure completed
Structural Funds. 10th annual report, 1998		
Subject 4.70.01 Structural funds, investment funds in general, programmes		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	RETT Regional Policy, Transport and Tourism		24/11/1999
		TDI TURCO Maurizio	
	Committee for opinion	Rapporteur for opinion	Appointed
	ITRE Industry, External Trade, Research, Energy		27/01/2000
Council of the European Union European Commission		ELDR FLESCH Colette	
	EMPL Employment and Social Affairs		01/02/2000
		UEN NOBILIA Mauro	
	PECH Fisheries		
	Commission DG Regional and Urban Policy	Commissioner	

Key events			
15/10/1999	Non-legislative basic document published	COM(1999)0467	Summary
17/12/1999	Committee referral announced in Parliament		
23/05/2000	Vote in committee		Summary
23/05/2000	Committee report tabled for plenary	A5-0138/2000	
15/06/2000	Debate in Parliament		
15/06/2000	Decision by Parliament	T5-0280/2000	Summary
15/06/2000	End of procedure in Parliament		
01/03/2001	Final act published in Official Journal		

Technical information	

Procedure reference	1999/2211(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/5/12167

Documentation gateway

Non-legislative basic document		COM(1999)0467	15/10/1999	EC	Summary
Committee of the Regions: opinion		CDR0220/1999 OJ C 226 08.08.2000, p. 0068	13/04/2000	CofR	
Committee report tabled for plenary, single reading		A5-0138/2000 OJ C 067 01.03.2001, p. 0008	23/05/2000	EP	
Text adopted by Parliament, single reading		T5-0280/2000 OJ C 067 01.03.2001, p. 0185-0308	15/06/2000	EP	Summary

Structural Funds. 10th annual report, 1998

PURPOSE : Presentation of 10th Annual Report of the Structural Funds 1998. **CONTENT :** Structural fund activities in the field of economic and social cohesion can be summarised under four main headings: - Adoption of the remaining programmes: 25 new assistance packages were adopted during the year, the majority being global grants under Objective 1. 29 programmes were also adopted under the Community Initiatives, the most significant in financial terms being the Interreg II C programme to combat drought in Spain. The monetary value of these new programmes represents only a tiny share of the total spend of the Fund during 1994-1999. - Acceleration of financial execution: execution of CSFs/SPDs accelerated during the year. By the end of the year, 80% of the total assistance available over the period had been committed and 61% had been paid, in line with the financial perspective for 1994-99 Objectives 1 and 3 have the highest implementation rates. The lowest rates were in Objectives 5 (a) and (b) and Objective 4 is considerably behind. As in 1997, The Member States with the best implementation rates in terms of appropriations were the least prosperous and the main beneficiaries of the Funds: Greece, Ireland, Spain and Portugal. The Community Initiatives also saw implementation speeding up. By the end of the year, 72% of assistance had been committed but only 45% of assistance had been paid out. In terms of appropriations, the situation was an improvement on 1997: 93% of commitment appropriations available were committed while 93% of payment appropriations were paid out. - Increased attention to priority themes: safeguarding and promoting employment received special support. The Structural Funds, particularly the ERDF and ESF, will take account of the national action plans put forward by Member States under the European Employment Strategy launched by the Luxembourg European Council. Promoting equality between men and women also received increased support and the Funds have been gradually incorporating this theme. Mid-term impact evaluations under Objectives 1 and 6 were conducted. The Mid-Term Review report adopted in January 1999 confirmed the positive impact of the Funds both in macro-economic terms and in terms of reducing disparities in the areas of transport, telecommunications infrastructure, environment and energy. The report's recommendations gave rise to some adjustments of funding allocations within the programmes and similar adjustments affected the Community Initiatives. The document lists a number of other thematic priorities that were given closer study during the year. - Preparations for the 2000-06 programming period: The General Regulation on Structural Funds, adopted by the Council on 21 June 1999, translates into legislation the policy options set out in Agenda 2000. These include reduction of priority Objectives to three; concentration of assistance to smaller populations and concurrent adoption of transitional support for regions which will cease to be eligible; reduction of the Community Initiatives to three, later widened to four; simplification of programming and clarification of monitoring and evaluation. The Commission also drew up guidelines designed to help the national and regional authorities in preparing their development plans under the new Objectives 1, 2 and 3. These are geared to three main goals: improving regional competitiveness; promoting employment; and integrating urban and rural development. In keeping with previous years, the report picks out a theme relevant to all four Structural Funds. For 1998, the theme is local development. The aim is to highlight the Commission's role in mobilising forces to encourage local development and improve the local employment situation.?

Structural Funds. 10th annual report, 1998

The committee adopted the report by Maurizio TURCO (TGI, I) on the Commission's 10th annual report on the Structural Funds. While welcoming the full take-up of appropriations in 1998, the committee pointed out that there were still considerable divergences in implementation between Objectives, between the Member States and between regions. The full take-up of funds was only possible because of a mechanism for offsetting under-implementation and over-implementation, so the implementation rate for a given year was not the best indicator of the quality and effectiveness of financial management. For the next programming period (2000-2006), the committee said that steps should be taken to avoid a sluggish flow of resources in the initial stages of implementation and ensure that the programme was implemented evenly in each individual year. It also hoped that the new rules would make it possible to ensure transparent financial management and avoid liquidity bottlenecks. The committee welcomed the plans to reduce the number of priority objectives, initiatives and related programmes, as the total number of programmes run by the Commission was too high for them to be properly implemented and monitored effectively. On the question of coordination with other Community policies, the committee expressed concern that many operations

had been financed without complying with, for example, the procedures relating to environmental protection, the management of state aids or the award of public contracts. It also regretted that, in the context of the European Social Fund, insufficient attention had been paid to women, older workers and population groups at risk of social exclusion. The committee called for Structural Fund policy to be coordinated more closely with the Cohesion Fund and other regional development instruments, and to be aimed at reducing the structural gaps between the central part of the EU and the outlying regions. Lastly, it hoped that structural actions would in future have greater impact on job creation, particularly in regions hardest hit by unemployment. ?

Structural Funds. 10th annual report, 1998

The European Parliament adopted a resolution drafted by Maurizio TURCO (TDI, Italy) on the Commission's 10th Annual Report on the structural funds. Parliament declared itself satisfied with the Structural Fund implementation rates in 1998, but noted that efforts were still required, especially in the area of Community Initiatives, to commit all resources by the end of the programming period. It called on the Commission and the Member States to take the necessary steps to avoid a sluggish flow of resources in the initial stages of Structural Fund implementation and thus to ensure that, in the 2000-2006 period, the programme is implemented evenly in each individual year. The report does not contain any indication regarding the average duration of the procedure for the consideration of funding applications by the Commission. Parliament considered it unacceptable that in certain cases relating in particular to the Community Initiatives, the consideration of such applications has taken over a year. On coordination with other Community policies, Parliament believes that there must be a clear link between ESF and other structural fund measures and NAPs in the new programming period. Given the importance of territorial pacts, the Commission needs to ensure that the Parliament is fully informed about the state of the pacts, especially for employment purposes, and the use of appropriations by the wide range of operators concerned. With regard to the principle of additionality, the Commission is required to find instruments for improving verification and to assess additionality more comprehensively. The Member States are urged to ensure that the additionality principle is strictly upheld. Parliament must be provided as soon as possible with details of checks on full compliance with the principle and also a list of the punitive measures to be imposed in cases where statutory requirements have not been met. With regard to evaluation and control, Parliament regrets that unsuitable and inadequate evaluators have frequently been employed. The Commission is required to strengthen controls over implementation by means of considerably more on-the spot checks and to lay down objective criteria for assessing their quality. Parliament should be informed of all cases of irregularities, and the Commission should ensure that its annual report includes a section on the measures which it has adopted in response to criticisms expressed by Parliament in previous years.?