

Fiche de procédure

Basic information		
INI - Own-initiative procedure	2003/2019(INI)	Procedure completed
Structural Funds. 13th annual report 2001		
Subject 4.70.01 Structural funds, investment funds in general, programmes		

Key players			
European Parliament	Committee responsible		Rapporteur
	RETT Regional Policy, Transport and Tourism		Appointed 21/01/2003
			GUE/NGL MARKOV Helmut
	Committee for opinion		Rapporteur for opinion
	BUDG Budgets		Appointed The committee decided not to give an opinion.
	EMPL Employment and Social Affairs		26/11/2002
European Commission			PSE MORAES Claude
	PECH Fisheries		20/02/2003
			V/ALE MCKENNA Patricia
	FEMM Women's Rights and Equal Opportunities		The committee decided not to give an opinion.
Commission DG		Commissioner	
Regional and Urban Policy			

Key events			
30/10/2002	Non-legislative basic document published	COM(2002)0591	Summary
13/02/2003	Committee referral announced in Parliament		
21/05/2003	Vote in committee		Summary
21/05/2003	Committee report tabled for plenary	A5-0186/2003	
19/06/2003	Decision by Parliament	T5-0282/2003	Summary
19/06/2003	End of procedure in Parliament		

Technical information	
Procedure reference	2003/2019(INI)

Procedure type	INI - Own-initiative procedure
Procedure subtype	Annual report
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	RETT/5/19188

Documentation gateway

Non-legislative basic document		COM(2002)0591	30/10/2002	EC	Summary
Committee report tabled for plenary, single reading		A5-0186/2003	21/05/2003	EP	
Text adopted by Parliament, single reading		T5-0282/2003	19/06/2003	EP	Summary

Structural Funds. 13th annual report 2001

PURPOSE : to present the thirteenth annual report on the Structural Funds (2001). **CONTENT :** this report is compiled in accordance with Article 45(2) of Regulation 1260/1999/EC laying down general provisions on the Structural Funds. It sets out the work of the Structural Funds and the activities undertaken to coordinate their work with that of the other financial instruments during 2001. The report is centred on three main topics: - the major events in the work of each Fund and the other financial instruments; - coordination with the other Community instruments and policies; - an evaluation of implementation during the year and in the past. The main feature of 2001 was the conclusion of negotiations with the Member States on Objective 1, which accounts for 70% of the budget of the Structural Funds for 2000-06. The overview was broadly positive even though some difficulties had been encountered, including the overrunning by five months of the period for negotiations originally planned for finalising the programming documents because of the desire to ensure high-quality programming. As regards implementation, adoption of all the single programming documents and operational programmes meant that all the appropriations planned could be committed and 70% of payments made for both Objective 1 and Objective 2. There were, however, some delays as regards Objective 3. The implementation of Community Initiatives also proceeded steadily: Interreg III (54 of the 70 programmes were approved); Urban II (the 70 programmes were approved); Equal (the Member States issued the calls for projects as soon as their CIPs were adopted); Leader+ (56 of the 73 programmes were approved). The overall rate of budgetary implementation for the Community Initiatives was 89% for both commitments and payments. As regards innovative measures, the ERDF approved 81 of the 103 projects submitted to it and the ESF selected 37 of the 148 projects proposed on the subject 'adjustment to the new economy' and granted part-financing averaging 72%. The call for projects on the second topic, 'a local employment strategy', was issued on 31 October 2001. As regards the coordination with other Community instruments and policies, the report notes that the Cohesion Fund finances transport infrastructure and environmental projects. Coherence with the measures financed by the Structural Funds is ensured through the Strategic Reference Frameworks. Similarly, the cooperation agreement between the EIB and the Commission for 2000-06 has permitted the introduction of arrangements for contacts between the geographical units in the two institutions, so improving coordination between the assistance they grant. During 2001, the ERDF carried out 27 missions to audit the management systems of the Member States. These preventative audits demonstrated the care taken by the Member States as regards the quality of their systems, mainly by creating internal audit bodies. The report states that it is, however, regrettable that far too often the competent authorities in the Member States are still making payments without any real checks that the expenditure is genuine. The audits also revealed a lack of authority over the intermediate and implementing bodies, which, in any case, should have more precise and harmonised procedural rules. The ESF carried out 41 audits and inspections and the FIG 12. The 18 inspections by the EAGGF basically revealed an unsatisfactory application of Regulation 2064/97/EC, some cases where ineligible expenditure had been financed and still too many problems in reconciling the declarations of expenditure sent to the Commission with the corresponding transactions.?

Structural Funds. 13th annual report 2001

The committee adopted the own-initiative report by Helmuth MARKOV (EUL/NGL, D) on the Commission's annual report for 2001. It was critical of the delays in implementing the Structural Funds at the start of the 2000-2006 period and said that "truly radical options" must be considered in the 2003 mid-term review. The review should, moreover, include a detailed analysis of efficiency in the use of resources, coherence with other Community policies and the contribution of the funded projects to the sustainable development of the regions. The report suggested that innovative projects under the ERDF, for which there was heavy demand, should be given more funding by reallocating resources from other programmes. The committee expressed concern that Member States were not yet shouldering their new responsibilities and that there were major differences in quality of national control work. It also maintained that entire responsibility for the Structural Funds should be assigned to a single authority and a single minister in each Member State in order to improve coordination among the many departments involved at Community, national and regional level. On the question of coordination with other financial instruments, the report welcomed the close coordination with the EIB and the EIF but noted that in some cases the EIF's lending conditions had proved unsuitable, particularly for poor regions, and that other forms of venture capital should be tried. As regards the Structural Funds' compatibility with other Community policies, MEPs wanted to see better synergies between the ESF and the European Employment Strategy. They also urged that gender equality be properly taken into account in the different programmes, for example when promoting the employment of, or the setting up of businesses by, women. Other recommendations included stricter monitoring of the full and early implementation of environmental impact assessments and improved coordination of structural interventions with other Community instruments for the sustainable development of rural areas. Turning to the issue of evaluation and monitoring, the committee said that financial controls should be stepped up and infringements by Member States in allocating appropriations should be dealt with through sanctions. Noting that one reason for problems in the implementation of the Structural Funds arose from "the interface between national rules and EU legislation", it urged the Commission to clarify responsibilities

and carry out a full review of both procedures and existing legislation in order to lay down a framework before the start of the next programming period. The Member States, for their part, were invited to adopt measures to implement the Commission recommendations on simplification of administrative procedures and standardised information. Lastly, the report looked at the challenges of enlargement and stressed the need for the Commission to take "comprehensive measures" to train staff in order to guarantee proper management of the Funds. It also called for transitional measures to be developed for regions that currently have Objective 1 status but might no longer qualify in the future.?

Structural Funds. 13th annual report 2001

The European Parliament adopted a resolution based on its own-initiative report drafted by Helmuth MARKOV (GUE/NGL, Germany) on the Commission's report on the Structural Funds. (Please refer to the document dated 21/05/03.) Parliament pointed out that the report for 2001 once again presents and evaluates the quantitative aspects (number of projects approved, level of commitment and payment appropriations) in differentiated form but does not produce any specific data about the qualitative improvements achieved in regional development. Such improvement of regional development constitutes a priority for the EU economic and social development, particularly in the run-up to enlargement. Parliament stated that it valued evidence that structural policies help reduce economic disparities between Member States (though disparities between regions within Member States have grown and the Commission should amend existing allocation criteria so as to reduce these disparities). It asked for more such "impact" analysis. This will be of key importance from 2004 when the area/population of the EU will have increased by one third but its GDP by only 5%. ?