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**ERDF : 2 121 million ECU in 1983 for the Community's
least-favoured regions**

Ninth annual report on the European Regional Development Fund,
1983 (1)

The Commission has just approved the ninth annual report on the activities of the European Regional Development Fund, covering 1983.

The ERDF is the main financial instrument used for Community regional policy purposes. However, the ERDF cannot of itself remedy the serious regional problems which exist within the Community, since its resources are equivalent to only one tenth of what the Member States spend on their own regional development schemes. ERDF measures are backed up by developing the coordination of national regional policies (mainly through the regional development programmes), analysis of the regional impact of other Community policies, and assessment of regional policies (periodic report).

ERDF grants decided on by the Commission totalled 2 121 million ECU in 1983, an increase of 12% over the previous year. The ERDF's share in the Community budget thus amounted to 8.7% in 1983, as compared with 4.9% in 1975, the year of its inception.

The reform of the ERDF

In 1983, the Commission put forward an amended version (2) of its initial 1981 proposal amending the ERDF Regulation (3). The key changes are a broader role for the ERDF, abolition of the distinction between the quota and non-quota sections, the replacement of national quotas by ranges for the share of each Member State in Fund expenditure, and the gradual changeover from the financing of individual projects to the financing of programmes. Agreement was reached within the Council on the new proposal, and the new ERDF Regulation was adopted in June 1984. It will enter into force on 1 January 1985.

New specific Community measures

In 1983, the Council also continued its examination of the second series of specific Community measures (4), proposed by the Commission in November 1982 (5). The relevant Regulations were adopted in January 1984.

(1) COM(84) 522 final

(2) P-100, 1983

(3) P-65, 1981

(4) Also known as "non-quota measures".

(5) P-60, 1982

More than 2 000 million ECU for 3 600 investment projects
Under the section providing support for individual projects, which at present accounts for 95% of the Fund's resources, the Commission decided to grant financial assistance amounting to 2 116 million ECU to 3 655 investment projects and 27 feasibility studies. The projects financed were selected from more than 5 000 submitted to the Commission by the Member States. A total of 95.5% of the grants went to five countries : Italy (38.7%), United Kingdom (21.7%), Greece (16.8%), France (13.5%) and Ireland (4.8%). There was greater geographical concentration on the less-favoured regions in 1983, with 15 regions receiving three quarters of the grants as against two thirds in 1982.

A total of 11% of the grants went to investment projects in the industrial and service sectors (1975-83: 18.5%). The projects should have helped to create or maintain more than 62 000 jobs, according to the information provided by the Member States. ERDF assistance per project averaged 290 000 ECU, and the average amount of assistance per job created or maintained was 3 714 ECU..

Nine tenths of the grants went to infrastructure projects. These also help to promote employment, since, in addition to the work carried out, they provide a basis for the establishment and development of job-creating activities. Three sectors (energy, water engineering and transport) received four fifths of the grants to infrastructure projects, which meant that the overall situation was comparable to that in 1982, though the order of priorities was completely reversed, since in 1982 transport headed the list with energy bringing up the rear.

A very small proportion (0.3%, equivalent to 5.51 million ECU) of the grants was used to cofinance 27 feasibility studies. However, this proportion was more than double that in 1982.

A year of transition for specific Community measures (1)

Under the section used to finance specific Community measures, the ERDF makes grants to special multiannual programmes submitted by the Member States and approved by the Commission. Each programme comprises a set of measures intended to promote the economic development of certain areas experiencing difficulties. The first series of five measures was adopted by the Council in 1980, and eight implementing programmes were approved by the Commission in 1981 and 1982. Total ERDF assistance to such programmes amounted to 5.83 million ECU in 1983.

Since very limited use was made of the appropriations available for the section used to finance specific Community measures, the unused appropriations were transferred to the

(1) also known as "non-quota measures".

section used to support individual projects. This underutilization of the appropriations is due to the delay in implementing certain programmes. By the end of 1983, a little over one third of the total amount (1981-85) available for programmes being implemented had been committed.

ERDF grants 1983 (million ECU)

Member States	Investment projects and studies	Special Programmes	TOTAL
B	8 86	-	8 86
DK	22 40	-	22 40
D	43 74	-	43 74
GR	355 44	-	355 44
F	285 43	-	285 43
IRL	102 20	4 35	106 55
I	818 93	-	818 93
L	-	-	-
NL	20 13	-	20 13
UK	458 39	1 48	459 87
EUR 10	2115 52	5 83	2121 35