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on the STRUCTURAL FUNDS**

1995



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This Report has been prepared by the Directorate-General for Regional Policy and Cohesion (DG XVI) in collaboration with the Directorates-General for Employment, Industrial Relations and Social Affairs (DG V), Agriculture (DG VI), Fisheries (DG XIV) and Budgets (DG XIX) and with contributions from the Directorates-General for Competition (DG IV), Transport (DG VII), Environment, Nuclear Safety and Civil Protection (DG XI), Science, Research and Development (DG XII), the Internal Market and Financial Services (DG XV), Energy (DG XVII), Financial Control (DG XX) and Enterprise Policy, Distributive Trades, Tourism and Cooperatives (DG XXIII).

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NOTE TO THE READER

A number of points should be borne in mind when reading the tables in this Report because it looks at Structural Fund assistance from a variety of viewpoints. As far as possible, these are indicated in the text.

What are these various viewpoints?

- **The programming period:** Usually this is 1994-99. Only in Chapter II.A Budgetary implementation has a desire to be comprehensive resulted in the inclusion of earlier programming periods in order to show all budgetary activity relating to the Structural Funds in 1995 (this relates only to the settling of payments). Naturally, Chapter IV refers to the period 1989-93.
- **The programming phase:** At Community level, the first phase is that of the CSF. In the summary tables in Chapter I, these are "programmed" appropriations. The second phase is that of operational programmes, global grants or major projects. This phase is referred to as "adopted" in the summary tables. In the case of single programming documents, these two phases of programming coincide and the amounts are therefore the same.
- **The number of Member States** (EUR 15, EUR 12 or EUR 3) depending on the year (1994 or 1995) and the **form of assistance** (Objective, Community Initiative, technical assistance, innovative measure). These data are presented in integrated form in the Annexes and in Chapter II.A on budgetary implementation. In Chapter I a distinction is made between assistance at the initiative of the Member State and studies and technical assistance carried out at the initiative of the Commission and relating to this assistance because the regulatory basis is different. These studies and technical assistance are, however, included in commitments and payments in the Annexes if the budget heading is the same.
- **Assistance** (operational programme, SPD, technical assistance) without regard to the budget heading from which the appropriations were committed or paid or the **budget heading** from which the commitment or payment was made, without regard to the form of assistance. Commitments and payments are presented in accordance with the first criterion in Chapter I and according to the second in Chapter II.A and Annexes I to IV.
- **The type of appropriation**, that is appropriations for the financial year or appropriations carried over or made available again. This distinction is made only when considering appropriations implemented for each budget heading, i.e. in Chapter II.A and the Annexes. Unless otherwise indicated in the title or a note, appropriations carried over and made available again are always included.
- **The year of reference** in which prices are expressed. The amounts of assistance granted are expressed in prices in the year of adoption, whether this was the point of programming (CSF) or adoption (operational programme, SPD, etc.). Appropriations implemented are, however, expressed in prices of the year of implementation (current prices).

INTRODUCTION

This report is compiled pursuant to Article 16 of Regulation (EEC) No 2052/88 as amended and the detailed provisions in Article 31 of Regulation (EEC) No 4253/88 as amended. It presents the application in 1995 of the Structural Fund regulations, particularly the implementation of their Objectives (Objectives 1 to 6). The report is structured in accordance with the requirements of the Regulations, but is also shaped by the main activities or trends of the year in question. It also includes certain innovations. From the point of view of content, it deals with new matters such as the practical implementation of partnership with the regions and presents, in a single section, all the measures implemented by the Commission to disseminate good practice. In terms of form, the financial aspects have been dealt with exhaustively and 1995 has been placed in the context of the 1994-99 programming process. A major innovation is the environmental thread which runs through the report, reflecting various aspects of the way in which environmental considerations are taken into account in the programming of all measures.

Chapter I presents the implementation of the various structural operations in 1995 in the context of multiannual programming. Attention is given to measures under the different Objectives, but also to the integration of the three new Member States into the structural policies and the adoption of the new Community Initiative programmes. In accordance with Article 31 of Regulation (EEC) No 4253/88 as amended, a list of the major projects is given in the Annex, but a more detailed assessment has begun, the results of which will be presented in a future annual report.

Chapter II concerns budgetary implementation in 1995, also presented in its multiannual context, and other financial matters such as financial management and monitoring of utilization. As in last year's report, it pays particular attention to the complementarity between the Structural Funds and the various Community policies, which is highlighted by a horizontal treatment running throughout the report.

Chapter III is devoted to various institutional matters concerning the Structural Funds, ranging from relations between the Community's different institutions and dialogue with the social and regional partners to information on the work of the Funds. As mentioned above, there is a special focus on partnership with the regions and measures at Community level to disseminate good practice.

Chapter IV carries on where the same chapter in last year's report left off, describing the achievements of the 1989-93 programming period. It deals only with those aspects not yet touched on in previous annual reports (1993 and 1994). A more general assessment of the period is given in the first three-yearly report on economic and social cohesion.

This introduction will deal in turn with the main features of 1995 for the Structural Funds, an explanation of the importance of environmental concerns and the main elements of the report.

A. 1995

1. The new Commission and the group of Members responsible for economic and social cohesion

In 1995 a new Commission took office under the presidency of Mr Santer. Right at the beginning of its term, in order to stimulate its debate on certain broad areas of Community policy, the Commission set up six working groups, on External Relations; Growth, Competitiveness and Employment; Trans-European Networks; Cohesion; the Information Society and Equal opportunities for Men and Women. The working group on Cohesion is chaired by Mrs Wulf-Mathies, the member of the Commission with special responsibility for the regional policies and cohesion, and includes Mr Flynn (employment and social affairs), Mr Fischler (agriculture and rural development), Mrs Bonino (fisheries), Mrs Bjerregaard (environment), Mr Kinnock (transport) and Mr de Silguy (economic and financial affairs).

The group held its first meeting in March 1995 and gave itself the task of debating the broad lines of the following issues: improving the perception of the cohesion policy as a way in which the Community

adds value; improving the implementation of action by the Structural Funds (and the Cohesion Fund); first thoughts on what a future policy for economic and social cohesion might look like.

The working group met a further three times in 1995, to discuss the following subjects: utilization of the budget reserve for the Community Initiatives; employment and the Structural Funds; cohesion policy and the environment; guidelines for the Community's rural development policy; information and communication on the cohesion policy. These discussions provided a basis for orienting the work of the Commission's departments in the areas concerned and for preparing the Commission's decisions on the allocation of the Community Initiatives reserve, its communications to the other institutions on "Cohesion policy and the environment" and "Employment and the Structural Funds". The meetings also gave Mrs Wulf-Mathies an opportunity to brief her colleagues on the results of the informal meetings of the ministers responsible for regional policy and regional planning held in Strasbourg and Madrid.

2. Integration of the new Member States into the structural policies

In 1995 three new Member States: Austria, Finland and Sweden acceded to the Community. A study of the impact of this enlargement on the structural policies began starting in 1994¹ and preparations for adopting operational programmes under the different Objectives were commenced at the beginning of 1995. Discussions with the three new Member States were concluded rapidly and effectively: with a few exceptions, all the measures under the different Objectives were adopted and underway before the year was out. As in the case of the other Member States, the programmes which had not yet been approved by the end of 1995 mostly concerned the Community Initiatives.

3. Launch of the Community Initiative programmes

After adopting guidelines for the 13 Community Initiatives according to a timetable staggered over 1994², the Commission gradually adopted the Community Initiative programmes during 1995. The profusion of programmes presented by the Member State (400 in all) required intensive preparation and discussions with the various national authorities. Two thirds of the envisaged programmes could be adopted in 1995, representing more than 80% of the funding allocated to the twelve Member States and almost 45% of the allocation for the three newcomers.

4. The first full year of implementation of assistance

Following the adoption of most programmes and other forms of assistance in 1994, actual implementation for most assistance, i.e. programmes (CSFs and SPDs) under the different Objectives, took place in 1995. Further new programmes, mainly under Objectives 1 and 5(b), were adopted in 1995, bringing the rate of adoption of programmed appropriations up to almost 100% for the twelve Member States for the period 1994-99.

During this first full year of implementation of operations, the Commission had two main concerns. Firstly, much effort went into seeking the greatest possible degree of effectiveness. To ensure effective monitoring of operations, Monitoring Committees were set up and criteria for the selection of projects adopted. The Commission drew the attention of the different partners to the need for rigorous monitoring and the importance of selecting projects most likely to attain the objectives of the programmes. The drive for effectiveness could also be seen in the intensive work on evaluation: the preparation of mid-term reviews, prior appraisal of projects and continuing *ex post* evaluation of assistance implemented during the period 1989-93. Furthermore, the effectiveness of management and of the socio-economic

¹ See the 1994 Annual Report.

² See the 1994 Annual Report.

impact of programmed measures is aided by thorough cooperation between a wide variety of partners. Since 1994 the Commission has invested much effort in convincing the various authorities responsible for structural measures of the importance of extending partnership to a wide range of actors, including local and regional authorities and the economic and social partners. Lastly, in 1995 the Commission continued to encourage rigorous financial management of operations, stepping up its checks on utilization of the Funds as well as discussing with the Member States ways of improving the joint management of Community appropriations by the Member States and the Commission and making it more effective.

Another major concern in the implementation of programmes in 1995 was consistency with all the Community's other policies and financial assistance. Since the Structural Funds involve very large amounts of Community finance, the Commission takes great care to ensure that operations are consistent with the Community's other instruments, be they legislative, financial or political. Discussions on this matter therefore resulted in communications describing the links between the Structural Funds and other policies (employment, environment, equal opportunities, integrated development of certain areas). In addition, the drive begun in 1994 to improve coordination between the different financial instruments was continued in 1995, particularly in the case of Cohesion Fund assistance.

B. A REPORT WITH A STRONG ENVIRONMENTAL BIAS

In the effort to ensure that assistance by the Structural Funds is consistent with the Community's other policies, special attention has been given to environmental concerns. Both the principle of economic and social cohesion and that of environmental protection are mentioned in the preamble to the Treaty on European Union. In practical terms, as far as the environment is concerned this means that environmental protection measures must be integrated into the definition and implementation of other Community policies (Article 130r of the Treaty). This requirement is particularly relevant to the Structural Funds because of the context in which they operate as well as the links between structural policy (particularly its regional aspect) and environmental policy.

1. Background

The 1993 review of the regulations governing the Structural Funds introduced new environmental requirements. As a result, there has been a clear improvement in the way in which account has been taken of the environment in the programming for 1994-99. The new rules also require greater vigilance in preventing and penalizing infringements of Community law in the environmental field. The Commission is keen to increase the awareness of its various partners to this matter and makes sure the rules are observed. 1995 witnessed a still greater commitment to the environment, which received special attention in the form of the mid-term progress report on the Fifth Programme of policy and action in relation to the environment³ and a communication on cohesion policy and the environment⁴. Both of these documents stress that, since the environment is a horizontal issue, implementation of the major objectives of the Fifth Programme is essential.

2. Complementarity between cohesion policy and environmental policy

The Commission's communication on cohesion policy and the environment demonstrates the complementarity which exists between cohesion policy and environmental policy, whereby sustainable socio-economic development is sought taking care to preserve natural resources. This complementarity should also be illustrated with specific examples. Firstly, the environment is a factor in regional

³ COM(95) 624 final, 10 January 1996.

⁴ COM(95) 509 final, 22 November 1995.

development. A high-quality environment can play an important role in attracting potential investors to a region. Furthermore, activities related to the environment can be a substantial source of employment and create major opportunities for SMEs to provide goods and services. Lastly, the environment is an excellent justification for diversification as regards both activities (in rural areas, for example) and new skills and qualifications for the work force.

Secondly, structural policy itself contributes to the environment in two ways. Not only does it generate large injections of funds with direct or indirect spin-offs for the environment, which also enable less-favoured regions to finance the investments needed to comply with Community environmental standards, but it is also a vector for other instruments which can promote sustainable development. It can encourage a more rigorous analysis of the environmental effects of projects by requiring an environmental impact assessment, reliable statistical data on environmental aspects or the development of physical indicators for the evaluation of programmes. Involvement of the Structural Funds in environmental measures also helps increase public awareness of environmental issues, for example by providing training in new skills related to the environment and encouraging public authorities to give greater care to their town and country planning and the preservation of natural resources.

This complementarity and its context called for a clear description of the ways in which the need for environmental protection is taken into account in the programming of the Structural Funds. Rather than dedicating a section of the Annual Report on the Structural Funds to the complementarity between these two policies, therefore, it has been deemed appropriate to weave a thread throughout the Report to demonstrate that each aspect of the implementation of the Structural Funds has an environmental dimension and to show how that dimension is taken into account to the greatest possible extent in programmes which, it should not be forgotten, aim primarily at economic and social development.

C. EMPLOYMENT, A MAJOR CHALLENGE FOR THE UNION

The serious employment situation is a central concern of the European Union, where there are now some 18 million people without work. In December 1994 the Essen European Council reaffirmed the prime importance of combatting unemployment and of equal opportunities. The Council took the view that the essential return to steady growth also required the structural reform of the employment market and identified five areas for priority measures to overcome the structural problems of employment. It asked the Member States to turn each of its recommendations into a multi-annual programme.

In its 1995 communication "Community Structural Policies and Employment"⁵, the Commission proposed a number of guidelines to ensure coherence between the policy decided on in Essen and the use of the Structural Funds and to increase their impact by incorporating them into the European strategy for employment. These were ensuring the conditions for long-term growth, raising the employment content of this growth, developing an economy of solidarity in addition to this performing competitive economy and making the most of partnership arrangements, and encouraging those involved at local level.

In practice, this means using the flexibility offered by the implementation of the CSFs/SPDs and directing the monitoring and assessment systems towards the gradual implementation of the priorities selected without undermining the programming of the Structural Funds as adopted, for the most part, in 1994.

The Madrid European Council in December 1995 confirmed the need for coordination between national job-creation policies and the Community structural policies. The Structural Funds are essential instruments for the promotion of growth and employment, particularly in the Member States and regions which benefit most from them. Structural assistance helps support demand by increasing regional

⁵ A communication originally presented to the informal ministerial meeting in Madrid on 30 November and 1 December 1995).

income through finance for investment in infrastructure, productive capacity, human resources and technological potential, all of which will make the region more competitive.

This approach also implies stressing proactive and preventive measures. This is particularly true of Objective 4, the implementation of which occupied the whole of 1995. It is an approach which requires a concerted effort from all those involved in the implementation of structural assistance and one in which the Commission has undertaken to support its partners.

D. THE MAIN ELEMENTS OF THE REPORT

1. Implementation of appropriations in 1995

In total, of the ECU 24 069 million available in 1995 for all assistance, ECU 21 938 million was committed, as compared with ECU 21 323 million and ECU 19 246 million respectively in 1994. At 91%, the rate of implementation is high (90% in 1994), with 82% of committed appropriations paid as against 76% in 1994. There was a clear improvement in the implementation of Community Initiatives, with an implementation rate of 91% of available appropriations (i.e. ECU 2 358 million) compared with 12% in 1994. This improvement is due to the fact that most of the new programmes were adopted in 1995.

Looking at the different Objectives, commitments for Objective 1 amounted to ECU 14 518 million; for Objective 2, to ECU 1 735 million; for Objective 3 and 4, to ECU 1 607 million and 94.5 million respectively; for Objective 5(a), to ECU 655.9 million for agriculture and 179 million for fisheries; for Objective 5(b), to ECU 571.9 million and lastly, for Objective 6, to ECU 125.9 million.

In absolute terms, there is a great difference in the value of the appropriations committed for each of the Funds, ranging from ECU 485.5 million for the FIFG (2% of total commitments) to ECU 12 211 million for the ERDF (56% of total commitments). Nevertheless, the rate of implementation of the available appropriations is similar for all of the Funds, at 99% (for all types of assistance), except for the ESF, with 76%.

2. Concentration

The principle of concentration is one of the key concepts behind the 1988 reform of the Structural Funds. It involves the concentration of assistance on a limited number of objectives, geographical concentration on certain eligible areas, concentration of funding on the severest problems and areas in greatest difficulty and concentration of assistance on certain thematic areas. There has been little progress in geographical, financial and thematic concentration in 1995 because the decisions and guidelines relating to these aspects for the entire programming period (1994-99; 1994-96 for Objective 2) were taken in 1993 and 1994.⁶ However, while the principle of financial concentration has mainly meant the fixing of financial allocations for 1994-99, activity in 1995 has clearly confirmed the principle in practice: the greater part of the Commission's work has been concentrated on Objective 1. 64% of all the appropriations committed in 1995 under the newly-adopted Community Initiative programmes (taken together) were allocated to Objective 1 regions. The same trend is reflected in budgetary activity, with Objective 1 accounting for 66% of all commitments and 70% of all payments implemented in 1995. These figures also reveal a remarkable dynamism in the implementation of Objective 1 in comparison with other structural assistance.

⁶ See the 1994 Annual Report.

3. Programming

Another characteristic of Structural Fund operations is multiannual programming over a six-year period. It was introduced in 1994, when most of the programming documents for assistance under the different Objectives were adopted (CSFs, followed by operational programmes; single programming documents (SPDs)). The programming documents for the new Member States were adopted in 1995 (36 in all, with a further six Swedish SPDs still to come) as were a large number of Community Initiative programmes (265 in all).

Looking back on the first two years of the programming period (1994 and 1995), implementation has been relatively satisfactory. With regard to assistance under the Objectives, 97% of the funds programmed in CSFs or SPDs have been committed in the form of SPDs, operational programmes, global grants or major projects. As stated in last year's Annual Report, the possibility of submitting single programming documents has enabled the arrangements for programming to be simplified. Furthermore, a glance at the situation regarding overall financial implementation shows that in two years almost one third (31%) of available assistance has been committed and one fifth (19%) has been paid. Although generally speaking there is room for improvement in the rate of payment, which reflects progress in the actual implementation of measures, the situation varies depending on the Objective. The rate of implementation of Objectives 1, 3 and 5(a) is in line with the overall figures. Objectives 4 and 5(b), however, are progressing at a much slower rate (Objective 4: 24% of assistance has been committed and 12% paid; Objective 5(b): 18% committed and 10% paid). Lastly, while the rate of implementation of Objective 2 appears at first sight to be higher because it is programmed in three-year phases (52% of assistance committed and 26% paid), it is actually lower than average when related to the full period 1994-99. The implementation of programming is also progressing at different rates in the different Member States. Taking the Objectives as a whole, the percentage of total aid committed ranges from 21% for Belgium and Finland to 41% for the United Kingdom, while the percentage of total aid paid ranges from 10% for Finland and 11% for Italy to 25% for the United Kingdom.

Programming has turned out to be more problematic where the Community Initiatives are concerned. The process has been hindered by the number of programmes presented by the Member States (400 for all 15, i.e. about the same number of operations as for the OPs/SPDs), which has resulted in an administrative overload. However, three quarters of the programmes have been adopted, accounting for 81% of the appropriations allocated to the Twelve and 42% of those allocated to the three new Member States. At the informal Council meeting in Venice in May 1996 the Commission and the Member States acknowledged the problem caused by the excessive number of programmes and the resulting complexity, especially for the Community Initiatives, and recognized the need to remedy the situation.

4. Additionality

Compliance with the principle of additionality requires continuous financial monitoring. For the new programmes for 1994-99, the detailed procedures for this monitoring are laid down in the programming documents. It was thus possible for the prior appraisal of additionality to be largely carried out in 1994 and more or less completed in 1995. Most of the work on additionality in 1995 concerned *ex post* evaluation of the period 1989-93 and ongoing monitoring of the second period.

The results of the *ex post* evaluation of the first programming period vary according to the Objective and the Member State concerned. The procedure has been successfully completed for Objectives 1 and 2 and additionality was verified in 1995 for five Member States, although it was still impossible to verify for others, either because of incomplete data (three Member States) or total absence of data (four Member States). Similarly, for Objectives 3 and 4 additionality was verified for four Member States, is still uncertain for two and is impossible to verify for five others. Objective 5(b) was the only Objective for which it was possible to confirm in 1995 that additionality had been observed in all Member States.

Ongoing assessment concerned only Objective 1 in 1995, but results were limited because only one Member State observed the principle and the verification procedures.

5. Partnership

Implementation of partnership entered an active phase in 1995 with the setting up of Monitoring Committees for the programmes. Partnership with the regional authorities is now a widespread and accepted practice and functions satisfactorily on the whole. However, partnership with other geographically-based authorities, particularly at local level, is less well-developed. This report reveals very different situations depending on institutional arrangements and types of assistance. It also reveals a degree of complexity which requires thought to be given to ways of simplifying monitoring methods at regional level. The trend is towards greater involvement of the social and economic partners in the Monitoring Committees, although here also the situation varies greatly, from no involvement in some Member States, through indirect representation or mere information procedures in others, to real involvement in decision-making in others. In order to avoid the danger of increasingly unwieldy procedures in increasingly complex partnership structures, the Commission is aware of the need to develop the most appropriate possible procedures for involving the different partners more closely, to the degree called for by their respective roles and responsibilities.

6. Monitoring and evaluation

Intensive monitoring and evaluation continued in 1995, in two directions. Monitoring Committees were set up for the current programming period and, at the same time, the Commission issued a Common guide for Monitoring and Interim evaluation intended to ensure that all the partners use the same procedures for qualitative and quantitative monitoring of the financial situation and the progress made in implementing programmes. The partners also launched the mid-term review process, scheduled for completion in 1996, whereby measures are subject to systematic critical analysis. However, the process has been slow to start, although there is a clear improvement compared to the past. The other aspect of evaluation work has been the continuing *ex post* evaluation of the first programming period. The preliminary results received by the Commission at the end of 1994 for Objectives 3 and 4 and Objective 5(b) were confirmed during 1995 and results were received for Objective 5(a) and for some of the 1991-93 Community Initiatives. Although these results arrived after the programmes for the second period had been adopted, their lessons will still be used to improve current operations, particularly in the context of the mid-term reviews.

CHAPTER I

IMPLEMENTATION OF PROGRAMMING

A. ASSISTANCE BY OBJECTIVE¹

1. Introduction

1.1. 1995 in the context of the 1994-99 programming period

Table 1: Financial allocations 1994-96/99 (ECU million)

	B	DK	D	EL	E	F	IRL	I	L	N	AT	P	FI	SE	UK	TOTAL
Objective 1	730,0	-	13 640,0	13 980,0	26 300,0	2 189,2	5 620,0	14 860,0	-	150,0	165,6	13 980,0	-	-	2 359,8	93 974,6
Objective 2	160,0	56,0	733,0	-	1 130,0	1 763,2	-	684,0	7,0	300,0	101,0	-	69,2	160,0	2 142,0	7 305,4
Objective 3	396,2	263,0	1 682,1	-	1 474,4	2 562,4	-	1 316,3	20,7	922,8	334,0	-	258,4	347,0	1 501,0	11 078,3
Objective 4	25,4	13,0	104,5	-	368,6	299,0	-	398,8	0,9	156,2	61,0	-	84,6	173,0	329,7	2 015,3
Objective 5(a)	194,9	266,9	1 144,4	0,0	445,6	1 935,4	0,0	814,4	40,1	164,6	387,8	0,0	354,0	130,1	449,7	6 327,9
agriculture	170,4	127,0	1 069,9	-	326,0	1 745,5	-	680,0	39,0	118,0	385,6	-	331,0	90,1	361,0	5 443,7
fisheries	24,5	139,9	74,5	-	119,6	189,9	-	134,4	1,1	46,6	2,0	-	23,0	40,0	88,7	884,2
Objective 5(b)	78,1	54,0	1 229,0	-	664,0	2 239,4	-	903,7	6,0	150,0	411,0	-	194,0	138,0	820,5	6 887,7
Objective 6	-	-	-	-	-	-	-	-	-	-	-	-	459,9	252,0	-	711,9
TOTAL	1 584,6	652,9	18 533,0	13 980,0	30 382,6	10 989,2	5 620,0	18 977,2	74,7	1 643,6	1 460,4	13 980,0	1 420,1	1 200,1	7 602,7	128 301,1

Where Structural Funds assistance programmed by Objective was concerned, 1995 had two key elements: adoption of the programmes for the new Member States and the actual implementation of the programmes adopted and begun in 1994 in the other twelve. Most of the last remaining programmes were adopted in 1995 and implementation (establishment of the Monitoring Committees, project selection) was on the whole satisfactory. The result after two years of launching new programmes is quite significant. A total of 407 programming documents other than CSFs (OPs, SPDs, global grants, major projects) were adopted in 1994 and 1995 in the twelve Member States. This was an average of 34 per Member State, but the number varied from 8 programmes for Denmark and Luxembourg to 83 in Spain. For the 15 Member States a total of 442 programmes had been adopted by the end of 1995, in other words, 35 in the new Member States. If we add the Community Initiative programmes, mainly approved in 1995, we obtain a total of 733 programmes for the 15 Member States (an average of 49 per Member State: 29 OPs/SPDs and 17 CIPs).

Table 2: Number of programming documents adopted in 1994-95

	B	DK	D	EL	E	F	IRL	I	L	N	P	UK	EUR12	AT	FI	SE	EUR3	EUR15
Objective 1	1	-	18	31	53	6	10	24	-	1	17	3	164	1	-	-	1	165
Objective 2	4	2	9	-	8	19	-	11	1	5	-	13	72	4	1	5	10	82
Objective 3	5	1	12	-	11	1	-	16	2	1	-	1	50	1	1	1	3	53
Objective 4	5	1	1	-	1	1	-	1	1	1	-	0	12	1	1	0	2	14
Objective 5(a) agric.	6	2	11	-	2	2	-	2	2	2	-	2	31	2	2	1	5	36
Objective 5(a) fisheries	1	1	1	-	1	1	-	1	1	1	-	1	9	1	1	1	3	12
Objective 5(b)	3	1	8	-	7	20	-	13	1	5	-	11	69	7	2	0	9	78
Objective 6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	2	2
Total - objectives	23	8	60	31	83	30	10	68	8	16	17	31	40	17	9	9	35	442
Community initiatives																		
Interreg/Peace																		291
Other (1)	16	5	67	10	23	4	6	19	4	12	11	28	248	4	2	2	8	35
TOTAL	41	13	127	41	106	97	16	87	12	28	28	59	655	21	11	11	43	733

(1) Including Retex for 1993

If we compare the actual adoption of programmes with what was programmed for 1994-99, the situation at the end of the first two years seems satisfactory. 97% of the programmed appropriations were adopted in the form of SPDs, OPs, global grants or major projects. All the assistance in four Objectives (2, 3, 5(a)

¹ Readers should note the following: Measures in the new Member States have been grouped into one section, A.7; throughout the Report, unless otherwise indicated, amounts relate to prices in the year the measures were adopted (1994 or 1995) where programming is concerned and to current prices where budget execution in terms of commitments or payments is concerned.

fisheries and 6) was adopted in 1995. Three other Objectives (1, 5(a) agriculture and 5(b)) also had very high adoption rates (between 96% and almost 100%). All the SPDs for Objective 1 had been adopted in 1994 (1995 for Austria), and of the measures in the various CSFs only technical assistance in Germany and Ireland and some OPs in Greece, Spain and Italy remained to be adopted. All the Objective 5(a) agriculture SPDs have been adopted except those under Regulations (EEC) Nos 866/90 and 867/90, where a number of OPs in a single CSF in Italy have yet to be adopted. In the case of Objective 5(b), only the SPDs for Sweden and the technical assistance programme for France still remained to be adopted. Only Objective 4 had a lower rate of adoption, 75%, the reason being that the United Kingdom did not present any programmes for 1994-96 and the SPD for Sweden had not yet been adopted.

If we look at the situation in each of the Member States, the vast majority of the Twelve, taking all Objectives together, had programme adoption rates of 100% (Belgium, Denmark, Germany, France, Ireland, Luxembourg, the Netherlands and Portugal). Three Member States had rates between 90% and 100% (Italy, Spain and Greece); this was because a few Objective 1 OPs had still to be adopted in each. The United Kingdom had a rate of 96% if Objective 4 is taken into account (the other programmes were adopted in their entirety). The situation in the three new Member States was also well advanced by the end of 1995, with all measures having been adopted in Austria and Finland and the SPDs for Objectives 4 and 5(b) remaining to be adopted in Sweden.

Table 3: Assistance adopted in 1994-95 (SPDs, OPs global grants, major projects) as a percentage of appropriations programmed for 1994-96/99

	B	DK	D	EL	E	F	IRL	I	L	N	AT	P	FI	SE	UK	TOTAL
Objective 1	100%	-	100%	98%	94%	100%	100%	91%	-	100%	100%	99%	-	-	100%	96%
Objective 2	100%	100%	100%	-	100%	100%	-	100%	100%	100%	100%	-	100%	100%	100%	100%
Objective 3	101%	100%	100%	-	100%	100%	-	99%	100%	100%	100%	-	100%	100%	100%	100%
Objective 4	101%	100%	100%	-	100%	100%	-	100%	99%	100%	100%	-	100%	0%	0%	75%
Objective 5(a) agriculture	100%	100%	100%	-	100%	100%	-	100%	100%	100%	100%	-	100%	100%	100%	100%
Objective 5(a) fisheries	100%	100%	100%	-	100%	100%	-	100%	100%	100%	100%	-	100%	100%	100%	100%
Objective 5(b)	100%	100%	100%	-	100%	100%	-	100%	100%	100%	100%	-	100%	0%	100%	98%
Objective 6	-	-	-	-	-	-	-	-	-	-	-	-	100%	100%	-	100%
TOTAL	100%	100%	100%	98%	95%	100%	100%	93%	100%	100%	100%	99%	100%	74%	96%	97%

The financial progress of programme implementation appears normal. Overall, the rate of commitment of the funds at the end of the first two years was nearly one third (31%), which reflects mainly commitments made in 1995 given that most of the programmes were adopted in the second half of or at the end of, 1994.

Table 4: Commitments 1994-95 as a percentage of assistance committed (ECU million)

	B	DK	D	EL	E	F	IRL	I	L	N	AT	P	FI	SE	UK	Total
Objective 1	107,0	-	3 892,1	4 544,9	8 372,4	497,6	1 680,1	3 024,7	-	37,2	28,8	4 548,8	-	-	532,3	27 265,9
% of assistance	15%	-	29%	33%	34%	23%	30%	22%	-	25%	17%	33%	-	-	23%	30%
Objective 2	62,2	30,3	286,9	-	659,2	904,4	-	299,9	8,0	105,0	54,1	-	31,1	105,8	1 250,0	3 796,9
% of assistance	39%	54%	39%	-	58%	51%	-	44%	114%	35%	54%	-	45%	66%	58%	52%
Objective 3	97,8	85,0	307,8	-	426,6	778,4	-	200,5	6,5	282,3	64,1	-	60,3	73,0	975,0	3 357,1
% of assistance	24%	32%	18%	-	29%	30%	-	15%	31%	31%	19%	-	23%	21%	65%	30%
Objective 4	4,6	6,0	29,6	-	118,1	95,4	-	60,6	0,5	22,2	11,7	-	14,8	0,0	0,0	363,6
% of assistance	18%	46%	28%	-	32%	32%	-	15%	59%	14%	19%	-	18%	-	-	24%
Objective 5(a) (agriculture)	53,0	38,7	322,7	-	101,9	678,6	-	117,5	12,2	25,3	61,5	-	61,4	13,7	85,2	1 571,6
% of assistance	31%	30%	30%	-	31%	39%	-	17%	31%	21%	16%	-	19%	15%	24%	29%
Objective 5(a) (fisheries)	4,1	46,6	24,9	-	39,8	63,3	-	44,8	1,1	9,2	2,0	-	23,0	40,0	14,8	313,4
% of assistance	17%	33%	33%	-	33%	33%	-	33%	100%	20%	100%	-	100%	100%	17%	35%
Objective 5(b)	9,2	9,8	261,7	-	162,1	373,2	-	107,0	0,8	25,6	78,3	-	32,8	0,0	120,7	1 181,2
% of assistance	12%	18%	21%	-	24%	17%	-	12%	14%	17%	19%	-	17%	-	15%	18%
Objective 6	-	-	-	-	-	-	-	-	-	-	-	-	-	81,0	44,9	125,9
% of assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	18%	18%	18%
TOTAL	337,8	216,3	5 125,6	4 544,9	9 880,1	3 390,9	1 680,1	3 855,0	29,1	506,8	300,5	4 548,8	304,5	277,4	2 978,0	37 976,8
% of assistance	21%	33%	28%	33%	34%	31%	30%	22%	3%	27%	21%	33%	21%	31%	41%	31%

Payments, which represent the actual progress of the measures since they are a function of applications from the final beneficiaries, stand at 19%, which is evidence of the delay in 1994 but is logical given that most payments were made in 1995.

Table 5: Payments 1994-95 as a percentage of assistance paid (ECU million)

	B	DK	D	EL	E	F	IRL	I	L	N	AT	P	FI	SE	UK	Total
Objective 1	79,8	-	2.470,1	2.760,7	5.570,0	286,7	1.369,6	1.555,4	-	19,6	14,4	3.263,4	-	-	331,4	17.721,1
% of assistance	11%	-	18%	20%	23%	13%	24%	12%	-	13%	9%	23%	-	-	14%	20%
Objective 2	29,3	20,0	156,9	-	448,0	423,3	-	150,0	4,0	52,5	21,4	-	15,6	38,1	518,9	1.877,8
% of assistance	18%	36%	21%	-	40%	24%	-	22%	57%	18%	21%	-	22%	24%	24%	26%
Objective 3	74,5	74,2	234,3	-	244,3	503,7	-	100,2	5,6	253,3	32,0	-	30,2	36,5	818,6	2.407,6
% of assistance	19%	28%	14%	-	17%	20%	-	8%	27%	27%	10%	-	12%	11%	55%	22%
Objective 4	2,3	3,0	14,8	-	65,8	47,7	-	30,3	0,3	11,1	5,9	-	7,4	0,0	0,0	188,7
% of assistance	9%	23%	14%	-	18%	16%	-	8%	38%	7%	10%	-	9%	-	-	12%
Objective 5(a) (agriculture)	16,5	19,2	209,8	-	80,3	402,8	-	58,7	5,4	12,2	30,7	-	30,7	6,9	41,7	914,9
% of assistance	10%	15%	20%	-	25%	23%	-	9%	14%	10%	8%	-	9%	8%	12%	17%
Objective 5(a) (fisheries)	3,3	30,3	16,1	-	10,0	41,1	-	11,2	0,2	6,2	0,2	-	6,9	12,0	11,8	149,3
% of assistance	13%	22%	22%	-	8%	22%	-	8%	15%	13%	10%	-	30%	30%	13%	17%
Objective 5(b)	4,6	5,7	134,2	-	118,4	207,9	-	53,5	0,4	12,6	39,2	-	15,9	0,0	69,4	661,9
% of assistance	6%	10%	11%	-	18%	9%	-	6%	7%	8%	10%	-	8%	-	8%	10%
Objective 6	-	-	-	-	-	-	-	-	-	-	-	-	40,5	22,5	-	63,0
% of assistance	-	-	-	-	-	-	-	-	-	-	-	-	9%	9%	-	9%
TOTAL	210,3	152,4	5.236,2	2.760,7	6.537,0	1.913,3	1.369,6	1.959,4	15,9	367,5	143,8	3.263,4	147,2	115,9	1.791,8	23.984,2
% of assistance	13%	23%	17%	20%	23%	17%	24%	11%	21%	20%	10%	23%	10%	13%	25%	19%

1.2. Greater integration of the "environment" factor

Implementation of the second Structural Funds programming period coincided with the desire to integrate the environment more fully into Community policies with the aim of promoting sustainable development. Thus, the 5th Environmental Action Programme was aimed more at a preventive approach and extended the range of measures, targeting five activity sectors (industry, transport, energy, agriculture and tourism) to which the Structural Funds give major financial support under the development and conversion objectives. In addition, the regional development analyses conducted by the Commission identified persisting environmental infrastructure requirements in the least-favoured regions², and, more broadly, territorial development requirements linked to the distribution of activities or infrastructures, in particular in the 5th Action Programme's target sectors³.

The revised Structural Funds regulations introduced the principle of sustainable development into the programming process and defined the obligations to be respected by the regional development plans to be submitted by the Member States (assessment of the environmental situation, environmental impact assessment for the proposed measures, quantified environmental objectives for the development priorities and involvement of the environmental authorities). The obligations helped to markedly improve the appraisal of the environmental impact of the programmes⁴. But alongside that appraisal and the obligation to comply with environmental legislation during programme implementation, the Structural Funds grant very substantial and varied financial support to environmental protection where, in accordance with the tasks of the Funds, such support is linked to the economic development of the regions. This is all the more important since the operators involved in implementing the Structural Funds at all levels are agreed that the environment should no longer be seen as an isolated sector but as an essential dimension of sustainable development and a source of economic initiative and innovation, and so of job creation, particularly at local and regional levels.

The Structural Funds, instruments for promoting sustainable development

Between 1989 and 1993 ECU 2 751 million (about 7% of the total) was allocated to measures directly relating to the environment in Objective 1, 2 and 5(b) regions. The protection and improvement of the environment is therefore a dimension that has been taken into account since the 1988 Structural Funds reform. For the new period 1994-99 (1996 in the case of Objective 2), a total of ECU 9 445 million is currently earmarked for those regions (9% of the total programmed).

² See the 5th periodic report on the social and economic situation and development of the regions in the Community.

³ See Europe 2000+ - cooperation for European territorial development.

⁴ See 1994 Annual Report.

Table 6: Regional Objectives of the Structural Funds - measures under programming for 1994-96/99 directly related to the environment (EUR 12 - ECU million- 1994 prices)

	B	DK	D	EL	E	F	IRL	I	L	N	P	UK	Total	
Obj. 1 (1994-99) Total	730	-	13.640	13.980	26.300	2.189	5.620	14.860	-	150	13.980	2.360	93.809	100%
environment	92	-	1.106	624	3.034	323	74	1.867	-	5	1.056	146	8.327	8,9%
Obj. 2 (1994-96) Total	160	56	733	-	1.130	1.763	-	684	7	300	-	2.142	6.975	100%
environment	8	pr(1)	52	-	40	103	-	48	2	5	-	138	397	5,7%
Obj. 5(b) (1994-99) Total	78	54	1.229	-	664	2.239	-	904	6	150	-	820	6.144	100%
environment	7	pr(1)	207	-	67	245	-	94	1	36	-	64	721	11,7%
Total Objectives	968	110	15.602	13.980	28.094	6.191	5.620	16.448	13	600	13.980	5.322	106.928	100%
TOTAL environment	107	0	1.365	624	3.141	671	74	2.009	3	46	1.056	348	9.445	9%

(1) Impossible to give an exact figure since environmental measures are largely incorporated into other categories of expenditure

The work of the Structural Funds in favour of sustainable development is multi-faceted. It can be seen as acting at two different times, when the assistance is planned and when it is actually implemented, and as taking on four different aspects.

At the time the assistance is planned, it is Structural Funds assistance which provides for investment directly relating to the environment. Such investment is aimed at two types of measure:

- **Direct investment in environmental projects.** This is most often investment in the modernisation and development of infrastructure for some of the target areas in the 5th Environmental Action Programme (water, waste, coastal areas and river basins, industrialised urban environments, natural areas and biodiversity). In these areas infrastructure requirements are long-term, particularly in the least-favoured regions (see Table below), or they are taking on a new urgency as a result of the need for industrial or agricultural conversion. However, they vary greatly according to region, and this is clear from the respective proportion of the different investments. For example, it is water - the purification, collection, distribution and management of coastal or inland water resources - which dominates (83%) environmental investments in Objective 1 regions. In contrast, cleaning up pollution and waste treatment dominates in the industrial Objective 2 areas (53%), although it is also important (30%) in the rural Objective 5(b) areas. Lastly, among the directly environmental measures under Objective 5(b), nearly 60% relates to the management of the natural environment, preservation of the countryside and biodiversity.

Table 7: Average annual investment required between 1993 and 2003 to provide the least-favoured regions with environmental infrastructure in conformity with European Directives (ECU million - 1994 prices)

Member State	Urban waste water	Urban waste	Industrial or dangerous waste	Water distribution	TOTAL
Spain	458	19	10	372	859
Greece	240	35	2	95	372
Ireland	95	20	7	30	152
Italy	208	15	14	288	525
Portugal	113	35	14	149	311
Total	656	105	37	562	1.360

Source: Fifth periodic report on the social and economic situation and development in the regions of the Community

- **Investments of a preventive nature.** These are measures which are applying the basic principles and recommendations of the 5th Environmental Action Programme, in other words, action at the source, encouraging the development of production processes by combining direct and indirect incentives and diversifying the action instruments. More specifically, the measures financed relate to certain sectors: industry, particularly SMEs (productive investments in "green products", "clean technologies" and energy-saving processes); energy (promotion of renewable energy sources, more rational use linked to trans-European networks); transport (promotion of urban public transport and multimodal transport at European level, coordination within the framework of trans-European networks); agriculture (promotion of agricultural diversification towards "cleaner" methods,

combination with the agri-environmental measures under the CAP reform); and tourism, where the aim is to develop it more rationally with less pressure on the environment (in particular "green tourism"). Preventive measures also comprise indirect long-term action, such as environmental research linked to technological applications and the training of workers in new environmental technologies. These two fields, research and training, also benefit from appropriations specifically earmarked for them under Objectives 1 and 2; they represent 1% of the environmental resources for Objective 1 and 6% for Objective 2.

When the programmes are implemented, measures in favour of the environment are directed more at compliance with legislation and rules. Major efforts have been made in two directions, and these need to be pursued and intensified:

- **Intensification of assessment and monitoring.** This was particularly evident in the prior appraisal of regional development plans and programmes in compliance with the new rules which stress assessment of the environmental impact of programming. So environmental objectives were systematically included and quantified in the programming documents (CSFs or SPDs) and special care was taken to specify environmental impact indicators, a process which has been improved. However, there is no doubt that the environmental assessment and monitoring of the programmes can be improved (see below):

Quantified environmental objectives:

The 1994-99 programming documents include a series of quantified environmental objectives. In Objective 1 regions water and waste management predominates. To take a few examples: in Spain, waste water treatment capacity should increase from 59% to 75% of the population and for dangerous and toxic waste treatment it should rise from 0.5 to 1.2 million tonnes; in Greece, surface water quality should improve by 10% and the urban waste treatment rate should increase from 25% to 45%; in Ireland, urban waste recycling should increase from 8% to 15%; in Italy (Mezzogiorno), population coverage by waste treatment facilities should increase from 50% to 70%; lastly, in Portugal, the percentage of the population having access to mains public drinking water should increase from 77% to 95%.

- **The selection and implementation of projects.** The integration of environmental concerns at this stage is vital to guarantee the impact of the investments and to ensure that the prior appraisals are correctly applied. The new rules allow environmental authorities to be associated with the implementation and monitoring of environmentally sensitive measures. In addition, the environment Directives have to be complied with, the main ones for the Structural Funds being the Environmental Impact Assessment (EIA) Directive⁵ and the "Birds" and "Habitats" Directives. The rules and the standard clauses in the programming documents expressly stipulate compliance with those provisions. However, experience has shown that progress is needed in the quality and transparency of these studies. In addition, when it comes to project eligibility, the selection criteria must take account of a project's environmental sustainability. The Monitoring Committees are the forum for considering what progress remains to be accomplished on these two points.

The Communication on cohesion policy and the environment

In order to report on the progress already accomplished in integrating the environment into economic and social cohesion policy and to discuss the options for future action towards sustainable development, the Commission adopted in 1995 a communication entitled "Cohesion policy and the environment"⁶. It recognised the progress already made, but identified various aspects which would promote still further the environmental dimension of Structural Fund assistance:

⁵ Council Directive 85/337/EEC of 27 June 1985, OJ No L 175, 5.7.1985.

⁶ COM(95) 509 final of 22 November 1995.

- The Commission will intensify its work towards a better understanding of preventive measures, which are the key to sustainable development. It plans to undertake a critical review of programming documents to identify preventive measures which could be emphasised in the future.
- To encourage environmentally sustainable investment, the Commission will give priority to environmental measures when new programmes are adopted or existing ones revised. To that end, it plans to make more use of the opportunity to differentiate the Community's rate of assistance for environmental measures, as provided for in Article 13 of the Framework Regulation.
- The Commission intends to intensify discussions with the Member States and regions with a view to improving environmental objectives and impact indicators in programmes. This will include a strategic assessment as well as an appraisal of projects. The Monitoring Committees will play a key role here, given that the Member States are responsible for implementing the programmes.
- With regard to project selection and implementation, the Commission wishes to see better application of environmental legislation such as the EIA Directive. The Commission intends to play a more active role in preventing infringements of environmental legislation and, if necessary, will make vigorous use of sanctions, including the repayment of Community funds. To improve and speed up information on this, dialogue with representative non-governmental environmental organisations could be improved.
- Structural Fund assistance should go beyond mere conformity with environmental rules, so the Commission will require project eligibility and selection criteria to reflect the imperatives of sustainable socio-economic and environmental development. The Commission will intensify its discussions on this topic with the Member States and regions in the Monitoring Committees.
- The experience of the environmental authorities is essential for the planning and implementation of the environmental dimension of the programmes, so the Commission will encourage Member States to increase their capacity and participation.

1.3. Monitoring and interim assessment

Reinforcing monitoring

The monitoring and assessment of Fund assistance, the improvement of which is one of the elements of the revised rules and a key factor in their impact, are carried out in the Member States by Monitoring Committees, taking full account of the special nature of the Funds concerned and of local, regional and national circumstances. The new rules insist on the need for better appraisal and for a procedure which goes beyond mere financial monitoring in order to identify how Community resources have actually been used, in other words, to monitor physical implementation, results and the impact of the measures part-financed. With regard to the purely quantitative aspects of such monitoring, the current generation of programmes (1994-96/99) can be regarded as considerably better than the previous one. Where the more qualitative aspects are concerned, it is certainly necessary to improve the monitoring systems and methods applied to appraisals and assessments.

To that end, the Commission has drawn up a working document entitled "Common guide for Monitoring and Interim Evaluation" which contains guidelines intended to assist those responsible for implementing the Structural Funds in the Member States. It should provide a clearer picture of what monitoring and assessment cover and act as a reference manual. It is flexible enough to be adaptable to the very varied situations in each of the Member States while presenting a coherent approach at Community level. As such it supports the monitoring requirements contained in each CSF and SPD. The Commission has no intention of imposing a single framework on Member States, but rather of providing a working document which can be used as a common reference work. To establish effective monitoring rules, the guide requires:

- a definition of the data to be collected, which have to provide the information needed to assess the measures, their results and their impact;
- a definition of the content of the information to be supplied to the Monitoring Committees, whose meetings are the culmination of the work on monitoring the assistance and which provide the

- opportunity for examining the data on monitoring, the results of interim assessment work and proposals for amending the programmes;
- recognition of the importance of the annual progress reports submitted to the Commission, which supply information on the measures taken and their results, progress in administration, the general operational bases, the results of interim assessments and the discussions and decisions in the Committees during the programming period.

Implementation of the interim assessments

General principles: The main purpose of the interim assessments is to reinforce the monitoring mechanism and to give the Monitoring Committees a genuinely useful management tool. They therefore consist of a critical analysis of all the data collected, in particular during the monitoring procedure, and a measurement of the way in which the objectives pursued are gradually achieved, while providing an explanation of any deficiencies and a forecast of the results of the assistance. They also assess the validity of the assistance in progress and the relevance of its objectives. The assessments provide the Monitoring Committees with assessment factors and specific proposals relating to problems arising, with the aim of improving or adjusting, if necessary, the implementation of the measures using the possibilities for amendment offered by the regulations. As a general rule, assistance lasting longer than three years is subject to a mid-term assessment after the end of the third year; this is intended to provide a basis for any necessary amendments. It also undergoes an *ex post* evaluation at the end of the reference period. In the case of Objective 2, where assistance lasts for three years, the mid-term assessment is to be replaced by a provisional report on the assistance provided during the first programming period.

Operational procedure: The interim assessment consists in adopting a systematic procedure for the critical analysis of the information provided by the monitoring system. This procedure, which should be established by each Monitoring Committee, must permit the collection of quantitative data on the physical and financial execution of the measures and on the observed results and impact. In partnership with the Commission, the Monitoring Committees must also organise the assessment procedure: selection of an independent assessor (expert or group of experts), preparation of work specifications, establishment of the timetable for reports, information for the assessor, appraisal of the assessment reports. This procedure must fit in with the Monitoring Committee timetable and its administration work. As a general rule, because of legal requirements, it is intended to organise the interim assessment process for the 6-year Objectives in the following way:

- a preliminary report on the feasibility of the assessment, covering an analysis of the quality and content of the programming document and of the monitoring system established;
- a mid-term assessment report prepared after the third year of activity, followed by additional reports;
- a first summary report at the end of 1999 which will provide the preparatory work for the final *ex post* assessment.

In the case of Objective 2, the mid-term report will be replaced by an analysis before the end of 1996 of the initial results; this will be reinforced by the Objective 2 *ex post* evaluation for 1989-93.

Implementation: After adoption of the CSFs, SPDs and other forms of assistance under Objectives 1, 2 and 5(b), the Commission discussed the general interim assessment approach with the Member States. At the end of often laborious negotiations, a general consensus was reached which, allowing for sometimes substantial nuances of interpretation, finally resulted in support for that approach at the informal ministerial meeting in Madrid in December 1995⁷. However, the Committees' assessment procedures are being introduced very slowly and often run up against problems of an organisational nature. For instance, by the end of December 1995, eight of the nearly 130 Objective 1 committees or

⁷ See Chapter III.A.3. Informal meetings of the ministers responsible for regional policy and planning.

sub-committees had appointed their experts (Ireland, Belgian Hainaut and Corsica), 80 had programmed invitations to tender for the first half of 1996 and 40 had not yet taken a decision. In respect of the 80 which have programmed invitations to tender, the Commission has ensured that special work specifications are being established and adopted by the Monitoring Committees so that assessor selection procedures can be launched.

With regard to Objective 2, the specifics of the interim assessments appear to vary from country to country and will be detailed separately in each case. The Monitoring Committees have paid particular attention to the operational implementation of the method. By the end of December 1995 only three committees (two in Germany and one in Belgium) out of 80 had appointed their assessors. Denmark, Sweden and Finland had launched invitations to tender, France and the Netherlands were planning them but Spain, Italy, the United Kingdom and Austria had not yet adopted any provisions. This made it difficult at the end of 1995 to forecast how many summary reports could actually be prepared before the end of 1996 and be usable for the second Objective 2 programming period (1997-99).

Similarly, for Objectives 3 and 4, the guidelines contained in the "Common guide for Monitoring and Interim Evaluation" were presented in the Member States at special meetings or at meetings of the Monitoring Committees. There was a need to make ESF partners more aware of the assessment of programming and management activities so that the Monitoring Committees could use the results of assessments for the management of measures. In order to formalise the methodology of assessment work, technical assessment groups were set up in the Monitoring Committees; this was accomplished with some difficulty because of the schedule for the procedures for the selection of the independent assessors, which had not yet started by December 1995 in all Member States. An initial report by the independent assessors was awaited at the beginning of 1996. This will provide an analysis of the existing monitoring and assessment systems to be drawn up and recommendations for their improvement within the framework of the interim assessments. The first report assessing the measures will be available at the beginning of 1997.

With regard to Objective 5(b), the interim assessment is based on the guidelines approved in September 1994 by the Committee for Agricultural Structures and Rural Development. That assessment will provide the initial results of the execution and impact of the programmes up to mid 1997. The assessors, whose selection is in progress, will also provide their support for the collection and analysis of data used for preparation of the annual reports by the Monitoring Committees.

In general, considerable progress was made compared with the previous programming period but it will be necessary to ensure that Community expenditure has a significant economic and social return.

1.4. Verification of additionality

Work on verification of additionality in 1995 was a very heavy statistical and accounting exercise both for the Commission and for the Member States. It made all partners aware, sometimes reluctantly, of the importance of the question: to guarantee that eligible public expenditure, whether or not part-financed by the Structural Funds, in eligible regions is maintained at at least the same level in the current programming period as it was in the previous period, 1989-93, so that the funds granted have a genuine impact. However, the results of the work vary greatly according to the stage of the verification process, the Objective and the Member State concerned.

Prior appraisal of additionality

Objective 1: The principle of additionality had been verified by prior appraisal for the eligible regions in 1994 for the period 1994-99 and for the ten Member States concerned at the time the programming documents were being prepared and adopted. In 1995, this was also confirmed for Austria (Burgenland). However, in 1995 there was still a problem with France, which had undertaken to provide, before 31 December 1994, an update of the data in the financial tables included in the SPDs,

those figures being insufficiently representative of the total amount of eligible national expenditure under Objective 1. That undertaking was not respected in 1994, nor was it in 1995. At the end of that year the Commission had still not received any updating of the French SPD data under Objective 1.

The principle of additionality for the regions eligible under Objective 2 had also been verified by prior appraisal in 1994 for the nine Member States concerned, with the exception of Belgium, France, Italy and Luxembourg; a suspensory clause was inserted in the decisions adopting the programming documents for those countries. That clause suspends payment of the second Structural Funds advance until the relevant information needed for a prior appraisal of additionality is provided. The clause was lifted in May 1995 for Belgium and in December 1995 for France after the figures needed to verify that the principle of additionality had been correctly respected *ex ante* were transmitted. It was, however, still in force at the end of 1995 for Italy and Luxembourg⁸. The additionality principle was verified for the three new Member States in 1995 during the adoption of the Objective 2 programming documents.

Objective 5(b): Here, verification has run up against methodological problems. Definition of the eligible areas does not always correspond to the administrative units and this poses problems regarding the availability of data on public expenditure in those areas. In such cases, Member States fell back on methods for estimating expenditure within the areas. For a large number of the eligible areas, additionality information was included in the programming documents or supplied separately by the national administrations. In those cases the Commission was able to verify additionality before approving the programmes. Where the information was not yet available the approval decisions contained a clause suspending Community payments (for example in Germany and the Netherlands) pending transmission of the necessary information. Since then the information has been supplied and the Commission has been able to verify compliance with the additionality principle in all Objective 5(b) areas.

The additionality principle also applies to all measures under Objective 5(a). However, verification poses problems relating to the nature of the measures. Although it has proved possible to verify application of the principle for measures intended to improve structures for the processing and marketing of agricultural and forestry products (Regulations (EEC) Nos 866/90 and 867/90) which were subject to programming, the principle is only partly applicable to measures intended to improve production structures. The diversity of national aid measures for identical purposes and the vast dispersion of administrations makes the gathering of coherent and comparable data difficult. A working paper was discussed in depth with the Member States at a STAR Committee meeting and in the Regulation (EEC) No 866/90 Monitoring Committees during 1995.

The two Member States affected by Objective 6, Sweden and Finland, have both respected the principle of additionality.

On-going assessment of additionality

Nearly all the Objective 2 programming documents were adopted at the end of 1994 so the on-going assessment of additionality for those zones did not commence in 1995, so as not to place an additional burden on procedures. The Commission was to start work in 1996, as for Objective 6.

Objective 1 programmes were adopted earlier, in mid 1994, and the rules for the on-going assessment of additionality were included in the programming documents. This is therefore an obligation resulting from a partnership agreement between each Member State and the Commission which consists in the annual updating of the information initially provided in the programming documents. The Commission did not receive any updated information from the Member States except for Portugal, so in October 1995 it restarted the procedure by sending a letter to all Member States concerned by Objective 1. At that time, three countries (France, Italy and the United Kingdom) had still not respected the time limits in the

⁸ The suspensory clause has since been lifted for Italy.

programming documents. At the end of 1995 the situation was varied: Germany, Belgium, France, Italy and the Netherlands had supplied no figures; Spain, Greece, Portugal and the United Kingdom had supplied incomplete figures (to varying degrees), while Ireland had supplied satisfactory figures which allowed verification of the fact that in 1995 additionality was respected.

Objectives 3 and 4: Figures for the on-going assessment of additionality were requested from all Member States in 1995. Nevertheless, since the Objective 3 programmes were adopted at the end of 1994 and given the new character of Objective 4, the majority of the replies were expected in 1996. Figures received by the end of 1995 (from France and Luxembourg) suggest that additionality has been respected there.

In general terms, despite the relatively slow progress in submitting data, the Commission and the Member States have worked closely and intensively to clarify the methodology for the collection of data and to increase their transparency. Once these bases are in position, future work on verification will be made much easier.

2. Objective 1

2.1. Implementation of Objective 1 in 1995

The second programming period (1994-99) was for the most part launched in 1994; the process continued in 1995. 24 operations were adopted in 1995: one SPD (Austria⁹), 16 OPs, 5 global grants and two major projects, as compared with a total of 141 in 1994 (127 OPs, 11 SPDs and three global grants). Thus, in 1994 and 1995 all the Objective 1 CSFs (6) and SPDs (12) were adopted, together with 143 OPs, 8 global grants and two major projects (i.e. a total of 165 operations not including the CSFs).

With regard to integration between the Funds, 88 of the 165 operations adopted in 1994-95 (53%) concern only one Fund (49 the ERDF, 20 the ESF, 16 the EAGGF and three the FIGF). Of the 34 (21%) financed by two Funds, the vast majority (31) are joint operations by the ERDF and the ESF, with one by the ERDF and the EAGGF, one by the ERDF and the FIGF and one by the ESF and the EAGGF. No operations were adopted involving the EAGGF and the FIGF or the ESF and the FIGF. 31 (19%) operations are financed by three Funds. These all concern the ERDF, the ESF and the EAGGF (not the FIGF), except for one, which involves the FIGF but not the EAGGF. Lastly, 12 (7%) operations were adopted which include financing from all four Funds.

Table 8: Objective 1 - 1995 in the context of programming for 1994-99 (ECU million)

	B	D	EL	E	F	IRL	I	N	AT	P	UK	Total
Programmed	730,0 *	13.640,0 **	13.980,0 **	26.300,0 **	2.189,2 *	5.620,0 **	14.860,0 **	150,0 *	165,6 *	13.980,0 **	2.359,8 *	93.974,6
Adopted	730,0	13.621,9	13.661,1	24.668,3	2.189,2	5.622,5	13.491,6	150,0	165,6	13.905,8	2.359,8	90.565,7
% adopted	100%	100%	98%	94%	100%	100%	91%	100%	100%	99%	100%	96%
Commitments 1994-95	107,0	3.892,1	4.544,9	8.372,4	497,6	1.680,1	3.024,7	37,2	28,8	4.548,8	532,3	27.265,9
% of assistance	15%	29%	33%	34%	23%	30%	22%	25%	17%	33%	23%	30%
Payments 1995-95	79,8	2.470,1	2.760,7	5.570,0	286,7	1.369,6	1.555,4	19,6	14,4	3.263,4	331,4	17.721,1
% of assistance	11%	18%	20%	23%	13%	24%	12%	13%	9%	23%	14%	20%

* Programmed by SPD

** Programmed by CSF

Progress on the implementation of Objective 1 at the end of the first two years of the 1994-99 programming period is fairly satisfactory. Almost all (96%) the assistance programmed has been adopted, as SPDs and as OPs, global grants and major projects. Actual implementation, which commenced for some operations in 1994, is now underway. Almost one third of total assistance has now been committed to the adopted operations, with most progress in this respect by the four Member States which are beneficiaries of the Cohesion Fund and Belgium in the rear with the lowest level of commitments. Naturally, there has been less progress in terms of payments since, apart from advances paid out when assistance is adopted, Community payments are made only at the request of national authorities as actual implementation progresses. The fact that the rate of payment of assistance is only 20% is therefore mainly due to the adoption of programmes in late 1994. However, this has been remedied in some cases in 1995. The situation varies from one Member State to another, again with the four Member States which are beneficiaries of the Cohesion Fund in the lead, with payments approaching one quarter of available aid, and Belgium and Austria bringing up the rear.

⁹ See Chapter I.A.7, Integration of the new Member States into the structural policies.

Consideration of the environment in Objective 1 measures:

Environmental assistance by the Structural Funds in Objective 1 regions and Member States mainly involves direct investment in environmental projects, often on a very large scale. For the period 1994-99, ECU 8 327 million, or 9% of total funding programmed for Objective 1, is explicitly earmarked for environmental investments, most of which concerns measures to bring environmental infrastructures up to standard. The Fifth Periodic Report on the social and economic situation and development of the regions in the Community revealed that these infrastructures are particularly lacking in the most backward regions, despite recent progress. Moreover, they are both vital for protecting the regions they serve from ecological damage and important for their contribution to economic activity in the regions and localities concerned.

The main ecological problems facing Objective 1 regions concern the protection and management of water resources, be they coastal or inland, urban or natural, and the disposal of domestic, industrial and toxic waste; 86% of the appropriations granted directly for the environment under Objective 1 are allocated to these two areas. The projects and measures financed concern the treatment of waste water, water capture and supply, the collection, treatment and recycling of waste and the clean-up of coastal areas and river basins.

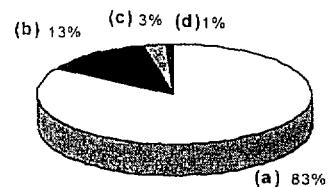
In these regions, much of the support for productive investments also has an indirect beneficial effect on the environment. Such investments mainly concern public transport, the promotion of environment-friendly tourism or energy-saving measures (particularly in SMEs).

A number of agricultural programmes provide for measures to protect the environment, for example by controlling farm pollution and protecting landscapes in rural areas. These measures supplement the environmental measures adopted in the wake of the CAP reform.

Despite their scale, particularly in the countries benefiting from the Cohesion Fund, the infrastructure projects financed under Objective 1 are subject to the same rigorous monitoring, evaluation and environmental impact studies as all other projects.

Table 9: Objective 1 and the environment - breakdown of appropriations allocated directly to the environment in 1994-99 (EUR 12 - ECU million - 1994 prices)

Drainage and distribution of water resources (a)	6.970
Urban and industrial environment, protection of nature (b)	1.057
Collection and treatment of waste (c)	225
Research, training and others (d)	75
Total	8.327



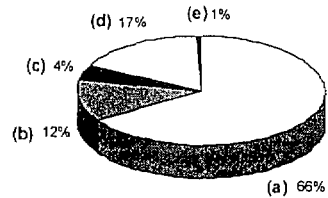
2.2. Country-by-country survey

BELGIUM

SPD programming for 1994-99

ECU million

Priorities	Total	ERDF	ESF	EAGGF	FIFG
Stimulation of economic activity (a)	480,1	388,9	45,5	45,3	0,4
Improving attractiveness (b)	90,6	85,9	3,0	1,7	-
Transport infrastructures (c)	30,9	30,9	-	-	-
Equal opportunities (d)	124,6	7,6	117,0	-	-
Technical assistance (e)	3,8	2,6	1,2	-	-
Total	730,0	515,9	166,7	47,0	0,4
%	100%	71%	23%	6%	0%



Implementation in 1995

Hainaut is the only Belgian province eligible under Objective 1. Its programming was adopted in the form of an SPD in June 1994. The total contribution from the four Structural Funds amounts to ECU 730 million. The most important priority in the SPD concerns aid to industry. By the end of 1995 investment aid had been granted for the creation or expansion of 250 businesses and this will lead to the creation of some 2 000 jobs during the period from July 1994 to the end of 1996. The SPD provides for the creation over six years of some 4 800 jobs under these two measures and about 15 000 jobs under the entire programme. These two measures have been given priority by the Walloon authorities and are progressing rapidly.

The technical and financial committees approved fewer projects under the other priorities in 1994 and 1995, so no significant results have yet been attained for these. Approved measures mainly concern strengthening the research and development poles, cleaning up derelict industrial and urban sites, access to and facilities for industrial zones, water and waste management and transport infrastructure.

The environment in the SPD for Hainaut: no separate priority is dedicated to the environment, but it forms part of two different priorities. Firstly, the priority concerning economic revival includes a special measure for the industrial environment, aiming at reclaiming derelict industrial and urban sites and so on (with ECU 42 million from the ERDF). Secondly, the priority to enhance the attractiveness of the area includes environmental measures for the management of water resources and waste (with ECU 47 million from the ERDF) and for training in environmental protection (ECU 3 million from the ESF). In all, the Community's contribution to these environmental measures amounts to ECU 92 million, i.e. 13% of the entire allocation to Hainaut.

1995 in the context of the 1994-99 programming period

Overall, not enough appropriations have been taken up yet for the 1995 ERDF instalment to be committed (but this is now planned for 1996). By contrast, utilization of the EAGGF, ESF and FIFG appropriations is proceeding normally and the 1995 instalments have been committed. In addition, at its second meeting in 1995 the Monitoring Committee decided to transfer some EAGGF appropriations from measures for the food industry to aquaculture projects financed by the FIFG.

Table 10: Objective 1 - Belgium - Financial implementation of the SPD (ECU million)

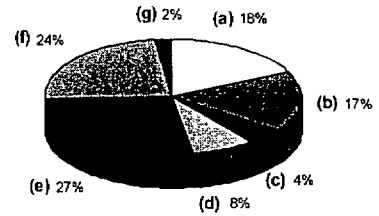
Programme and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Hainaut	2 411,7	730,0	9,0	107,0	15%	29,6	79,8	75%

GERMANY

CSF programming for 1994-99

ECU million

Priorities	Total	ERDF	ESF	EAGGF	FIFG
Productive investment (a)	2.430,6	2.375,2	55,4	-	-
Aid for SMEs (b)	2.317,9	2.064,7	253,2	-	-
R&D, innovation (c)	613,1	485,0	128,1	-	-
Environment (d)	1.105,7	805,7	300,0	-	-
Human resources, training (e)	3.648,2	584,1	3.064,1	-	-
Agriculture, rural areas, fisheries (f)	3.224,3	425,3	107,3	2.608,2	83,5
Technical assistance (g)	300,2	80,0	183,9	36,3	-
Total	13.640,0	6.820,0	4.092,0	2.644,5	83,5
	%	100%	50%	30%	1%



A CSF was adopted for the new German Länder in 1994. It is being implemented by means of 18 operational programmes entailing Community assistance totalling ECU 13 622 million. The CSF takes an integrated approach with three OPs for each of the new Länder relating to economic development (mainly funded by the ERDF, with additional measures by the ESF and the EAGGF), development of the labour market (mainly funded by the ESF, with additional measures by the ERDF and the ESF) and development of rural areas (mainly funded by the EAGGF, with additional measures by the ERDF and the ESF). In Eastern Berlin, measures by all three Funds are integrated into a single OP. Two other programmes, one funded by the ESF and the other by the FIFG, are being implemented horizontally in all the Länder.

Implementation in 1995

Implementation of the priorities in the CSF is progressing well. At 31 December 1995, about 9 300 projects had received aid from the ERDF. 64 600 new jobs had been created, and about 117 000 maintained, thanks to productive investments and aid to SMEs. The rural development programmes opened the way for 20 300 jobs to be created or maintained in 1994-95.

Measures to improve the environment in the new Länder have a priority to themselves in the CSF. They are mostly financed by the ERDF (ECU 806 million, or 12% of all ERDF appropriations for the CSF), with a substantial contribution from the ESF (ECU 300 million). In all, this represents ECU 1 106 million from the Structural Funds, accounting for 8% of aid under the CSF. The environmental priority in the CSF is implemented by means of measures included in each of the regional OPs. The ERDF measures concentrate on industry and commerce, businesses supplying environmental products and services and the development of environmental protection infrastructure (rehabilitation of derelict industrial and commercial sites, creation of water treatment facilities, environmental technology activity centres, service enterprises and environmental agencies whose task is to advise and inform SMEs). ESF funding goes to skilling in the context of employment projects and the promotion of ecological occupations, for example by providing training for employees in SMEs. At the end of 1995, 461 projects had already received aid under this priority.

Under the CSF priority relating to aid for productive investments and economic support infrastructures, most aid for productive investment has gone towards setting up subsidiaries and independent activities, rationalizing and converting existing firms, and commercial tourism. Investments in support infrastructure concern the development of commercial and industrial sites, technology centres, industrial and business parks, supply and waste disposal facilities and public tourism services. About 35% of the ERDF appropriations available for the programming period have been allocated to this priority, under which 2 480 projects had received ERDF aid by the end of 1995 (including 1 308 in Saxony) and about 24 400 jobs had been created and some 57 700 maintained (including 32 800 in Saxony). Although the ESF's contribution to this priority is relatively meagre (1.4% of appropriations), it is important because it goes towards placing job-seekers, particularly young people, and creating in-house training places.

Under the CSF priority relating to aid to SMEs, an initial set of measures concerns productive investment (creation of SMEs and expansion, rationalization and conversion of existing SMEs). A second set of measures concerns support services for SMEs (creation and utilization of infrastructures such as industrial and business parks, supply and waste disposal services; shared premises and services such as technology and innovation centres and business incubators; creation of shared business facilities for vocational training; mobilization of local development potential; market access and business management assistance). About 30% of ERDF appropriations for 1994-99 have been allocated to this priority. The ESF contribution (about 6% of appropriations) goes towards continuing training and job stabilization. Particular effort is being focused on improving management in SMEs in the following areas: organization of work and staff, management, marketing, product creation and quality. With regard to the Eastern Berlin OP, at the end of 1995 the Commission authorized the transfer of about ECU 48 million from the priority concerning aid for productive investments to the development of industrial and commercial sites, to make available a greater number of sites for leasing to regional SMEs. By the end of 1995, 5 536 projects had received aid under this priority, and about 35 000 jobs were created and some 53 500 maintained.

Another of the CSF's priorities concerns research, technological development and innovation. Measures include, for example, investments in research services and laboratories, aid to technology centres and product creation and advice on technology and marketing. ESF assistance under this priority concerns mainly investments in vocational training and the placement of young researchers (as innovation assistants, for example). It has not been possible to utilize all of the available funds (3% of all ESF appropriations). Given the importance of this priority for the economic development of the Länder, a special effort will be made to catch up. By the end of 1995 307 projects had received aid under this priority, 40% of which are in Eastern Berlin.

The operational programmes to stimulate employment cover a wide range of measures to assist the labour market and restructure education and training systems. About 80% of ESF appropriations for 1995 were concentrated on these OPs (ECU 489 million). The lion's share of ESF assistance is channelled towards young people (Youthstart type measures) to guarantee apprenticeship training places and specific packages to help young people from deprived backgrounds. Specific modular training courses are planned for the unemployed to provide vocational and social skills, language training and training abroad. Special attention is given to vocational training for women and their (re)integration into working life; in addition to specific measures, provision is made to maintain the high rate of female employment (above 50%). Substantial assistance is provided for the creation of independent activities and management for SMEs. ESF assistance makes a substantial contribution to the employment programmes in the new Länder, accounting for 20-35% of their expenditure. An estimated 100 000 people have taken part in measures part-financed by the ESF. The ERDF will also contribute under this CSF priority, to the tune of ECU 584.1 million (9% of ERDF appropriations for 1994-99), for measures to create and develop training places and training workshops for industry and business, vocational schools and specialized colleges as well as vocational training centres.

The operational programmes relating to rural development aim at improving the economic situation in agriculture. The ERDF will contribute ECU 425.3 million (about 6% of ERDF appropriations for 1994-96) for the development of infrastructure in rural areas (equipping of industrial and business sites, infrastructure to support economic activities). By the end of 1995 439 projects had received ERDF aid under these OPs. In the food industry there has been a transfer of activities away from milk and meat (the drastic reduction in livestock production has resulted in overcapacity in slaughterhouses) towards flowers and plants and fruit and vegetables. As a rule, investment is concentrated on new products which require more sophisticated processing. Lastly, village renewal is without doubt a motor for rural development. It mobilizes a great deal of private capital in a multitude of small investments which have a remarkable impact on local craft activities and the creation of jobs outside agriculture in rural areas. The ESF is contributing ECU 107.3 million (3% of ESF appropriations for 1994-99) to these OPs for measures to strengthen and maintain jobs (SMEs) in areas such as tourism, commerce and environmental improvement. Priority is given to the skilling and (re)integration of the unemployed (more than 50% women), where measures often include contributions from other Funds.

It was necessary to reprogramme FIGG measures to assist fisheries to cope with an accelerated rate of investment in certain areas of assistance.

Lastly, the 1994-99 CSF contains ECU 300.2 million for technical assistance. At the end of 1995, 269 ERDF measures had been approved and set up, mostly for the implementation and monitoring of the OPs.

With regard to the mid-term review of the programmes, *ad hoc* committees set up in the second half of 1995 have drawn up a detailed timetable for the presentation of assessment reports at Länder level (the final reports are scheduled for April 1997) and the summary report at CSF level (final report scheduled for July 1997) and have fixed the terms of reference for the evaluation, which have been adopted by the Monitoring Committee.

1995 in the context of the 1994-99 programming period

With regard to the financial implementation of the CSF, commitments are quite satisfactory at 29% of Structural Fund assistance. At the end of 1995, payments for 1994 and 1995 amounted to ECU 2 470 million, ERDF payments were ECU 1 027, i.e. 15% of ERDF appropriations for 1994-99 and 95% of the instalments for 1994 and 1995. Good progress is also being made in EAGGF operations in the new Länder. Investments and projects have been launched on a large scale and the take-up of appropriations is satisfactory.

Table 11: Objective 1 - Germany - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
<i>Regional OPs</i>								
OP Eastern Berlin	2 442,9	743,1	110,0	211,4	28%	47,2	107,0	51%
OP Brandenburg (1)	6 141,4	964,8	95,4	226,3	23%	87,2	155,8	69%
OP Brandenburg (2)	2 417,8	729,9	107,3	207,2	28%	85,3	162,1	78%
OP Brandenburg (3)	889,1	471,9	70,2	134,8	29%	55,8	104,5	77%
OP Mecklenburg-Western Pomerania (1)	5 819,0	785,1	117,7	224,2	29%	123,8	177,1	79%
OP Mecklenburg-Western Pomerania (2)	1 880,7	676,6	197,8	296,6	44%	79,0	156,4	53%
OP Mecklenburg-Western Pomerania (3)	808,6	362,2	54,9	104,6	29%	44,7	69,5	66%
OP Saxony (1)	8 905,0	2 081,2	267,4	590,1	28%	156,3	391,9	66%
OP Saxony (2)	1 679,4	621,5	86,9	179,8	29%	76,9	142,3	79%
OP Saxony (3)	948,3	659,8	107,3	146,2	22%	65,3	84,8	38%
OP Saxony-Anhalt (1)	9 488,8	1 190,8	177,1	338,6	28%	48,1	128,8	38%
OP Saxony-Anhalt (2)	2 059,0	583,5	81,3	173,9	30%	77,5	124,2	71%
OP Saxony-Anhalt (3)	974,2	590,6	80,2	161,1	27%	40,1	102,8	64%
OP Thuringia(1)	8 240,4	1 021,8	152,6	291,3	29%	10,6	118,8	41%
OP Thuringia(2)	2 432,9	521,0	77,2	149,4	29%	52,1	89,4	60%
OP Thuringia(3)	775,6	457,9	68,1	130,8	29%	66,5	97,9	75%
<i>OP Multiregional</i>								
OP Fisheries	197,2	81,5	12,0	19,0	23%	8,1	11,6	61%
OP Training of labour force	2 360,5	1 076,7	159,5	306,7	28%	127,6	245,4	80%
TOTAL	58 466,9	13 621,9	2 022,6	3 892,1	29%	1 252,0	2 470,1	63%

(1) Economic development

(2) Rural development

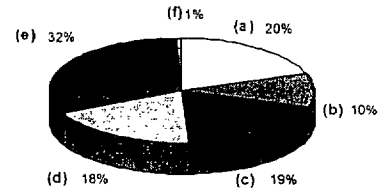
(3) Labour market

In 1995 the CSF for 1991-93 was still being completed. By the end of the year 100% of Structural Fund appropriations had been committed. ECU 1 437 million, or 92% of the total ERDF appropriations available under the 1991-93 CSF (ECU 1 567 million), had been paid by the end of 1995 without any payments actually having been made during 1995 itself, because the final reports and final payment requests for the completed OPs were not yet available at the end of the year. The deadline for presentation of these reports is 30 June 1996 for Mecklenburg-East Pomerania, Saxony and Saxony-Anhalt. The deadline for Eastern Berlin, Thuringia and Brandenburg was postponed to 30 June 1997 because the payment deadline had to be extended as a result of organizational difficulties arising from an unclear legal position concerning property and delays in the call for funds by private investors.

GREECE

CSF programming for 1994-99

Axes prioritaires	ECU million				
	Total	FEDER	FSE	FEOGA	IFOP
Major infrastructure (a)	2.737,1	2.699,5	37,6	-	-
Improvements in living standards (b)	1.456,8	1.436,8	20,0	-	-
Economic competitiveness (c)	2.684,3	1.210,2	75,1	1.269,0	130,0
Human resources and employment (d)	2.556,3	377,0	2.179,3	-	-
Reduction of regional disparities (e)	4.474,4	3.707,4	236,0	531,0	-
Technical assistance (f)	71,1	58,6	12,5	-	-
Total	13.980,0	9.489,5	2.560,5	1.800,0	130,0
%	100%	68%	18%	13%	1%

*New programmes adopted in 1995*

Most of the OPs and major projects in the Greek CSF for 1994-99 were adopted in 1994. The remaining OPs, concerning tourism and culture, telecommunications and postal services, were negotiated and adopted in 1995. The only OP remaining to be adopted in 1996 concerns technical assistance and includes the accompanying measures needed to adapt Greece's public administration to the second CSF.

The OP relating to tourism and culture was adopted in November 1995. It consists of two sub-programmes, one for tourism and one for culture. The total cost to the public sector is ECU 479.3 million, of which the Structural Funds will contribute ECU 229.1 million (ECU 219.1 million from the ERDF and ECU 10 million from the ESF). The private sector is to contribute ECU 316.3 million to the subprogramme for tourism. The aim of this subprogramme is to alleviate the problems besetting the Greek tourist industry by extending the tourist season, achieving a more balanced geographical distribution of tourist activities and improving the quality of tourism products (particularly accommodation and human resources). The cultural infrastructure receiving funding is directly linked to the development of tourism (museums, restoration of monuments, conference centres).

The telecommunications OP has been allocated ECU 172.7 million from the Structural Funds (ECU 142.2 million from the ERDF and ECU 30.5 million from the ESF). Its objective is to bring the Greek regulations into line with European legislation, bring the network up to standard in the outlying regions and improve the quality of telecommunications services by digitizing the network and developing new advanced services.

The OP for the postal services will receive Community assistance worth ECU 78 million (ECU 70.9 million from the ERDF and 7.1 million from the ESF). The total cost of the programme is ECU 117.1 million. Its objective is to improve the quality of the service, to reorganize and upgrade operations and to review the legislation in this area.

Implementation in 1995

The environment is the subject of a subpriority in the improvements in living standards priority of the Greek CSF. The main objectives concern several types of operation: monitoring the various sources of pollution (water, noise, air); management of water resources and waste water; management of household and toxic waste; prevention of major environmental risks; improvement of air quality, particularly in Attica; regional planning, including the creation of a register giving priority cover to biotopes. This subpriority will absorb 35% of the ERDF contribution. It is the subject of a national OP with ECU 376.7 million from the ERDF. In addition, environmental measures are included in the different regional programmes. In total, the Community will contribute ECU 624 million to the Greek environment (4% of the CSF).

Among the programmes adopted in 1994, the agriculture OP stands out. This single-fund OP financed by the EAGGF is part of the national section of the CSF and consumed almost all its appropriations for 1995. This was due to the excellent progress made by certain measures, such as those under Objective 5(a), the completion of projects commenced earlier and forestry measures. In 1995 the

programme was allocated a further ECU 13.3 million following the indexing of the CSF, so that new measures could be launched. The situation with regard to the regional section of the CSF is more complex because of the great variety of assistance and the plethora of aid schemes, the innovative nature of many of the rural development measures and the introduction of new management arrangements for the regional OPs. Progress was therefore slower than expected. However, all the initial teething troubles were resolved in 1995 and most of the delays should be made up in 1996. In general, the regional OPs are progressing faster than the national OPs. This is because they involve smaller-scale projects and could therefore be launched more quickly, while major projects require new implementing structures to be set up first.

Agricultural structures and rural development: some important achievements

- 170 000 holdings received compensatory allowances;
- 1 327 new investment plans were approved;
- 900 ha were reafforested, 630 ha of national forests and parks improved, 1 160 ha of ravines improved, 2 030 ha of forest protected;
- 58 water management projects were completed and 8 important new projects started;
- 420 ha of vine (affected by phylloxera) were included in the new programme.

The institutional framework and the arrangements for coordination of the network were set up for the human resources priority. A central agency is responsible for planning and general programming. It also coordinates "observatories" of trends in industry, the labour market and skills and qualifications. Another of its tasks is to develop training specifications and study programmes, as well as generally monitoring the implementation of continuing training activities. In addition, arrangements for the certification of continuing training have been introduced. Under these arrangements approval was given first to training centres and then to instructors and continuing training courses. The objective of certifying those responsible for training and instructors is to ensure that continuing training is compatible with the initial training system run by the Ministry for National Education.

The fisheries OP was implemented in two phases in 1995. In the first phase the national authorities adopted the legal framework for the application of the OP; in the second phase the first ministerial decisions were taken concerning potential beneficiaries and measures were implemented. The Monitoring Committee held two meetings, which helped to speed up the launching of the first measures under the programme, particularly those concerning sea fisheries. 80% of FIFG appropriations for 1994 have been paid to Greece and implementation of measures progressed well enough for the 1995 appropriations to be committed.

Two other programmes were amended in 1995: the industry and services OP and the environment OP. The amendments were decided by the Monitoring Committee and concern only financial reprogramming to take account of delays in launching the programmes. This late start was caused by the major legislative and preparatory work needed because of the innovative nature of some of the measures.

New structures:

Success of the Greek CSF depends on the creation of effective implementing structures, such as *agencies* for the construction of motorways and railways, realization of the cadastral survey, etc. (Egnatia S.A., Ergose, Cadastre). These agencies were set up in 1995 and have already started to function.

Another major innovation is the two structures provided for in the CSF, never before seen in Greece, the "*one-stop-shop*" for productive investments and the "*management organization unit*" to improve the management and monitoring of the CSF. These innovations will help to improve the quality of implementation of structural operations in Greece.

Considerable effort has also been made to improve the *public works* system. Great progress has been made on the public works programme and many of the points have already been implemented and become law (e.g. the amendment to the basic law on public works and the adoption of presidential decrees, circulars and ministerial decisions).

1995 in the context of the 1994-99 programming period

The CSF has taken up 70% of total appropriations for 1995 and an aggregate of 55% for 1994 and 1995. Progress made in 1995 on the implementation of OPs and major projects made it possible to commit and pay large amounts (ECU 2 653 million committed and ECU 1 706 million paid). ERDF commitments have already exceeded forecasts and the ERDF allocation for Greece for 1995 (ECU 1 813 million committed instead of ECU 1 405 million).

Table 12: Objective 1 - Greece - Financial implementation of the programmes (ECU million)

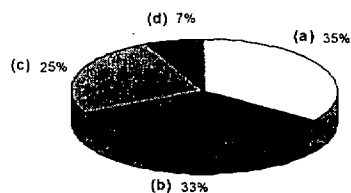
Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
<i>Multiregional OPs</i>								
OP Culture, tourism	795,6	229,1	19,5	19,5	8%	9,7	9,7	50%
OP Postal services	117,1	78,0	10,8	10,8	14%	0,5	0,5	4%
OP Telecommunications	321,8	172,7	45,9	45,9	27%	1,7	1,7	4%
1994								
<i>Regional OPs</i>								
OP Attica	938,6	685,7	195,9	298,7	44%	106,5	158,0	53%
OP Crete	435,3	312,3	84,2	131,0	42%	49,7	73,1	56%
OP Northern Aegean	327,9	210,2	58,3	89,8	43%	32,7	48,5	54%
OP Southern Aegean	380,0	224,1	32,9	66,6	30%	26,7	43,5	65%
OP Epirus	346,9	236,5	57,8	93,2	39%	24,0	41,7	45%
OP Continental Greece	623,0	371,8	54,1	109,9	30%	56,8	84,7	77%
OP Western Greece	501,6	301,5	44,3	89,5	30%	45,2	67,9	76%
OP Ionian Islands	228,2	170,7	24,7	50,3	29%	26,4	39,2	78%
OP Central Macedonia	816,9	588,5	86,5	174,8	30%	90,1	134,2	77%
OP Western Macedonia	308,1	219,4	31,9	64,4	29%	34,5	50,7	79%
OP Macedonia-Thrace	689,0	494,3	72,7	146,8	30%	74,4	111,5	76%
OP Peloponnese	440,2	286,0	42,0	84,9	30%	17,6	39,1	46%
OP Thessaly	560,9	375,8	55,2	111,6	30%	59,6	87,7	79%
<i>Multiregional OPs</i>								
OP Agriculture	2 795,3	1 247,7	354,0	535,4	43%	253,3	405,8	76%
OP Railways	490,1	294,1	85,9	138,1	47%	84,4	110,5	80%
OP Urban development (underground railway)	1 566,0	783,0	294,5	411,0	52%	119,7	212,9	52%
OP Education and basic training	1 847,6	1 385,7	205,6	395,8	29%	157,2	252,2	64%
OP Energy	946,3	352,1	108,3	152,7	43%	55,0	77,2	51%
OP Environment	515,0	376,7	57,6	95,3	25%	30,3	49,1	52%
OP Social exclusion	328,0	246,0	35,0	68,8	28%	23,3	40,2	58%
OP Continuing training	1 283,0	756,0	105,0	208,8	28%	79,6	131,5	63%
OP Natural gas	825,4	354,6	75,8	116,5	33%	62,3	94,9	81%
OP Industry and services	2 808,9	720,0	110,2	182,2	25%	56,3	92,3	51%
OP Modernization of the civil service	305,4	168,6	25,0	48,2	29%	13,5	25,1	52%
OP Fisheries, Aquaculture	311,7	150,0	22,3	42,8	29%	5,3	15,6	36%
OP Research and technology	579,3	316,2	48,4	80,0	25%	32,8	48,6	61%
OP Roads-Ports-Airports	3 182,4	1 327,4	205,6	455,9	34%	75,1	200,3	44%
OP Health and prevention	339,0	226,4	3,1	25,7	11%	1,6	12,9	50%
TOTAL	25.954,6	13.661,1	2.653,0	4.544,9	33%	1.705,8	2.760,7	61%

It should be remembered that for practical purposes 1995 was the year in which the OPs under the CSF for 1989-93 were finally terminated. National payments were extended into 1995 (up to 30 September 1995 for most OPs) and the amounts still not spent on the OPs and Community Initiatives could therefore be fully utilized.

SPAIN

CSF programming for 1994-99

Priorities	ECU million					
	Total	ERDF	ESF	EAGGF	FIFG	
Adjustments to the system of production (a)	9.075,4	4.340,4	426,2	3.313,8	995,0	
Human resources (b)	8.779,8	3.159,0	5.620,8	-	-	
Access to isolated areas (c)	6.517,6	6.517,6	-	-	-	
Basic infrastructure (d)	1.927,2	1.927,2	-	-	-	
Total	26.300,0	15.944,2	6.047,0	3.313,8	995,0	
	%	100%	61%	23%	13%	4%



Since 1 February 1994, 33 regional OPs, 13 multi-regional OPs and seven global grants have been approved for Spain. Of the ECU 26 300 million allocated to Spanish Objective 1 regions in the CSF, 94% (ECU 24 668 million) have therefore been programmed for the different forms of assistance.

New programmes adopted in 1995

Seven new operations were adopted in 1995, with Community assistance totalling ECU 627.2 million. These operations include four global grants, all under the main priority of the CSF, namely adjustment and development of the production structure. These global grants are for the regions of Salamanca, Castile-León and Andalusia and for SMEs. The global grant for Salamanca will be implemented by "Consortio Salamanca Emprende", a public body set up by agreement between the province, the municipality of Salamanca and partners such as the chamber of commerce, the unions and the university. Its main objective is economic development (investments in industry, crafts and services, RDT measures, promotion of local products and the region's tourist image, creation of a service centre for businesses) and the provision of technical assistance to change the mentality of local operators and encourage them to invest in their businesses. The global grant for Castile-León is to be implemented by a public company the "Sociedad para el Desarrollo Industrial de Castilla y León SA" intended to stimulate the development and consolidation of entrepreneurial projects seeking to modernize and diversify the region's industry. It will achieve this by offering venture capital formulas or technical assistance to entrepreneurs. The global grant for Andalusia, which is the largest global grant adopted in financial terms (ECU 223.9 million), will be implemented by the regional authorities and has three objectives: modernization of productive structures by supporting investments in businesses (industry and services, mainly tourism), technological modernization of businesses and upgrading of human resources. Lastly, the non-regional global grant, to be implemented by the Council of Chambers of Commerce, Industry and Navigation, focuses on internationalizing SMEs by means of measures to prepare for external promotion and support, information and promotion measures.

The three other operations approved in 1995 are single-fund OPs. The first provides for ESF assistance in Cantabria (ECU 8.96 million) and the other two are EAGGF programmes worth ECU 355.8 million for Andalusia and technical assistance. Adoption of the multi-regional programme for economic diversification in rural areas would mean that all the CSF appropriations for the EAGGF had been programmed.

Implementation in 1995

Environmental concerns have, for the first time, been integrated into all the operations provided for under the Spanish CSF, through the national strategic plan for the environment. This concern can be seen in the objectives and the priorities for assistance. The objectives concern persistent problems in Spain: the fight against desertification (reafforestation, forest hydrology, combating erosion and forest fires); improvement of water quality and water management (with the objective of reducing demand, particularly in farming); management of human and industrial waste; promotion of renewable sources of energy; upgrading the urban environment by means of mechanisms to coordinate the different authorities (urban planning, traffic in and around cities, noise, atmospheric pollution).

The CSF priority relating to human resources includes a subpriority containing training measures in sectors concerned with the environment, with an ERDF allocation of ECU 1 730 million. However, most of the environmental measures can be found under the priority relating to the development of infrastructure and concern either energy or water. This priority has an ERDF allocation of ECU 1 927 million and accounts for 7.3% of total Community funding to the CSF. Water infrastructure alone will receive ECU 1 304 million (43% of the environment budget). In all, the direct investment for the environment in Spain (training and water infrastructure) represents ECU 3 034 million, or 11.5% of CSF appropriations.

Most of the decisions approving investments in 1995 had to contain suspensory clauses because, on the one hand, of the time lag between the official date when the programming was launched and the commencement of implementation and, on the other hand, the very large number of aid schemes part-financed by the Structural Funds which need to be scrutinized for compliance with Articles 92 and 93 of the Treaty. EAGGF assistance progressed satisfactorily on the whole, with all the programmed appropriations committed except for the OP for Cantabria, which was delayed. By contrast, part of the 1996 instalment for the OP for Objective 5(a) measures was already committed in 1995. It is also worth noting that most operations were reprogrammed at the request of the Spanish authorities. It should be stressed that commitment appropriations were fully utilized.

With regard to operations in the fisheries sector, implementation of the fisheries OP did not commence until 1995 because it was not adopted until December 1994. 60% of the 1994 instalment was implemented, so that the second advance for the financial year could be paid to the Member State and the 1995 instalment could be committed. Nevertheless, the annual timetable had to be reprogrammed, with ECU 56 million being transferred from the 1994 instalment to the 1995 instalment and ECU 20 million from the 1999 instalment to the 1995 instalment¹⁰.

¹⁰ For aid granted to crews and shipowners affected by the expiry of the fisheries agreement with Morocco, see also Chapter I.A.5.2 (Objective 5(a) fisheries).

1995 in the context of the 1994-99 programming period

Table 13: Objective 1 - Spain - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
<i>Regional OPs</i>								
OP Andalusia (3)	575,3	342,0	103,7	103,7	30%	51,8	51,8	50%
GG Andalusia	1.894,5	223,9	67,9	67,9	30%	0,0	0,0	0%
OP Cantabria (2)	12,0	9,0	1,4	1,4	15%	0,7	0,7	50%
GG Salamanca	39,1	12,9	6,3	6,3	49%	3,1	3,1	50%
GG Sodalca (Castile-León)	43,1	6,5	3,6	3,6	55%	1,8	1,8	50%
<i>Multiregional OPs</i>								
GG Chambers of commerce	37,0	19,2	1,1	1,1	6%	0,0	0,0	0%
OP Technical assistance (3)	18,4	13,8	2,0	2,0	14%	1,0	1,0	50%
1994								
<i>Regional OPs</i>								
OP Andalusia (2)	434,0	325,5	50,3	74,0	23%	37,0	48,9	66%
OP Andalusia (1)	5.559,0	2.938,9	478,4	1.033,9	35%	549,4	827,1	80%
OP Asturias (3)	116,5	81,1	12,8	25,2	31%	13,9	20,1	80%
OP Asturias (1)	1.398,5	809,2	206,8	303,0	37%	111,7	159,8	53%
OP Asturias (2)	41,6	31,2	5,1	10,5	34%	6,8	8,3	78%
OP Canary Islands (1)	1.179,4	694,7	266,8	368,4	53%	225,0	275,9	75%
OP Canary Islands (2)	215,2	182,9	29,7	54,8	30%	14,8	27,4	50%
OP Canary Islands (3)	154,4	80,7	11,1	29,8	37%	14,5	23,8	80%
OP Castile-León (3)	746,3	381,1	58,1	105,3	28%	60,7	84,2	80%
OP Castile-León (2)	172,6	129,4	0,0	19,7	15%	0,0	9,8	50%
OP Castile-León (1)	2.752,3	1.612,6	228,1	403,0	25%	235,0	322,4	80%
OP Castile-La-Mancha (1)	1.779,5	936,6	187,5	310,1	33%	211,3	272,6	88%
OP Castile-La-Mancha (3)	628,5	288,4	46,7	85,2	30%	34,9	54,2	64%
OP Castile-La-Mancha (2)	47,5	35,6	5,9	11,7	33%	6,6	8,5	73%
OP Ceuta (1)	70,9	47,4	13,3	28,3	60%	15,1	22,6	80%
OP Extremadura (3)	307,1	174,8	30,7	47,4	27%	20,4	28,7	61%
OP Extremadura (1)	1.577,5	1.011,9	124,5	216,2	21%	127,1	172,9	80%
OP Extremadura (2)	209,9	167,9	0,0	21,4	13%	0,0	10,7	50%
OP Galicia (3)	464,1	303,5	44,5	82,5	27%	47,0	66,0	80%
OP Galicia (1)	2.493,4	1.544,5	519,8	806,6	52%	315,1	458,5	57%
OP Galicia (2)	242,0	181,5	25,5	48,8	27%	28,7	37,4	77%
OP Melilla	82,4	42,1	12,1	15,9	38%	7,2	9,1	57%
OP Murcia (2)	59,4	44,6	0,0	5,6	13%	0,0	2,1	37%
OP Murcia (3)	127,3	55,6	9,3	17,4	31%	7,1	11,1	64%
OP Murcia (1)	767,3	487,3	160,1	228,7	47%	94,5	128,8	56%
GG Murcia	562,3	79,2	0,0	12,3	16%	0,0	6,1	50%
OP Cantabria multiregional (3)	110,8	54,3	0,0	5,3	10%	1,6	4,2	80%
OP Cantabria multiregional (1)	536,6	343,0	105,0	134,7	39%	39,7	54,5	40%
OP Cantabria regional (1)	158,6	105,0	0,2	14,6	14%	0,1	7,3	50%
OP Valencia (1)	3.691,7	1.207,9	507,9	726,3	60%	340,4	449,6	62%
OP Valencia (2)	413,2	309,9	64,2	127,3	41%	70,8	95,2	75%
OP Valencia (3)	274,2	103,5	17,5	32,4	31%	18,5	25,9	80%
<i>Multiregional OPs</i>								
OP Regional assistance	3.125,9	387,0	85,7	164,5	43%	108,0	147,4	90%
GG Competitiveness of SMEs	300,9	210,6	36,0	66,7	32%	53,4	53,4	80%
OP Doñana Phase 2 (4)	213,9	146,6	0,0	57,8	39%	0,0	28,9	50%
OP Local environment	828,6	580,6	0,0	96,8	17%	0,0	48,4	50%
OP FORCEM	447,6	262,5	41,3	97,5	37%	20,6	48,8	50%
OP Food industry	3.028,6	1.220,0	234,7	443,5	36%	183,4	319,9	72%
OP INEM	3.426,3	2.569,8	411,2	776,2	30%	388,1	570,5	74%
OP Scientific infrastructure	479,4	342,2	72,7	135,6	40%	21,2	52,7	39%
OP Local	812,5	580,6	96,8	193,5	33%	29,0	77,4	40%
OP Ministries	52,9	39,7	0,0	5,6	14%	0,0	2,8	50%
OP Ministry of Education	1.935,8	1.451,9	146,5	319,0	22%	159,5	245,7	77%
OP Autonomous bodies	416,6	312,4	56,8	92,7	30%	32,2	50,2	54%
OP Fisheries	2.158,0	995,0	167,9	304,5	31%	41,0	109,2	36%
GG Industrial technology	482,5	150,2	21,5	26,5	18%	22,5	22,5	85%
TOTAL	47.702,8	24.668,3	4.778,9	8.372,4	34%	3.772,2	5.570,0	67%

(1) Single-fund OP - ERDF

(2) Single-fund OP - ESF

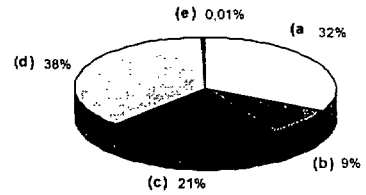
(3) Single-fund OP - EA GGF

(4) Including appropriations implemented under budget heading B2-1820 (transitional and innovative measures).

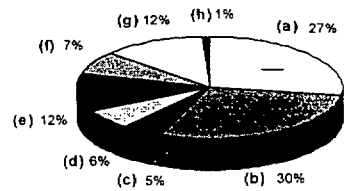
FRANCE

SPD programming for 1994-99
Avesnes-Douai-Valenciennes

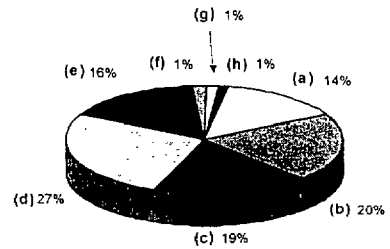
Priorities	ECU million			
	Total	ERDF	ESF	EAGGF
Stimulation of economic activity (a)	141,8	100,8	22,3	18,7
Research and development (b)	38,6	34,1	4,5	-
Human resources (c)	92,5	43,9	48,6	-
Regional regeneration (d)	165,1	128,4	6,1	30,6
Technical assistance (e)	2,0	0,9	0,9	0,2
Total	440,0	308,1	82,4	49,5
%	100%	70%	19%	11%

SPD programming for 1994-99
Corsica

Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Reducing isolation (a)	67,9	67,9	-	-	-
Agricultural and marine production (b)	72,4	1,5	-	63,4	7,5
Universities, research (c)	12,5	12,5	-	-	-
Tourist and cultural heritage (d)	15,0	15,0	-	-	-
Environment (e)	30,7	30,7	-	-	-
Economic development (f)	18,3	18,3	-	-	-
Human resources (g)	31,0	0,6	30,4	-	-
Technical assistance (h)	2,1	0,9	0,6	0,6	-
Total	249,9	147,4	31,0	64,0	7,5
%	100%	59%	12%	26%	3%

SPD programming for 1994-99
Overseas departments

Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Access, spatial balance (a)	214,6	202,7	1,8	10,1	-
Environment and infrastructures (b)	305,9	291,1	-	14,8	-
Production, competitiveness, industry, crafts (c)	279,7	178,6	46,3	48,7	6,1
Human resources, social balance (d)	394,3	35,1	359,2	-	-
Agriculture, rural development (e)	242,7	-	-	242,7	-
Fisheries and aquaculture (f)	24,5	-	-	-	24,5
Tourism (g)	21,1	21,1	-	-	-
Technical assistance (h)	16,4	9,8	4,8	1,7	0,1
Total	1,499,2	738,4	412,1	318,0	30,7
%	100%	49%	27%	21%	2%



Implementation in 1995

Environmental concerns in the French SPDs are very varied because of the diversity of the regions themselves. In all, they represent a Community contribution of almost ECU 323 million (15% of Objective 1 appropriations in France). In the overseas departments, the main concern is water: in Guadeloupe (environmental priority: ECU 39.6 million from the ERDF and the EAGGF), the main investment is a major irrigation project financed by the EAGGF; in Martinique (environmental priority: ECU 50.5 million from the ERDF) the chief concern is protection against water and floods; in Réunion (environmental priority: ECU 178.5 million from the ERDF), appropriations are concentrated on water management for irrigation purposes; in French Guiana (environmental priority: ECU 18.9 million from the ERDF), about half of the measures concern upgrading the water system, to which should be added a further ECU 2 million from the EAGGF for exploration and protection of biodiversity in the tropical forest. In Corsica, environmental protection (ECU 30.7 million from the ERDF) concerns measures to clean up the coastline and treat household waste (84% of the environment priority), and to upgrade the heritage, i.e. restoration of buildings using traditional materials. Lastly, in Nord Pas-de-Calais, the lion's share of the Community's contribution to the environment will go towards the rehabilitation of derelict industrial and urban sites and industrial pollution management (ECU 29.1 million from the ERDF), as well as to research and environmental technologies (ECU 11.3 million from the ERDF) and training in this field (ECU 9 000 000 from the ESF).

The six French SPDs (Corsica, Guadeloupe, French Guiana, Martinique, Réunion and Avesnes-Douai-Valenciennes in Nord Pas-de-Calais) were approved by the Commission in July 1994 and represent total assistance from the Structural Funds worth ECU 2 189 million. These SPDs have been rather slow to get underway. There are still problems with the monitoring of Community programmes in French Guiana, since the planned "Cellule Europe" has not yet been set up. However, the national and regional authorities have made a real effort to develop more specific methods for gathering information on projects at local level and to pass the information on selection criteria for projects and lists of projects on to the Monitoring Committees. In three of the six regions, the assessment structure is already in place or being set up.

In the context of partnership, a workshop was organized in Réunion with regional officials on 21-23 November 1995 to discuss matters relating to the implementation of Community programmes such as management of the Structural Funds and development engineering.

1995 in the context of the 1994-99 programming period

With the exception of Corsica and Martinique, where there is considerable delay and where no ERDF financial operation took place in 1995, all the other regions (Guadeloupe, Réunion, Nord Pas-de-Calais and French Guiana) declared sufficient expenditure to enable the Commission to commit the 1995 instalment of the programmes and to pay the second advance on the 1994 instalment. However, only Guadeloupe and French Guiana declared enough expenditure (60% of the 1994 instalment) to trigger payments from the first advance on the 1995 instalment. With regard to fisheries, fewer than ten projects were adopted for each of the regions, with the exception of Corsica, where the programme is progressing at a satisfactory rate.

Table 14: Objective 1 - France - Financial implementation of the SPDs (ECU million)

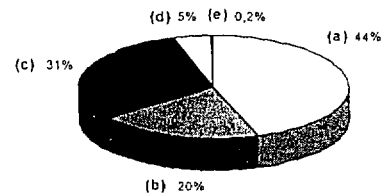
Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Hainaut	1 339,6	440,0	9,4	69,9	16%	8,9	40,0	57%
SPD Corsica	679,4	249,9	14,2	48,5	19%	10,5	27,4	56%
SPD Guadeloupe	794,2	344,8	54,0	100,6	29%	32,4	56,0	56%
SPD French Guiana	304,4	164,9	8,1	26,9	16%	7,6	17,0	63%
SPD Martinique	620,7	329,8	24,4	57,6	17%	21,9	38,5	67%
SPD Réunion	1 267,2	659,7	112,2	194,2	29%	66,2	107,9	56%
TOTAL	5.005,4	2.189,2	222,4	497,6	23%	147,4	286,7	58%

Lastly, at the request of the French authorities the deadlines for payment by the national authorities to final beneficiaries were extended for several programmes from the previous programming period (1989-93).

IRELAND

CSF programming for 1994-99

Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Productive sector (a)	2 508,0	1 099,0	324,0	1 038,0	47,0
Economic infrastructure (b)	1 113,0	1 113,0	-	-	-
Human resources (c)	1 732,0	160,0	1 572,0	-	-
Local development (d)	257,0	180,0	57,0	20,0	-
Technical assistance (e)	10,0	10,0	-	-	-
Total	5.620,0	2.562,0	1.953,0	1.058,0	47,0
%	100%	46%	35%	19%	1%



New operations adopted in 1995

The only new operation adopted in 1995 for Ireland concerned ERDF assistance to a major project within the meaning of Article 16(2) of the Coordination Regulation, the Tallaght Hospital. ERDF

assistance amounts to ECU 39.4 million, a 30% contribution to the total cost of ECU 131.2 million¹¹. This is the first time that the ERDF has been involved in an operation in the health field in Ireland. The project concerns the construction and fitting out of the Tallaght university hospital in Dublin, which will have 513 beds and should create some 1 500 jobs directly and a further 1 100 indirectly.

Implementation in 1995

Environmental concerns are the subject of a subpriority included in the priority relating to economic infrastructure in the CSF which is being implemented in the form of an OP with ECU 78 million from the ERDF (1.4% of Community appropriations). The programme focuses on water supplies, treatment of waste water, water supply systems, management of urban and dangerous waste, management and protection of coastlines and environmental monitoring and research.

Implementation of the Irish OPs proceeded normally in 1995. Only the OP for industry, which also includes measures for the food industry, ran behind schedule because of delays in starting up. The slight overall delay will probably be made good thanks to an increase in payment rates in 1996. Progress in attaining the quantified objectives (macro- and micro-economic indicators) fixed in the CSF is satisfactory. Only the technical assistance programme (with ECU 10 million of Structural Fund assistance), has yet to be adopted. This should happen early in 1996.

Implementation of the agriculture and rural development OP is in full swing, with the exception of a few measures. Expenditure is in line with the financing plan. Certain measures are very popular, particularly that concerning the control of farm pollution. Other measures have been suspended due to lack of appropriations. During 1995 an independent consultant studied the compensatory allowance system and the balance between income support and development measures.

In the fisheries sector, a total of 155 projects funded by the FIFG were approved, relating to modernization of the fleet, aquaculture and marketing/promotion of products. The total investment in these projects amounts to ECU 31 million.

Monitoring of operations is being carried out at three levels: the Monitoring Committee for the CSF, the Monitoring Committees for each of the OPs and the committees of the eight regional authorities. The Monitoring Committee for the CSF is made up of representatives of the ministries involved, the Commission and the EIB. The Monitoring Committees for the OPs consist of representatives of the social partners as well as the officials concerned. By way of example, the Committee coordinating human resource measures, responsible for monitoring horizontal matters affecting the quality and effectiveness of the training system, met for the first time in 1995. It examined the progress made by measures part-financed by the ESF throughout the CSF, as well as the measures concerning the training of instructors, equal opportunities and certification. At regional level, the representatives of voluntary organizations and local authorities are involved in the committees alongside representatives of public authorities and agencies and the social partners. The Monitoring Committees of the chief OPs are assisted by permanent, independent external assessors. In addition, three full-time evaluation units have been set up and a fourth will be created at the beginning of 1996. These units will evaluate specific aspects of the CSFs and OPs and will help the external assessors. They will also help to prepare the mid-term review for all the programmes.

1995 in the context of the 1994-99 programming period

Although payments for 1994 were lower than expected (ECU 513 million, as against an initial forecast of ECU 771 million), most of the lag was made good by the end of 1995. Payments by the Structural Funds in 1995 amounted to ECU 856 million out of an initial budget of ECU 834 million. 85% of the appropriations planned for the first two years have thus been paid.

¹¹ See also Annex 6 Major projects adopted in 1995.

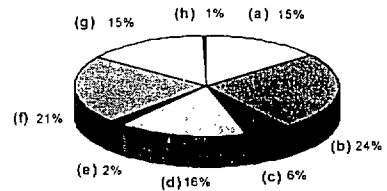
Table 15: Objective 1 - Ireland - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
MP Tallaght hospital	131,2	39,4	39,4	39,4	100%	31,5	31,5	80%
1994								
OP Agriculture, rural development	1.791,4	956,7	160,1	299,4	31%	178,6	263,0	88%
OP Local development	420,1	257,0	33,6	54,8	21%	22,1	32,7	60%
OP Industry	2.843,7	1.029,0	127,1	261,1	25%	102,9	196,0	75%
OP Economic infrastructure	319,6	108,0	10,3	11,9	11%	8,7	9,5	80%
OP Fisheries	177,0	78,0	12,3	20,5	26%	10,6	14,7	72%
OP Human resources	2.362,3	1.732,1	266,1	541,9	31%	264,9	481,6	89%
OP Environmental services	125,6	78,0	6,2	24,0	31%	10,3	19,2	80%
OP Tourism	805,9	456,3	51,5	94,0	21%	51,0	77,2	82%
OP Transport	1.406,2	888,0	247,6	333,2	38%	175,8	244,2	73%
TOTAL	10.383,1	5.622,5	954,2	1.680,1	30%	856,5	1.369,6	82%

ITALY

CSF programming for 1994-99

Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Communications (n)	2 159,6	2.159,6	-	-	-
Industry, crafts (b)	3 707,5	3 557,2	150,3	-	-
Tourism (c)	862,1	774,6	87,5	-	-
Rural development (d)	2 340,7	55,0	57,7	2.228,0	-
Fisheries (e)	257,4	-	24,4	-	233,0
Economic infrastructure (f)	3 235,9	2 992,5	243,4	-	-
Human resources (g)	2 209,1	61,4	2 147,7	-	-
Technical assistance (h)	87,7	59,7	28,0	-	-
Total	14.860,0	9.660,0	2.739,0	2.228,0	233,0
%	100%	65%	18%	15%	2%



The CSF for the Italian Objective 1 regions (Mezzogiorno) provides for total expenditure of ECU 32 440 million, of which ECU 14 860 million will come from the Community. The CSF is being implemented by 13 multiregional OPs, 10 regional OPs and one major project, adopted in 1994 and 1995.

New programmes adopted in 1995

During 1995 a total of 11 operations were adopted, with total assistance from the Structural Funds amounting to ECU 8 085 million. Six of these operations are regional OPs, representing ECU 4 289 million of Community assistance, and four are multiregional programmes. One of these alone, the OP for industry, accounts for 26% of total ERDF assistance allocated to the Mezzogiorno and includes part-financing of the general Italian aid scheme for productive investment. Lastly, a major project was adopted for Calabria, at Gioia Tauro (ECU 40 million towards a planned total cost of ECU 120 million)¹². This major project within the meaning of Article 16(2) of the Coordination Regulation concerns the conversion of the Gioia Tauro port into a large container port specializing in transshipment in order to adapt its basic infrastructure to trends in world sea transport. The project should create 1 500 jobs directly and indirectly.

A little less than 10% of the total resources from the ERDF has yet to be programmed at national level, particularly for the multiregional OPs for energy, environment and technical assistance, regional and multiregional operations to be implemented by means of global grants (to be managed at national level) and certain major projects (the Messina-Palermo motorway). Commitments relating to the coming years will depend on these programmes being adopted and on the progress (in terms of national expenditure) of the programmes which have already been approved.

¹² See also Annex 6 Major projects adopted in 1995.

Implementation in 1995

Some of the delay in implementation of the CSF in 1994 was retrieved in 1995. Italy's difficulties in utilizing Community funds, which were also very visible in the previous programming period, can be put down to weaknesses in the national political and administrative context. In order to improve the general implementing conditions for Community assistance in Italy, the Commission and the Italian Government concluded an agreement on 26 July 1995. At the conference for the State and the regions held on 29 September 1995, this was extended to include the regions and autonomous provinces. Under this agreement, the Italian Government will strengthen central and regional administrative structures, improve the implementing procedures for part-financed measures, strengthen technical assistance, particularly the arrangements for the monitoring, evaluation and control of the programmes, and guarantee financial cover for national matching funds. This agreement must be implemented if Community appropriations are to be better utilized during this programming period. At the end of 1995 the Italian Government showed that it had taken a series of initiatives, particularly during the second half of the year, relating to administrative structures, the setting up of new integrated arrangements for monitoring and for procedures to select external experts and the making available of counterpart funds. These initiatives are a concrete manifestation of the spirit of the agreement and augur well for improvements in the conditions in which programmes are managed.

The environment is the subject of two subpriorities in the Italian CSF, both of which are included in the priority relating to infrastructures. The first subpriority deals with water resources (ECU 1 119 million from the ERDF), with the objective of increasing available resources and improving distribution, as well as reducing losses during supply and rationalizing management and maintenance. The second subpriority relates to environmental protection (ECU 748 million from the ERDF and the ESF), with the objective of cleaning up particularly rundown and polluted areas, eliminating situations presenting a serious danger to the environment, safeguarding the natural heritage and promoting public environmental services (water and urban waste). Together, the two subpriorities represent a Community contribution worth ECU 1 867 million, or 12.6% of the appropriations allocated to the CSF. Half of these appropriations are being implemented at multiregional level, the other half at regional level, in each of the regional OPs. At multiregional level, the OP for water resources was adopted in 1995 with an ERDF contribution of ECU 871 million, and the environment OP should be adopted in 1996 (with ECU 48 million from the ERDF).

With regard to EAGGF assistance, the measures in most of the programmes are organized by product sector with a view to helping modernize production and marketing in line with market demand. There are also measures to assist alternatives to traditional farming, such as farm tourism, rural tourism, small-scale processing and direct sales of typical traditional farm products. The programmes also include research measures and technology transfer and agricultural advisory services.

Agriculture and rural development - some significant achievements:

In *Sardinia* (OP adopted in 1994):

- 1 300 sheep and goat rearing holdings (417 000 head) received Community assistance to improve the health and hygiene conditions for milk production;
- 32 modernization projects for cheese producing cooperatives;
- 34 rural tourism projects to breed and train 'Anglo-Arab-Sardinian' horses.

In *Abruzzi* (OP adopted in 1995):

- 160 rural development projects financed, including 110 for rural tourism.

1995 in the context of the 1994-99 programming period

With regard to financial implementation, the Commission's commitment of appropriations in 1995 was satisfactory in relation to the amounts provided for in the CSF, except for ESF commitments, which fell well short of forecasts. However, insufficient funds were committed to fully make up for the delay in 1994, so that at the end of 1995 there was a shortfall in commitments of ECU 1.2 billion. In terms of implementation in the field (i.e. expenditure by the implementing authorities), the situation of the

programmes remained critical in 1995. In all, at the end of the second year of the programming period, only 2% of total appropriations for the six years had been spent.

Table 16: Objective 1 - Italy - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1993								
<i>Regional OPs</i>								
OP Abruzzi	333,4	150,5	75,0	91,5	61%	37,5	45,8	50%
OP Abruzzi (1)	167,1	83,9	59,4	59,4	71%	30,7	30,7	52%
OP Calabria (1)	482,0	241,0	76,2	76,2	32%	41,8	41,8	55%
MP Gioia Tauro Port	120,0	40,0	40,0	40,0	100%	0,0	0,0	0%
OP Campania	2.890,8	1.327,9	124,0	177,2	13%	63,2	89,8	51%
OP Apulia	2.406,4	1.148,4	203,7	203,7	18%	92,9	92,9	46%
OP Sicily	2.603,1	1.337,2	189,4	189,4	14%	74,1	74,1	39%
<i>Multiregional OPs</i>								
OP Industry and services	4.962,4	2.592,7	746,9	750,3	29%	373,5	375,2	50%
OP Agricultural advisory services (1)	231,4	162,0	34,4	34,4	21%	17,2	17,2	50%
OP Water resources	2.008,3	871,0	140,7	140,7	16%	70,3	70,3	50%
OP Tourism	302,8	130,0	22,2	22,2	17%	11,1	11,1	50%
1994								
<i>Regional OPs</i>								
OP Basilicata	1.129,5	583,2	51,7	98,1	17%	29,2	52,4	53%
OP Calabria	1.308,0	580,3	1,0	72,9	13%	19,1	36,5	50%
OP Molise	522,7	292,0	26,8	37,7	13%	15,5	19,3	51%
OP Sardinia	2.103,4	967,1	50,9	170,6	18%	25,5	86,9	51%
<i>Multiregional OPs</i>								
OP "Emergency" Employment	524,0	355,7	0,0	32,7	9%	0,0	16,3	50%
OP Training for instructors	271,4	184,0	0,0	16,9	9%	0,0	8,5	50%
OP Training for migrant workers	29,5	20,0	0,0	1,8	9%	0,0	0,9	50%
OP Ministry of Education	395,0	254,0	48,9	68,5	27%	24,4	34,3	50%
OP Fisheries	560,0	233,0	34,6	66,5	29%	0,0	16,0	24%
OP Research and development	1.341,3	784,0	8,2	65,9	8%	4,1	32,9	50%
OP Telecommunications	1.076,1	376,7	102,3	215,9	57%	34,1	90,9	42%
OP Rail transport	1.756,6	701,0	192,6	385,2	55%	211,9	308,2	80%
OP Technical assistance (2)	112,1	76,0	0,0	7,0	9%	0,0	3,5	50%
TOTAL	27.637,4	13.491,6	2.228,6	3.024,7	22%	1.176,1	1.555,4	51%

(1) Single-fund OP - EA GGF

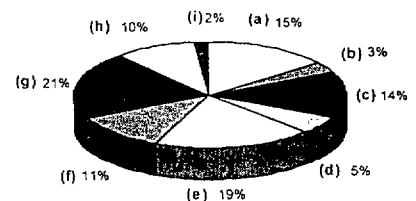
(2) Single-fund ESF

Furthermore, the unsatisfactory utilization of Community funds under the CSF for the first programming period (1989-93) led the Commission to negotiate with the Italian Government, in the context of the agreement of 26 July 1995, a final extension of the national payment deadlines until 31 December 1995. At the end of 1995, since the Italian Government had undertaken some steps to implement the agreement, the extension of the Community payment deadlines was confirmed. This means that the Italian authorities now have two years after the deadline for committing national funds to finish paying the amounts in question. These extensions have enabled them almost fully to complete the national and regional commitments for 1989-93 (100% for the centrally managed OPs and 98.7% for the regionally managed OPs), although progress is still required as far as payments are concerned, particularly with regard to the regionally managed OPs which, at the end of 1995, had an average implementation rate of 65% (ranging from 44% for Apulia to 75% for Basilicata).

NETHERLANDS

SPD programming for 1994-99

Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Industrial promotion (a)	22,0	11,9	10,1	-	-
Tourism (b)	5,2	4,3	0,9	-	-
Agriculture, rural development (c)	21,2	-	-	21,2	-
Fisheries (d)	8,2	-	-	-	8,2
Human resources (e)	28,0	0,9	27,1	-	-
Business infrastructure (f)	17,0	16,5	0,5	-	-
Transport infrastructure (g)	31,4	31,0	0,4	-	-
Research and development (h)	14,4	14,4	-	-	-
Technical assistance (i)	2,6	1,0	1,0	0,3	0,3
Total	150,0	80,0	40,0	21,5	8,5
%	100%	53%	27%	14%	6%



Implementation in 1995

The SPD adopted for the Netherlands on 21 June 1994 concerns Flevoland. The total contribution from the Structural Funds amounts to ECU 150 million. Implementation of the main project in the programme, which concerns the conversion of the highway N27 into a motorway (A27) to improve the link between Flevoland and the centre and south of the country, is running according to schedule. Another part of the programme concerns employment, providing for aid to firms which create jobs, whether they are established in Flevoland or have just established themselves there. The total number of participants in measures receiving funding from the ESF in 1995 exceeded expectations (1 788 as against 985). The regional employment office has launched some of the more important activities provided for in the SPD. This required intensive preparation and the inclusion of new partners, and consolidates the basis for activities part-financed by the ESF.

Environmental protection has no separate priority in the SPD for Flevoland. Instead, environmental measures are included in several different priorities: agriculture, tourism and industry. An estimated ECU 5 million (3% of the Community's total contribution) will go towards environmental protection, chiefly for measures such as assistance to SMEs to adopt less polluting and more energy-saving procedures, measures to control atmospheric and water pollution; reduction in the use of pesticides and herbicides, conservation of biodiversity, management of water sheets from the polder, decontamination of the Ketelmeer.

With regard to monitoring and studying the impact of the SPD, the regional authorities of Flevoland have developed the DIN network (*targets-efforts network*) to ensure proper monitoring of the SPD by measuring its impact on the Flevoland economy. The programme was developed in 1995 and will become operational in 1996. It is expected, for example, that the projects approved before the end of 1995 will make it possible to create 1 600 permanent jobs directly, more than 3 000 permanent jobs indirectly and almost 2 800 temporary jobs. The objective is to create 15 000 net jobs between 1994 and 1996. In addition, the University of Wageningen has drawn up a working document for Flevoland concerning extremely strict criteria for the selection of agricultural projects and criteria for the appraisal of innovative projects as well as their impact on employment in agriculture. Lastly, a seminar was organized in 1995 bringing together other Objective 1 regions (Burgenland, Highlands and Islands, Northern Ireland, Merseyside, Ireland) to exchange experiences of the implementation of programmes.

1995 in the context of the 1994-99 programming period

The financial implementation of the SPD has been satisfactory in terms of commitments at national level. However, there is a serious delay in payments of EAGGF funds because of the slow start in getting measures underway. Thus, at the end of 1995 public expenditure for agriculture amounted to ECU 1.3 million, compared with total planned expenditure of ECU 24.8 million for the 1994 and 1995 instalments. However, in December 1995 the province of Flevoland applied for commitment of the 1995 instalment of ERDF funding, illustrating that all of the planned projects are progressing normally. Similar progress is being made by the fisheries measures financed by the FIGG.

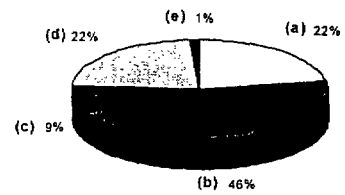
Table 17: Objective 1 - the Netherlands - Financial implementation of the SPD (ECU million)

Programme and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Flevoland	958.7	150.0	17.2	37.2	25%	9.6	19.6	55%

PORTUGAL

CSF programming for 1994-99

Priorities	Total	ECU million			
		ERDF	ESF	EAGGF	FIGG
Human resources and employment (a)	3 059,6	918,0	2 141,6	-	-
Economic competitiveness (b)	6 306,2	4 073,2	414,0	1 637,0	182,0
Living standards (c)	1 264,0	936,0	328,0	-	-
Regional economic base (d)	3 144,3	2 661,8	194,1	257,2	31,2
Technical assistance (e)	205,9	134,9	71,0	-	-
Total	13 980,0	8 723,9	3 148,7	1 894,2	213,2
%	100%	62%	23%	14%	2%

*Assistance adopted in 1995*

In 1995 the only Commission approval was of a global grant for municipal investment. The contract between the intermediary body and the Commission was signed on 15 November 1995. The Portuguese CSF is thus being implemented by means of nine multiregional OPs and seven regional OPs, all adopted in 1994, and a global grant adopted in 1995. These operations account for all of the assistance programmed in the CSF.

Implementation in 1995

On the whole, progress in 1995 was satisfactory. Most of the programmes attained the objectives fixed for the year. However, progress was less satisfactory in certain cases, although the delays in the programmes in question should be made up thanks to the sustained management effort and monitoring undertaken by the Portuguese authorities.

The environmental measures in the Portuguese CSF come under the priority relating to living standards and can also be found in the regional programmes as regional development measures. Very substantial funding is provided for in the regional OPs (ECU 1 056 million, or 7.6% of CSF assistance) and concentrates mainly on the supply and distribution of water, collection and treatment of urban waste and waste water, reduction of river pollution, protection of the coastline and biotopes and public information. Under the living standards priority, the environment and urban renewal are the subject of an OP with ECU 559 million from the ERDF for two subprogrammes. The environment section (ECU 260 million) provides for conservation and upgrading of the natural heritage, improvement of the environmental impact of productive activities, information and training measures and technical assistance. The urban renewal section (ECU 299 million) provides for the renovation of slums and degraded areas, EXPO '98 and technical assistance.

With regard to programmes which had already been adopted, two additional allocations from the 1995 indexing operation were granted: one, amounting to ECU 39.1 million, was allocated by the EAGGF Guidance Section to the agriculture subprogramme to alleviate the effects of the persistent drought in 1995, the other, amounting to ECU 14.5 million, by the ESF to the knowledge and innovation OP in order to strengthen the vocational aspect of the education subprogramme.

With regard to the rate of implementation, there is a delay in implementing the OP for the development of regional potential. This is mainly due to the innovative nature of the programme and the need for many legal instruments in order to decentralize its management (protocols with local development associations, banks, etc.). Nevertheless, it is expected that several subprogrammes and measures under this OP (rural centres, historic villages, aid schemes) will started in practice at the beginning of 1996.

The rate of implementation of the urban renewal subprogramme of the environment and urban renewal OP is very slow, at 16%. This is partly due to the difficulties encountered in the compulsory purchase of land.

The commerce subprogramme in the economic modernization OP is to be reprogrammed. Its low rate of implementation (20% for 1994 and 1995) is due above all to the fact that it finances measures which

require a long implementation period. Also in the economic modernization OP, the first six months of implementation of the fisheries subprogramme was mainly spent selecting projects and adopting the first ministerial decisions on potential beneficiaries, as well as implementing the programmed measures. The rate of implementation picked up in the second half of the year and preparations for the evaluation of the OPs began. Invitations to tender for the appointment of independent experts are due to be issued at the beginning of 1996. The Monitoring Committee held six meetings during 1995, which helped to speed up implementation of the first measures. However, in order to compensate for the low rate of implementation in 1994, the Monitoring Committee reprogrammed the financial deadlines at its last meetings. It also adopted a specific FIFG measure to assist Portuguese crews affected by the expiry of the fisheries agreement with Morocco¹³. The purpose of this measure is to compensate for the temporary suspension of activity (from May to November 1995) caused by the absence of a new agreement. The funding for the measure is restricted to ECU 4.8 million. In addition, some of the FIFG appropriations already granted to Portugal under the CSF have been reallocated in order to indemnify shipowners for the temporary laying-up of their vessels, on the basis of Article 14 of Regulation (EC) No 3699/93. ECU 4 million has been mobilized for the entire laying-up period, to which the Community will contribute ECU 3 million.

The delay in the financial implementation of the energy subprogramme in the infrastructure OP arose because certain projects initially included in this sub-programme, for which a heavy take-up of funds was expected in 1994 and 1995, were transferred to the Regen section of the Interreg Community Initiative¹⁴. The subprogramme was reprogrammed during 1995 in order to adjust the 1994 and 1995 forecasts to take account of these transfers.

The Commission did not adopt the technical assistance OP until 20 December 1994, which is why the implementation rate is so low. It is planned to use the ERDF's appropriations for 1994 in 1996, while the Portuguese authorities have requested reprogramming of the ESF section to transfer the appropriations not used in 1994 (ECU 8.2 million) to 1996 (ECU 4.1 million) and 1997 (ECU 4.1 million).

The OP on the development of regional potential was the only programme to be amended in 1995, by decision of the Monitoring Committee on 13 November. The Community's part-financing of the programme remains the same (ECU 595 million, of which ECU 405 million is from the ERDF, ECU 81 million from the ESF and ECU 109 million from the EAGGF Guidance Section). The main change lies in the introduction of an aid scheme for the smallest firms with the chief objective of encouraging the creation of new jobs (estimated at 20 000). This scheme is of the utmost importance to local and rural economies affected by depopulation and other development problems. The undertakings made in the initial version of the programme, particularly the creation of regional development agencies (with a view to gradually increasing the degree of decentralization and partnership between public and private economic operators) and the strengthening of policy for medium-sized towns (as a factor in the development of towns with the potential to play a role in regional development) are taken up in the revised version.

1995 in the context of the 1994-99 programming period

In all, financial implementation of the Portuguese CSF is making good progress. The average implementation rate on the ground in 1995 for all programmes was 85% for all Funds taken together (93% for the ERDF, 98% for the ESF). Community commitments represent one third of the funding available for the entire period.

¹³ See Chapter I.A.5.2 on Objective 5(a) fisheries.

¹⁴ See Chapter I.B.1 on Community Initiatives.

Table 18: Objective 1 - Portugal - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SP assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1993								
<i>Multiregional OP</i>								
GG Support for local investment	33,3	25,0	25,0	25,0	100%	0,0	0,0	0%
1994								
<i>Regional OPs</i>								
OP Azoers	857,6	616,0	84,7	216,2	35%	96,9	181,2	84%
OP Alentejo	250,6	182,0	57,7	78,6	43%	27,0	43,8	56%
OP Algarve	101,9	76,0	24,9	28,5	37%	15,9	18,8	66%
OP Centre	490,5	362,0	60,0	126,0	35%	47,0	88,3	70%
OP Lisbon-Tagus Valley	517,2	382,0	94,0	124,5	33%	65,1	89,5	72%
OP Madeira	665,2	369,3	82,4	148,6	40%	74,8	123,8	83%
OP North	721,1	537,0	97,8	210,0	39%	77,8	148,3	71%
<i>PO pluri-régionaux</i>								
OP Environment and urban renewal	973,7	559,0	0,0	55,1	10%	16,5	44,1	80%
OP Technical assistance	135,6	101,7	11,0	28,6	28%	8,2	17,0	59%
OP Bases for knowledge and innovation	2 257,0	1 675,0	210,7	587,6	35%	232,5	412,7	70%
OP Training and employment	1 903,3	1 384,6	219,3	409,3	30%	251,8	346,7	85%
OP Infrastructure	3 915,8	1 987,0	0,0	618,5	31%	259,0	517,9	84%
OP Modernization of the economic fabric	11 678,8	4 319,2	284,3	1 526,2	35%	403,8	998,4	65%
OP PRINEST (1)	40,0	30,0	7,3	22,3	74%	7,4	17,2	77%
OP Development of regional potential	1 231,8	595,0	14,0	67,2	11%	11,1	37,7	56%
OP Health and social integration	940,0	705,0	106,6	276,5	39%	72,3	178,1	64%
TOTAL	26 713,3	13 905,8	1 379,7	4 548,8	33%	1 667,0	3 263,4	72%

(1) Statistical infrastructure

UNITED KINGDOM

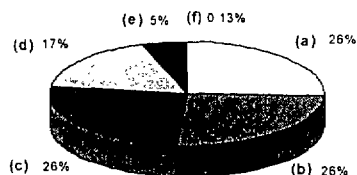
The environmental measures provided for in the SPDs for the United Kingdom are varied because of the diversity of the regions concerned. In Northern Ireland action is chiefly focused on protecting the natural environment (ECU 64.1 million, 5.2% of the appropriations in the SPD) but also covers the development of activities related to the environment such as services to businesses, product quality or research and development (ECU 19 million), conservation of the heritage (ECU 8.1 million), urban renewal (ECU 25.5 million) or energy-saving measures in businesses (ECU 5 million). Environmental action for Merseyside (ECU 45 million, or 5.5% of the appropriations in the SPD) concerns the treatment of industrial waste, the development of clean technologies and environmental skills in firms (ECU 13 million from the ERDF and the ESF), the restoration of run-down urban areas and protection of the natural environment and architectural heritage (ECU 29 million from the ERDF). Lastly, environmental measures in the Highlands and Islands (ECU 16.3 million, or 5.2% of the appropriations in the SPD) are financed by the three Funds, each according to its specific vocation: recycling of waste and environmental research are funded by the ERDF (ECU 7.6 million), a scheme for the protection of the natural environment is financed by the EAGGF (ECU 7.1 million) and training is funded by the ESF (1.6 million). In total, the Community's direct contribution to the environment in the United Kingdom amounts to about ECU 146 million, or 6% of the overall allocation.

Implementation in 1995

Implementation of the SPDs for the United Kingdom's Objective 1 regions (Northern Ireland, Highlands and Islands, Merseyside) has progressed in line with the programming forecasts.

SPD programming for 1994-99 Northern Ireland

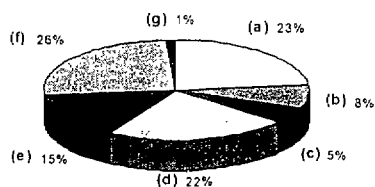
Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Economic development (a)	315,1	199,3	115,8	-	-
Local communities (b)	315,8	90,6	225,2	-	-
Measures to reduce remoteness (c)	321,2	321,2	-	-	-
Agriculture and fisheries (d)	215,0	-	13,0	186,9	15,1
Environment (e)	64,1	64,1	-	-	-
Technical assistance (f)	1,6	1,6	-	-	-
Total	1.232,8	676,8	354,0	186,9	15,1
%	100%	55%	29%	15%	1%



Northern Ireland: The rate of expenditure in 1995 made up for the slow start and the initial objective should be attained during 1996. The main delays concerned the energy measures (under the priority "measures to reduce peripherality"), with public enquiries slowing down expenditure on an important project to connect the electricity grids of Scotland and Northern Ireland. By contrast, the priority relating to environmental services had made good progress at the end of 1995. In addition, after the CAP reform the climate for investments in agriculture was good and several measures had to be suspended for lack of appropriations because the funds allocated to agricultural measure had been exhausted. The cessation of violence early in autumn 1994 led to an increased demand for investment in tourism and in projects under the measure for the physical and social environment, the objectives of which are reconciliation of local communities and urban renewal (the local communities priority). These activities were allocated additional funds by the Monitoring Committee in November 1995. A first step was also taken in considering whether the SPD should be adjusted to take account of these developments, as proposed by the British Government when preparing the Peace initiative approved in July 1995¹⁵. With regard to the evaluation of the SPD, the Monitoring Committee agreed to appoint an external assessor at its meeting in November. External assessors will also be appointed for the different priorities, with the exception of the environmental services priority.

SPD programming for 1994-99 Highlands and Islands

Priorities	ECU million				
	Total	ERDF	ESF	EAGGF	FIFG
Business development (a)	72,1	54,3	17,8	-	-
Tourism, culture (b)	24,2	22,0	2,2	-	-
Environment (c)	16,3	7,6	1,6	7,1	-
Primary sector (d)	68,7	-	-	48,9	19,8
Local community development (e)	46,9	13,9	33,0	-	-
Communications and services (f)	79,7	79,7	-	-	-
Technical assistance (g)	3,1	2,5	0,6	-	-
Total	311,0	180,0	55,2	56,0	19,8
%	100%	58%	18%	18%	6%



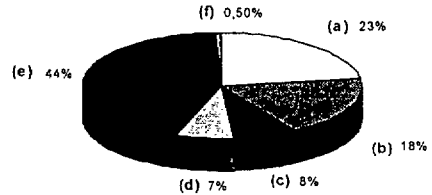
Highlands and Islands: Since the approval of the SPD in 1994, 1 500 projects have been presented, of which 604 have been selected. There has been a significant success, to judge from the increase in the number of participants in the programme: on the basis of the projects selected, more than 130 organizations will receive assistance from the ERDF and the ESF. One third of the resources available from these two Funds has gone to the "Highlands and Islands Enterprise" network. A substantial amount of ERDF assistance is being pumped into the Western Isles, Caithness, Sutherland and Argyll through a set of projects relating to the development of communications, tourism and businesses. To judge by the commitments, the programme is making excellent progress with regard to tourism and cultural heritage measures, but progressing more slowly in other fields (research and development, access to information by firms, advisory assistance). The agricultural measures are being implemented at a satisfactory rate, with the exception of the environmental and forestry measures. Delays in payments have arisen between the phase of approval of the projects and the declaration of expenditure. The

¹⁵ See Chapter I.B.1 Community Initiatives.

authorities responsible have promised to take the necessary steps in 1996 to ensure that these delays are not exacerbated. All the measures to be financed by the FIFG have been launched and are progressing at a satisfactory pace. The Monitoring Committee met twice in 1995, and the management committee four times, to assess the projects to be approved. In November 1995 the Monitoring Committee decided to review the programmes implementing procedures in order to encourage greater participation by local operators in line with the bottom-up approach. A number of local groups will be set up and invited to study the projects in their respective areas and the local strategies contributing to the overall attainment of the SPD's objectives. The Monitoring Committee also launched several thematic studies concerning the assessment of environmental impact, regional GDP and the labour market.

SPD programming for 1994-99
Merseyside

Priorities	ECU million			
	Total	ERDF	ESF	EAGGF
Large firms (a)	186,0	178,0	8,0	-
Local businesses (b)	149,0	106,0	40,0	3,0
Technological development (c)	62,0	42,0	20,0	-
Culture (d)	54,0	38,0	16,0	-
Measures benefiting the local population (e)	361,0	109,0	252,0	-
Technical assistance (f)	4,0	2,0	2,0	-
Total	816,0	475,0	338,0	3,0
%	100%	58%	41%	0%



Merseyside: The Monitoring Committee met five times during the year and there were ten meetings of the technical committees chiefly responsible for project selection. A points scoring system was introduced for the selection of measures to receive ESF assistance and 688 measures were selected to receive a total of ECU 45 million. In the context of local economic development, 38 seriously disadvantaged areas were defined as target areas. Local partnership was set up in these areas, made up of the local authorities and the main bodies involved in the programme, and a specific development strategy was drawn up. More than 500 projects relating to industry eligible for ERDF assistance were presented. A two-tier selection procedure and scoring system were applied and 181 of the projects were selected. An important innovative project was approved for the development of SMEs, for which the Merseyside special investment fund will receive ECU 18.9 million to improve the functioning of the capital market by creating three investment funds with a total allocation of ECU 29.4 million. The Commission's approval was sought and the fund should begin to operate in 1996. Another important project which was approved concerns the Chevasse Park media factory, which aims to manage work places and to offer training to facilitate the growth of SMEs in the communications sector. This measure should help to create a cultural and communications activity pole close to the centre of Liverpool comprising, in particular, the Liverpool Institute of Performing Arts financed under the previous programme.

The rules governing applications for ERDF financing and their evaluation were reviewed in partnership: calls for projects will be issued continuously throughout the year and projects will be assessed using more rigorous criteria, particularly with regard to environmental requirements. Lastly, in addition to the Monitoring Committee's normal meetings, two "strategy days" were organized by the local partners, with more than 100 participants. During these days the implementation of the programme was examined in greater detail and technical working parties were set up to assist the local partners in making the best strategic choices. With regard to evaluation, a study on the Merseyside economy was launched to produce recommendations on implementation of the programme. This brought to light the Merseyside economy's potential for growth and stressed the need to help inhabitants in the most disadvantaged neighbourhoods to find jobs.

1995 in the context of the 1994-99 programming period

Financial implementation for Merseyside (commitments and payments) is progressing normally for the ESF, and more slowly for the ERDF and the EAGGF. Although 65% of all the available ERDF funds had in principle been approved by the end of 1995, there were few requests for payment. The same is true in the case of the Highlands and Islands: financial implementation (commitments and payments) is progressing normally for the ESF and the FIFG and more slowly for the ERDF and the EAGGF. In this

case, the rate of commitment of ERDF funds at 31 December 1995 amounted to around 30% of available funds while payment requests were much lower. In December 1995 the financing schedule was amended so that the 1995 instalment for the ERDF could be committed.

Table 19: Objective 1 - United Kingdom - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
SPD Highlands and Islands	1.012,4	311,0	39,1	81,9	26%	16,6	40,7	50%
SPD Northern Ireland	2.658,3	1.232,8	129,3	288,3	23%	102,8	190,2	66%
SPD Merseyside	2.000,0	816,0	50,2	162,1	20%	44,5	100,5	62%
TOTAL	5.670,7	2.359,8	218,6	532,3	23%	163,8	331,4	62%

3. Objective 2

Table 20: Summary of Objective 2 OPs/SPDs adopted in 1994 and 1995 (ECU million)

SPDs ADOPTED IN 1994				OPs ADOPTED IN 1995			
Member State/Region	TOTAL	ERDF	ESF	Member State/Region	TOTAL	ERDF	ESF
Belgium	160,0	130,0	30,0	Spain	1.130,0	870,1	259,9
<i>Aubange</i>	1,3	0,9	0,4	<i>Aragon</i>	64,2	49,4	14,8
<i>Liège</i>	88,5	75,3	13,2	<i>Balearic Islands</i>	10,4	8,8	1,6
<i>Limburg</i>	46,8	35,1	11,7	<i>Catalonia</i>	510,1	402,2	107,9
<i>Turnhout</i>	23,4	18,7	4,7	<i>Rioja</i>	11,9	10,5	1,4
Denmark	56,0	44,2	11,8	<i>Madrid</i>	145,0	113,7	31,3
<i>Lolland</i>	9,5	7,0	2,5	<i>Navarre</i>	22,8	17,7	5,1
<i>North Jutland</i>	46,5	37,2	9,3	<i>Basque Country</i>	325,9	267,8	58,1
Germany	733,0	513,7	219,3	<i>Multi-regional</i>	39,7	0,0	39,7
<i>Bavaria</i>	14,7	9,5	5,1	TOTAL 1995	1.130,0	870,1	259,9
<i>Berlin</i>	158,3	102,1	56,2	%	100%	77%	23%
<i>Bremen</i>	46,9	30,5	16,4				
<i>Hesse</i>	21,3	18,3	3,0				
<i>Lower Saxony</i>	42,5	29,8	12,7				
<i>North Rhine Westphalia</i>	361,4	263,8	97,6				
<i>Rhineland-Palatinate</i>	23,5	15,2	8,2				
<i>Saarland</i>	49,1	34,4	14,7				
<i>Schleswig-Holstein</i>	15,4	10,0	5,4				
France	1.763,2	1.452,6	310,6				
<i>Alsace</i>	19,6	16,1	3,5				
<i>Aquitaine</i>	107,1	91,5	15,6				
<i>Anvergne</i>	61,1	50,6	10,5				
<i>Lower Normandy</i>	57,8	46,6	11,3				
<i>Burgundy</i>	49,4	42,0	7,4				
<i>Britany</i>	89,7	77,6	12,1				
<i>Centre</i>	24,2	20,5	3,7				
<i>Champagne-Ardenne</i>	77,5	62,1	15,4				
<i>Franche-Comté</i>	47,8	41,2	6,6				
<i>Upper Normandy</i>	146,0	112,1	33,9				
<i>Languedoc-Roussillon</i>	70,5	59,9	10,6				
<i>Lorraine</i>	127,4	102,9	24,5				
<i>Midi-Pyrénées</i>	42,6	34,6	8,0				
<i>Nord/Pas-de-Calais</i>	318,1	265,5	52,6				
<i>Loire Region</i>	135,9	109,6	26,3				
<i>Picardy</i>	122,4	98,8	23,6				
<i>Poitou-Charentes</i>	53,3	43,6	9,7				
<i>Provence-Alpes-Côte d'Azur</i>	113,1	95,7	17,4				
<i>Rhône-Alpes</i>	99,7	81,8	17,9				
Italy	684,0	542,3	141,7				
<i>Emilia-Romagna</i>	12,0	9,6	2,4				
<i>Friuli-Venezia Giulia</i>	24,0	18,4	5,6				
<i>Lazio</i>	64,0	52,2	11,8				
<i>Liguria</i>	96,0	67,5	28,5				
<i>Lombardy</i>	23,0	18,8	4,2				
<i>Marche</i>	21,0	17,9	3,1				
<i>Piedmont</i>	205,0	164,0	41,0				
<i>Toscany</i>	127,0	103,0	24,0				
<i>Umbria</i>	35,0	27,5	7,5				
<i>Valle d'Aosta</i>	6,0	5,8	0,2				
<i>Veneto</i>	71,0	57,6	13,4				
Luxembourg	7,0	6,0	1,0				
Netherlands	300,0	206,0	94,0				
<i>Arnhem-Nijmegen</i>	56,0	39,4	16,6				
<i>Groningen-Drenthe</i>	76,0	48,6	27,5				
<i>Twente-Overijssel</i>	58,0	39,4	18,6				
<i>Zuid-Limburg</i>	43,0	31,7	11,3				
<i>Zuidoost Brabant</i>	67,0	47,0	20,0				
United Kingdom	2.142,0	1.606,9	535,1				
<i>East London and the Lee Valley</i>	74,0	55,5	18,5				
<i>East Midlands</i>	79,0	59,3	19,8				
<i>Eastern Scotland</i>	121,0	96,8	24,2				
<i>Gibraltar</i>	5,0	4,1	0,9				
<i>Greater Manchester, Lancashire, Cheshire</i>	329,0	230,3	98,7				
<i>Industrial South Wales</i>	188,0	141,0	47,0				
<i>North East England</i>	308,0	231,0	77,0				
<i>Plymouth</i>	29,0	23,3	5,7				
<i>Thames</i>	14,0	11,9	2,1				
<i>West Cumbria and Furness</i>	25,0	18,8	6,2				
<i>West Midlands</i>	371,0	278,0	93,0				
<i>Western Scotland</i>	286,0	222,9	63,1				
<i>Yorkshire and Humberside</i>	313,0	234,0	79,0				
TOTAL 1994	5.845,2	4.501,7	1.343,4	TOTAL 1994-1995	6.975,2	5.371,8	1.603,3
%	100%	77%	23%	%	100%	77%	23%

3.1. Implementation of Objective 2 in 1995

As far as Objective 2 is concerned, during 1995 work began on the programmes, which will run for an initial three-year period from 1994 to 1996, in all the twelve Member States. All the Objective 2 programmes (SPDs) had been adopted at the end of 1994, as had the CSF for Spain, leaving only the eight OPs to implement that CSF and the SPDs for the three new Member States¹⁶ to be adopted in 1995. This means that in the 15 Member States there are 82 operations under Objective 2: eight OPs within a single CSF in Spain and 74 SPDs in the other Member States. Of the SPDs, 64 had been adopted in 1994 while 18 operations (of which ten concerned the new Member States) were approved in 1995. As far as the integration of the two Funds (ERDF and ESF) which finance Objective 2 is concerned, it should be noted that all but one programme (the multi-regional OP in Spain) provide for joint financing by the ERDF and the ESF.

Table 21: Objective 2 - 1995 in the context of programming for 1994-96 (ECU million)

	B	DK	D	E	F	I	L	N	AT	FI	SE	UK	Total
Programmed	160,0 *	56,0 *	733,0 *	1.130,0 **	1.763,2 *	684,0 *	7,0 *	300,0 *	101,0 *	69,2 *	160,0 *	2.142,0 *	7.305,4
Adopted	160,0	56,0	733,0	1.130,0	1.763,2	684,0	7,0	300,0	101,0	69,2	160,0	2.142,0	7.305,4
%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Commitments 1994-95	62,2	30,3	286,9	659,2	904,4	299,9	8,0	105,0	54,1	31,1	105,8	1.250,0	3.796,9
% of assistance	39%	54%	39%	58%	51%	44%	114%	35%	54%	45%	66%	58%	52%
Payments 1994-95	29,3	20,0	156,9	448,0	423,3	150,0	4,0	52,5	21,4	15,6	38,1	518,9	1.877,8
% of assistance	18%	36%	21%	40%	24%	22%	57%	18%	21%	22%	24%	24%	26%

* Programmed by SPD

** Programmed by CSF

The extent of implementation of Objective 2 at the end of the period 1994-95 can be looked at from a number of points of view. All the programming documents (mainly SPDs) were adopted and 52% of the commitments for them have been made. Payments at the end of two years stand at one quarter of total assistance. At first sight, these rates may appear low but it should be recalled that the vast majority of SPDs and OPs were not adopted until the last quarter of 1994 or the beginning of 1995. A substantial increase in absorption is therefore expected for 1996. However, the situation varies considerably from one Member State to another, with commitments as a percentage of assistance ranging from 35% in the Netherlands to almost 60% in the United Kingdom and 66% in Sweden while payments range from less than 20% of assistance in Belgium to 57% in Luxembourg.

¹⁶ See Chapter I.A.7. Integration of the new Member States into the structural policies.

Consideration of the environment in Objective 2 measures:

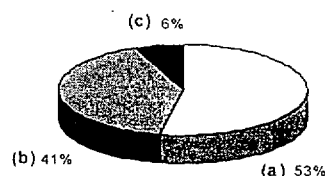
Finance for sustainable development in the Objective 2 areas takes many forms since special attention was paid to this sector when the programmes were prepared. Environmental measures in the strict sense of the term account for ECU 397 million of the appropriations programmed for 1994-96, or 5.7% of the total for the Objective. In addition, investment in the renovation of industrial and urban sites amounts to ECU 956 million, 14% of total funding for Objective 2 for 1994-96. To these amounts should be added the appropriations for 1997-99.

The main problems experienced by the Objective 2 areas stem from industrial activities either past or present which have resulted in the contamination of land or groundwater by industrial pollution or the failure to remove waste and the abandonment of industrial or urban sites. As a result, environmental measures are concerned mainly with cleaning up pollution and encouraging new productive investment to use environmentally-friendly processes and plant. These account for over half (53%) of the finance allocated directly to the environment under Objective 2. A further substantial proportion (41%) goes to the treatment and cleaning up of sites.

Because of its long-term benefits, support for productive investment including preventive measures is also of considerable importance under Objective 2. This includes incentives, primarily for small businesses, for the use of environmentally-friendly products, technologies and sources of energy, for the adoption of "green technologies" and for environmental research and development and for increasing awareness through vocational training to help the labour force adapt to changes in the structures of production.

Table 22: Objective 2 and the environment - breakdown of appropriations allocated directly to the environment in 1994-96 (EUR 9 - ECU million - 1994 prices)

Removal of pollution, treatment of waste and clean technologies (a)	210,8
Restoration of industrial sites and urban areas (b)	162,0
Training and other (c)	24,2
Total	397,0

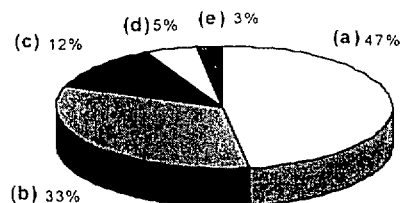


3.2. Country-by-country survey

BELGIUM

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		76,0	
Human resources (b)		52,8	
Land improvement and restoration (c)		18,8	
Environmental protection (d)		8,1	
Technical assistance (e)		4,1	
Breakdown by Fund :			
	ERDF	130,0	81%
	ESF	30,0	19%
	Total	160,0	100%
4 SPDs			
	Average per SPD		40,0



Implementation in 1995

Each SPD except the one for Aubange contains a priority or subpriority dealing with measures for the environment. The general contribution of the Structural Funds is ECU 22 million (14% of total assistance), of which ECU 8 million will go to measures directly concerned with the protection of the environment. The bulk of the appropriations will be used for the treatment of industrial waste with others being used to clean up disused sites. Limburg and Turnhout are allocating 5% of the appropriations for the environment (using funding provided by the ESF) to environmental research and training and employment in this area.

The total contribution of the Structural Funds to the areas of Belgium eligible under Objective 2¹⁷ amounts to ECU 160 million programmed in the four SPDs adopted in December 1994. The progress of the SPDs varies, with the programmes in Turnhout and Limburg already operational. The priorities in Turnhout are industry, services and the environment and the main project selected is a centre for promotion, demonstration, research and advice to help small firms develop and use environmentally-friendly production and management techniques. Limburg has the same priorities, with the main project concerning technology to promote research into new materials for use in industry. In both cases, the Monitoring Committee and the Management Committee have operated satisfactorily.

Implementation of the programme for Liège, by contrast, whose priorities are economic diversification, technological innovation, improving the attractiveness of the area and employment, has suffered some delay (the 1995 ERDF instalment could not be committed in that year). This is greatest in the areas of technological innovation, the development of tourist potential and the cleaning up of abandoned sites. Measures to develop locally generated potential (information for small firms, assistance, help with the establishment of firms) are, however, progressing satisfactorily. Approval at the end of the year of the scheme of aid for productive investment (ECU 13.7 million from the ERDF, or 18% of its total contribution) will enable this measure to get under way.

Since the decision was taken in 1994, only one commitment (ECU 1.3 million) has been made for the Aubange programme. It was amended in autumn 1995 by the first Monitoring Committee, which decided to abandon the measure concerning business premises in favour of four measures relating to reception infrastructure for firms, one of which is a joint services centre, on the site of the European development pole.

1995 in the context of programming for 1994-96**Table 23: Objective 2 - Belgium - Financial implementation of the SPDs (ECU million)**

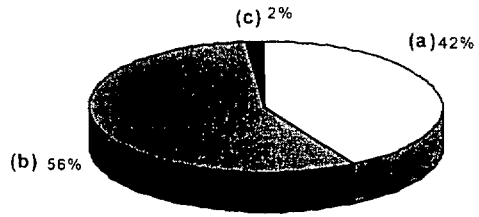
Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Aubange	3.2	1.3	0.4	1.3	100%	0.5	0.5	37%
SPD Liège	314.2	88.5	4.2	22.5	25%	11.3	11.3	50%
SPD Limburg	121.8	46.8	0.0	14.9	32%	0.0	7.5	50%
SPD Turnhout	58.1	23.4	0.0	23.4	100%	0.0	10.1	43%
TOTAL	497.2	160.0	4.6	62.2	39%	11.7	29.3	47%

¹⁷ Aubange, Liège, Limburg and Turnhout.

DENMARK

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)			23,4
Human resources (b)			31,6
Technical assistance (c)			1,0
Breakdown by Fund :			
	ERDF	44,2	79%
	ESF	11,8	21%
	Total	56,0	100%
2 SPDs			
	Average per SPD		28,0



Implementation in 1995

The environment is not regarded as a separate priority in the Danish SPDs but is an integral part of most of the other priorities, such as aid to businesses, through, for example, support for the adoption of clean technologies.

The two SPDs decided on in December 1994 for the eligible areas of Denmark¹⁸ provide for the Structural Funds to contribute a total of ECU 56 million in 1994-96. During 1995 implementation of these two programmes was satisfactory. When the Monitoring Committees met, it proved necessary, because of economic conditions in these areas, to increase the ERDF allocation for support for investment in existing small firms and the establishment of new firms, particularly in North Jutland. The financial progress of the programmes meant that the 1995 ERDF instalment for North Jutland could be committed and 80% of it paid. In the case of the SPD for Lolland, 50% of the single ERDF instalment has now been paid.

Table 24: Objective 2 - Denmark - Financial implementation of the SPDs (ECU million)

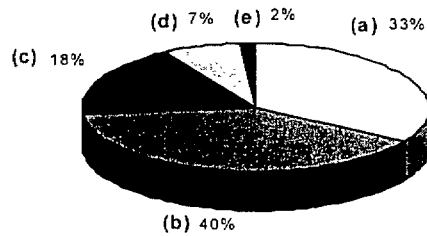
Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
SPD Lolland	36,1	9,5	0,0	9,5	100%	0,0	4,3	45%
SPD North Jutland	185,3	46,5	6,0	20,8	45%	8,3	15,7	76%
TOTAL	221,4	56,0	6,0	30,3	54%	8,3	20,0	66%

¹⁸ North Jutland and Lolland.

GERMANY

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		245,0	
Human resources (b)		293,0	
Land improvement and restoration (c)		132,0	
Environmental protection (d)		52,0	
Technical assistance (e)		11,0	
Breakdown by Fund :			
	ERDF	513,7	70%
	ESF	219,3	30%
	Total	733,0	100%
9 SPDs			
	Average per SPD		81,4



Implementation in 1995

Environmental protection varies in the nine Länder eligible under Objective 2. The Community contribution amounts to a total of ECU 198 million, including measures directly relating to the environment (ECU 52 million) and others. Together with Luxembourg, Germany is the Member State which devotes the largest proportion of Objective 2 funding to environmental protection. Two of the Länder eligible under this Objective (Rhineland-Palatinate and Schleswig-Holstein) make no provision for the Structural Funds to finance environmental protection but they receive only a very small amount of Community aid. However, the Länder of Berlin, North Rhine-Westphalia and Hesse, which have more substantial environmental problems than the other two, have allocated an appropriate share of finance to them. Interesting experiments include North Rhine-Westphalia, which is concentrating on the restoration of industrial wasteland for an international exhibition on urban planning (Internationale Bauausstellung Emscherpark). This includes the renovation of industrial areas and old buildings converted into technology centres with aid also being provided for firms specializing in the environment. Berlin is also preparing programmes of a new type (Environmental improvement programmes and Initiatives to encourage economic activities relating to the environment) which include the environment in a social or economic programme. In this Land, the ESF will contribute ECU 14 million to employment and training relating to the environment.

Nine SPDs for the German Objective 2 areas¹⁹ were approved in December 1994 for the 1994-96 programming period. These programmes are intended to improve the competitiveness of these areas, consolidate and expand employment, restore certain areas of land and encourage research and development and measures to protect the environment. Total assistance from the Structural Funds amounts to ECU 733 million. Each Land has its own development strategy and so defines for itself the main aspects of its structural policy.

¹⁹ Bavaria, western Berlin, Bremen, Hesse, Lower Saxony, North Rhine-Westphalia, Rhineland Palatinate, Saarland and Schleswig-Holstein.

Examples of past and present achievements in Germany:

Saarland: One of the priorities, receiving ERDF assistance of ECU 3.5 million towards a total cost of ECU 14.8 million, is the transfer of knowledge and technology through the promotion of institutional cooperation between the *Zentrale für Produktivität und Technologie* (ZPT - Centre for productivity and technology), the *Kontaktstelle für Wissens- und Technologietransfer* (KWT - Contact point for the transfer of science and technology) in the University of the Saarland and the *Institut des Technologietransfers* (FITT - Institute for the transfer of technology) in the *Hochschule für Technik und Wirtschaft* (Technical and economic institute). The ZPT offers advice and services to small firms and has established departments to provide information on Community activities and to deal with patents. One of the main tasks of the FITT and the KWT is to promote cooperation between various educational establishments and small firms (on the training available in higher education, the organization of cooperation measures, conferences and seminars and the supply of services where use is made of public aid programmes).

North Rhine-Westphalia: The emphasis is on the restoration of industrial areas and the refurbishment of factories for economic purposes. For example, the former boiler room in the Zollverein XII pithead in Essen has been converted into a design centre for North Rhine-Westphalia. The ERDF contributed ECU 9.8 million towards a total cost of ECU 19.9 million. Work on the mine has enabled almost 300 unemployed people to obtain vocational skills in a variety of construction trades (ESF contribution of ECU 2.1 million towards a total cost of ECU 6.4 million).

Lower Saxony: Two business parks costing a total of ECU 16.6 million have been built at Peine near the Hannover-Berlin A2 motorway with assistance amounting to ECU 750 000 from the ERDF under Objectives 2 and 3 and ECU 3.1 million from the Resider I Community Initiative.²⁰ They provide administrative and social buildings and workshops and one of them, Peine II, received the *Deutscher Städtebaupreis 1995*. A total of 23 firms have acquired premises creating a total of 500 jobs. On one such site, a municipal promoter is offering training and job placement, mainly in connection with the environment. In 1994 160 people took part and the ESF contributed about ECU 550 000.

1995 in the context of programming for 1994-96

Programmes show a low rate of payments in 1995 (55% of commitments but 21% of the aid) because of the comparatively late approval of the SPDs, in December 1994, and the delay in getting the assistance programmed under way in 1995.

Table 25: Objective 2 - Germany - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SP assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Bavaria	53.3	14.7	0.0	13.6	93%	2.6	9.4	69%
SPD Berlin	390.7	158.3	13.1	49.2	31%	11.9	29.9	61%
SPD Bremen	172.5	46.9	2.6	14.9	32%	4.2	10.4	69%
SPD Hesse	61.3	21.3	1.2	21.3	100%	0.6	10.6	50%
SPD Lower Saxony	126.4	42.5	6.5	13.5	32%	3.2	6.8	50%
SPD North Rhine Westphalia	1 298.8	361.4	5.4	115.0	32%	2.7	57.5	50%
SPD Rhineland-Palatinate	49.0	23.5	3.1	23.5	100%	1.5	11.7	50%
SPD Saarland	212.6	49.1	6.1	20.5	42%	5.8	12.9	65%
SPD Schleswig-Holstein	32.0	15.4	0.0	15.4	100%	0.0	7.7	50%
TOTAL	2 376.9	733.0	38.0	286.9	39%	32.5	156.9	55%

Programmes under the preceding phase (1992-93) also continued and most of them were completed in 1995. These were seven programmes for the six western Länder, which received a total of ECU 303.2

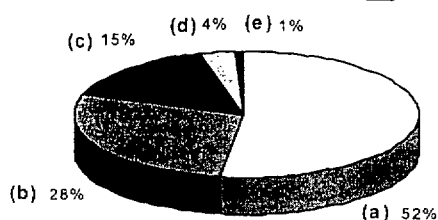
²⁰ See Chapter I.B.1. Community Initiatives.

million (ECU 266.4 million from the ERDF and ECU 76.9 million from the ESF). Commitments for all these programmes had been made by the end of 1993. During 1995 the Commission made payments amounting to ECU 60.6 million for four programmes (Berlin, Lower Saxony, North Rhine-Westphalia and Saarland) so that the western Länder had received ECU 185.6 million (82% of commitments) in Community aid for 1992-93 by the end of 1995. In the case of the Peine-Salzgitter (Lower Saxony) OP, the applications for payment of the balance have already been made, while an extension of the time for payment to 31 December 1996 has been granted to two programmes, North Rhine-Westphalia, because of delays in implementing certain projects, and Berlin, because of problems in implementing infrastructure projects and late applications for Community funds by certain private investors.

SPAIN

Programming for 1994-96 (ECU million)

<i>Breakdown by sector :</i>			
Productive environment (a)		592,0	
Human resources (b)		317,0	
Land improvement and restoration (c)		174,0	
Environmental protection (d)		40,0	
Technical assistance (e)		8,0	
<i>Breakdown by Fund :</i>			
	ERDF	870,1	77%
	ESF	259,9	23%
	Total	1.130,0	100%
<i>1 CSF/8 OPs</i>			
	Average per OP		141,3



Implementation in 1995

Protection of the environment, a priority under the CSF, is programmed through an OP receiving ECU 40 million from the ERDF (3.5% of total assistance) and adopted in 1995. Eligible measures under this OP include equipment to prevent and treat industrial pollution, the restoration of run-down industrial sites, monitoring the quality of the environment and infrastructure to prevent and reduce the negative impact on the environment of productive activity.

Spain is the only Member State whose national authorities chose to programme assistance under Objective 2 through a CSF and operational programmes. The CSF was adopted at the end of 1994 and implementation began with the approval of eight OPs in the first half of 1995. These comprised seven containing assistance from the ERDF and the ESF to each of the beneficiary Autonomous Communities²¹ and the multi-regional ESF programme, which contains the vocational training measures under the CSF and for which the national authorities are responsible. The Structural Funds are contributing ECU 1 130 million to these eight OPs as a whole. Each of them forms part of the CSF's priorities, support for employment and the competitiveness of firms, environmental protection, aid for technological research and innovation, the development of transport related to economic activity, local and urban development and technical assistance.

²¹ Rioja, Aragon, the Balearic Islands, Catalonia, Navarre, Madrid and the Basque Country.

Table 26: Objective 2 - Spain - Programme priorities adopted in 1995 (ECU million)

	Employment and the competitiveness of firms	Environment	Research, innovation	Transport	Local development	Technical assistance	Structural Funds assistance	National public contribution
Aragon	28,3	0,6	8,5	17,0	9,3	0,6	64,2	73,8
ERDF	16,6	0,6	5,5	17,0	9,3	0,5	49,4	59,0
ESF	11,7	0,0	3,0	0,0	0,0	0,1	14,8	14,9
Balearic Islands	8,8	0,0	0,3	0,0	0,9	0,4	10,4	10,1
ERDF	7,6	0,0	0,0	0,0	0,9	0,3	8,8	8,8
ESF	1,2	0,0	0,3	0,0	0,0	0,1	1,6	1,3
Catalonia	167,0	7,3	20,5	162,9	150,9	1,5	510,1	606,5
ERDF	128,1	7,3	16,2	162,9	87,4	0,4	402,2	515,7
ESF	38,9	0,0	4,4	0,0	63,5	1,1	107,9	90,8
Madrid	62,5	0,6	26,6	30,6	23,1	1,6	145,0	162,8
ERDF	34,1	0,6	25,6	30,6	21,2	1,6	113,7	130,9
ESF	28,4	0,0	1,0	0,0	1,8	0,0	31,3	31,9
Navarre	9,0	1,8	4,5	5,1	2,2	0,3	22,8	26,4
ERDF	7,7	1,8	2,9	5,1	0,0	0,2	17,7	20,6
ESF	1,3	0,0	1,6	0,0	2,2	0,1	5,1	5,8
Rioja	5,4	0,0	1,0	3,6	1,7	0,1	11,9	14,1
ERDF	4,4	0,0	0,7	3,6	1,7	0,1	10,5	12,6
ESF	1,0	0,0	0,3	0,0	0,1	0,0	1,4	1,5
Basque Country	123,6	29,2	31,0	83,1	55,9	3,1	325,9	368,0
ERDF	91,2	29,2	7,8	83,1	53,6	2,9	267,8	314,7
ESF	32,3	0,0	23,2	0,0	2,3	0,2	58,1	53,4
Multiregional ESF	20,9	0,0	18,8	0,0	0,0	0,0	39,7	48,2
TOTAL	425,5	39,5	111,3	302,2	243,9	7,6	1.130,0	1.310,1
ERDF	289,7	39,5	58,8	302,2	174,0	5,9	870,1	1.062,3
ESF	135,8	0,0	52,5	0,0	69,9	1,7	259,9	247,8
Total cost	1.858,1	79,0	234,2	774,9	525,0	9,3	3.911,7	-

During November and December the Monitoring Committees for each programme held their first meetings in the appropriate regional capital and the Monitoring Committee for the CSF met in Madrid at the end of October. In the cases of Catalonia (one programme) and the Basque Country (two programmes), assistance is subject to a suspensory clause.

1995 in the context of programming for 1994-96

Financial progress in the OPs may be regarded as remarkable in view of the late adoption of this assistance and the fact that, while there remains in principle one year of programming, there are three years to finalize national commitments and payments. An exception is Aragon, where, as a result of delays in implementation, in December 1995 the Spanish authorities asked for reprogramming to shift the bulk of the programme to 1996. The OPs for the Balearic Islands, Navarre and Rioja were approved through a single commitment of the total amount of Community assistance.

Table 27: Objective 2 - Spain - Financial implementation of programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
<i>Regional OPs</i>								
OP Aragon	199,3	64,2	13,9	13,9	22%	6,9	6,9	50%
OP Balearic Islands	61,1	10,4	10,4	10,4	100%	5,2	5,2	50%
OP Catalonia	1.994,0	510,1	289,0	289,0	57%	220,4	220,4	76%
OP Rioja	74,1	11,9	11,9	11,9	100%	5,9	5,9	50%
OP Madrid	398,8	145,0	79,1	79,1	55%	29,5	29,5	37%
OP Navarre	62,5	22,8	22,8	22,8	100%	16,7	16,7	73%
OP Basque Country	1.033,4	325,9	192,4	192,4	59%	148,4	148,4	77%
<i>Multi-regional OP</i>								
OP Multi-regional	88,3	39,7	39,7	39,7	100%	14,9	14,9	38%
TOTAL	3.911,7	1.130,0	659,2	659,2	58%	448,0	448,0	68%

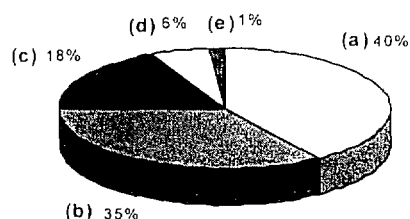
It should also be noted that assistance under the CSF for 1992-93 continued in 1995. That CSF, approved on 18 December 1992, contains ECU 724 million (at 1992 prices) of Community assistance for seven ERDF OPs (ECU 520 million), seven ESF OPs (ECU 166.6 million), the Renaval and Resider Community programmes in the Basque Country (ECU 34.2 million) and one Renaval Community programme in Cantabria (ECU 3 million). This, in the end, was not implemented and the amount was subsequently included in the corresponding regional OP. The 14 national initiative OPs (seven for the

ERDF and seven for the ESF) were implemented in accordance with the contents of the five priorities in the CSF, establishment and development of productive activities, protection and improvement of the environment, support for research and development and training facilities, improvements to the communications network and technical assistance. In the case of the nine programmes part-financed by the ERDF, all the commitments had been finalized by 31 December 1993, with the exception of the programmes for Aragon, Cantabria and Madrid where an extension to 31 March 1994 was granted. The final date for payments for each of these OPs was 31 December 1995. At the end of November 1995, the Spanish authorities sent the Commission requests for this date to be put back to 31 March 1996 in the case of the programmes for Aragon and Madrid and to 30 June 1996 for that for Cantabria. The Commission agreed to these requests.

FRANCE

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		710,0	
Human resources (b)		614,0	
Land improvement and restoration (c)		313,0	
Environmental protection (d)		103,0	
Technical assistance (e)		25,0	
Breakdown by Fund :			
	ERDF	1.452,6	82%
	ESF	310,6	18%
	Total	1.763,2	100%
19 SPDs			
	Average per SPD		92,8



Implementation in 1995

Environmental measures differ considerably in France from one region to another. The total contribution of the Structural Funds amounts to ECU 234 million (only ECU 103 million if measures concerned with direct protection are excluded), 13% of total assistance. However, this figure may rise to 28% in Alsace and not exceed 3.5% in the Loire region. In Lower Normandy it is zero. Most of the measures are for urban restoration and the cleaning up of industrial sites, mainly by removing industrial pollution. The example of Picardy is fairly representative: a large part (18%) of the Community contribution goes to environmental projects, the use of clean technologies and advisory services for firms is encouraged through the regional fund for the environment and energy, and employment and training related to the environment will be encouraged.

The 19 SPDs for the Objective 2 regions of France²² were approved in December 1994 and all the Monitoring Committees for these programmes had been established by the end of March 1995. Most of the programmes got under way fairly slowly and their implementation gives grounds for a certain degree of concern.

The evaluation structure to monitor assistance has been established or is being set up in seven of the 19 regions and in most regions the system suggests that monitoring will be more rigorous thanks to stronger teams and have a higher profile as the result of the quality of information sent to the Monitoring Committees, particularly as far as the selection of projects to receive Community funding is concerned.

²² Alsace, Aquitaine, Auvergne, Brittany, Burgundy, Centre, Champagne-Ardenne, Franche-Comté, Languedoc-Roussillon, Loire Region, Lorraine, Lower Normandy, Midi-Pyrénées, Nord/Pas-de-Calais, Picardy, Poitou-Charentes, Provence-Alpes-Côte d'Azur, Rhône-Alpes and Upper Normandy.

Through partnership a meeting with the regional partners organized by the DATAR²³ was held in May 1995 and provided an opportunity to exchange experience on a number of topics, including assessment.

1995 in the context of programming for 1994-96

Statements of expenditure for the 1994 instalment sent to the Commission at the end of 1995 for 11 of the 17 regions²⁴ show that it had proved possible to commit the 1995 instalment but the first advance for that year had been paid in only three regions. This means that the level of public expenditure of the 1994 instalment of the programme had not reached 40% in six regions and was below 60% in 14. It should be noted that Rhône-Alpes, Nord/Pas-de-Calais, Aquitaine, Brittany, Champagne-Ardennes and Franche-Comté had not declared sufficient expenditure to justify a call for funds or a request for commitment of the Community instalment for 1995. The result is that at the end of 1995 France will have received payments totalling ECU 348.3 million in respect of the first advance for 1995 and the second advance for 1994. This situation is particularly worrying because programming should be completed and fully committed at national level before the end of 1996.

Table 28: Objective 2 - France - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
SPD Alsace	46,0	19,6	0,0	19,6	100%	0,0	9,8	50%
SPD Aquitaine	379,2	107,1	3,8	37,9	35%	2,6	19,6	52%
SPD Auvergne	126,0	61,1	19,3	38,7	63%	15,6	25,3	65%
SPD Lower Normandy	169,5	57,8	17,1	35,5	61%	12,2	21,3	60%
SPD Burgundy	130,4	49,4	13,9	29,6	60%	0,0	7,9	27%
SPD Brittany	262,3	89,7	0,0	28,5	32%	0,0	14,3	50%
SPD Centre	108,4	24,2	0,0	24,2	100%	0,0	12,1	50%
SPD Champagne-Ardenne	211,3	77,5	0,0	24,6	32%	0,0	12,3	50%
SPD Franche-Comté	111,7	47,8	2,1	17,3	36%	1,1	8,7	50%
SPD Upper Normandy	396,9	146,0	45,2	91,6	63%	18,5	41,7	46%
SPD Languedoc-Roussillon	219,5	70,5	19,9	42,3	60%	5,7	16,9	40%
SPD Lorraine	282,7	127,4	40,0	80,4	63%	15,5	35,7	44%
SPD Midi-Pyrénées	151,3	42,6	13,6	27,2	64%	2,1	8,9	33%
SPD Nord/Pas-de-Calais	923,1	318,1	12,0	114,1	36%	11,7	62,8	55%
SPD Loire Region	321,7	135,9	41,9	85,1	63%	22,9	27,0	32%
SPD Picardy	429,2	122,4	37,6	76,5	62%	30,5	49,9	65%
SPD Poitou-Charentes	130,7	53,3	17,1	34,0	64%	6,7	15,2	45%
SPD P A C A (1)	295,7	113,1	29,6	65,6	58%	0,0	18,0	27%
SPD Rhône-Alpes	316,7	99,7	0,0	31,7	32%	0,0	15,8	50%
TOTAL	5,012,0	1,763,2	313,1	904,4	51%	148,1	423,3	47%

(1) Provence-Alpes-Côte d'Azur

At the request of the French authorities, the Commission took a decision to extend the period for national payments for final beneficiaries in respect of a number of programmes under previous phases of programming (1989-91 and 1992-93).

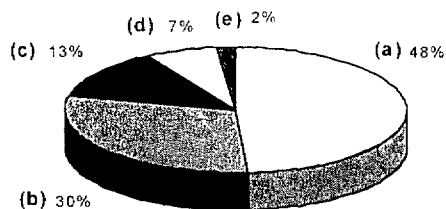
²³ Délégation à l'aménagement du territoire et à l'action régionale (department for spatial planning and regional activities).

²⁴ Seventeen rather than 19 because a single commitment was made when the SPDs for Alsace and Centre were adopted.

ITALY

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		334,7	
Human resources (b)		204,3	
Land improvement and restoration (c)		86,0	
Environmental protection (d)		48,4	
Technical assistance (e)		10,6	
Breakdown by Fund :			
	ERDF	542,3	79%
	ESF	141,7	21%
	Total	684,0	100%
11 SPDs			
	Average per SPD		62,2



The new programming period 1994-96 provides for Community assistance totalling ECU 684 million to 11 regions in northern and central Italy²⁵. All the SPDs had been approved by the end of 1994 with Community assistance ranging from ECU 6 million for the Valle d'Aosta to ECU 205 million for Piedmont. As regards content, the programmes lay greater stress than in the past on activities relating to new sources of employment. This includes aid to small firms for the adoption of new technologies through support for R&D and the transfer of technology (science and technology parks, innovative services for small firms, specific training measures, the creation of consortia of producers and potential users of the results of work on research and innovation). Particular attention is also paid to the development of human resources, which is a specific priority in all the programmes other than those for Valle d'Aosta and Lombardy. This priority includes horizontal and/or innovative measures concerning skills and support for the economic system and experiments with new forms of assistance. It is structured in three parts: the development of human resources for workers in large firms threatened with or suffering from unemployment, innovative projects relating to training linked to the opportunities offered by new sources of employment (accompanying measures and local development initiatives) and improvements to the training system.

Environmental protection has received particular attention. The total contribution of the Structural Funds is ECU 105 million (ECU 48 million if only measures directly concerned with the environment are included), 15% of total assistance. However, the figure varies sharply from one region to another, ranging from zero in Emilia-Romagna to 20% in Piedmont. In general, attention is concentrated mainly on industry, particularly control systems, environmental infrastructure, the restoration of abandoned areas, programmes of subsidies for investment in clean technologies and some specific training measures. For example, in Lombardy substantial aid will be given to help small firms modernize their facilities for treating waste water and other waste. In Piedmont a large part of the finance will go to clean technologies, the storage or recycling of industrial waste and the reclamation of abandoned industrial land.

The programmes also give greater assistance to local development through a series of measures including grants for new investment, services, a fresh boost to the economy and new financial instruments with innovative aspects.

Implementation in 1995

In most regions, implementation of the SPDs began immediately the programmes had been approved. The outturn has, however, varied widely from one measure to another. In general, programmes providing grants to small firms (craft firms, tourism and services) have been very successful with

²⁵ Emilia-Romagna, Friuli-Venezia Giulia, Lazio, Liguria, Lombardy, Marche, Piedmont, Tuscany, Umbria, Valle d'Aosta and Veneto.

commitments approaching 100% in many regions. However, although new infrastructure measures have attracted a large number of applications, they require more time because of the cumbersome Italian legislation on invitations to tender. It should be noted that the process of selecting projects eligible for financing has encouraged transparency and compliance with the principle that assistance from the Structural Funds should add value and, in accordance with the selection criteria, only the most promising projects have been selected.

The Monitoring Committees for all the SPDs met in 1995 and took the steps required for measures which had remained in suspense when the SPDs were adopted to make progress. The Committees approved the various selection criteria for the projects and issued calls for proposals. Where necessary, some (Liguria and Tuscany) adopted various corrective measures to adjust the programmes in the light of developments in the region.

1995 in the context of programming for 1994-96

Table 29: Objective 2 - Italy - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
SPD Emilia-Romagna	59,4	12,0	0,0	12,0	100%	0,0	6,0	50%
SPD Friuli-Venezia Giulia	104,8	24,0	0,0	24,0	100%	0,0	12,0	50%
SPD Lazio	193,4	64,0	0,0	20,3	32%	0,0	10,2	50%
SPD Liguria	274,7	96,0	0,0	30,5	32%	0,0	15,3	50%
SPD Lombardy	76,1	23,0	0,0	23,0	100%	0,0	11,5	50%
SPD Marche	57,0	21,0	0,0	21,0	100%	0,0	10,5	50%
SPD Piedmont	695,9	205,0	0,0	65,1	32%	0,0	32,6	50%
SPD Tuscany	485,1	127,0	0,0	40,4	32%	0,0	20,2	50%
SPD Umbria	80,1	35,0	0,0	35,0	100%	0,0	17,5	50%
SPD Valle d'Aosta	15,4	6,0	0,0	6,0	100%	0,0	3,0	50%
SPD Veneto	223,7	71,0	0,0	22,6	32%	0,0	11,3	50%
TOTAL	2.245,7	684,0	0,0	299,9	44%	0,0	150,0	50%

In terms of financial implementation at national level, payments by the national authorities responsible for the implementation of the programmes give rise to considerable concern because of the low level of implementation at the end of 1995 (between 0% and 8% of the total planned for 1994-96).

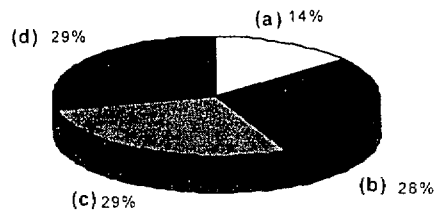
It should also be noted that implementation of the first phase (1989-91) of the previous programming period is now complete. While total payments amounted to 80% to 90% of the total available appropriations (ECU 158 million), this under-utilization is partly the result of difficulties encountered during implementation (long and obscure administrative procedures, the abandonment of projects to which appropriations had already been committed) and partly to the devaluation of the lira. As a result of this devaluation, full utilization of ERDF assistance would have required the national authorities to make additional resources available, which was not considered compatible with efforts to achieve budgetary discipline at national level. Each region has made an initial assessment of the impact on the economy and employment in its final report. However, a more complete *ex post* evaluation study will be carried out by an outside assessor selected by the Commission. In addition, information and publicity measures have been undertaken to raise the profile of the ESF measures.

In the second phase (1992-93), the Community contribution to the nine programmes amounted to ECU 183 million (ERDF: ECU 127 million; ESF: 56 million). Total investment under these programmes, including national public and private resources, amounts to ECU 1 billion and the average multiplier effect is about 5.7. Although commitments at regional level have reached 100% in almost all cases, implementation has been delayed because of the adoption of the programmes at the end of 1992 and the impact this had on payments on the ground. As a result, the final date for payment has been put back by six months in seven regions. By the end of 1995 the overall rate of payments was around 50%. However, since the rate of expenditure normally rises sharply during the last few months before the final dates for payment, there is every reason to expect the situation to improve in 1996.

LUXEMBOURG

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		1,0	
Human resources (b)		2,0	
Land improvement and restoration (c)		2,0	
Environmental protection (d)		2,0	
Breakdown by Fund :			
	ERDF	6,0	86%
	ESF	1,0	14%
	Total	7,0	100%
1 SPD			
	Average per SPD		7,0



Implementation in 1995

Protection of the environment receives the largest share of appropriations under Objective 2 in the SPD for Luxembourg: 30% of the appropriations from the Structural Funds (ECU 2.2 million). This priority is concerned with cleaning up industrial waste land and the treatment of waste.

Progress in implementing the SPD for Luxembourg, which was adopted in 1994, is rather variable. Some measures (the equipping of reception areas and the construction of tourist infrastructure) are proceeding as planned while others had not really begun in 1995 because of start-up problems. Some adjustments will be made during 1996 (particularly the project to cover over the waste tip at Ronnebjerg).

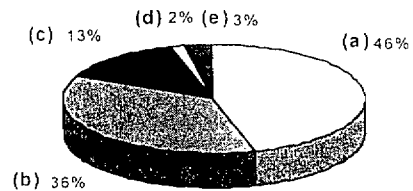
Table 30: Objective 2 - Luxembourg - Financial implementation of the SPD (ECU million)

Programme and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
SPD Luxembourg	20,7	7,0	0,0	8,0	114%	0,0	4,0	50%

NETHERLANDS

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		141,4	
Human resources (b)		112,8	
Land improvement and restoration (c)		41,5	
Environmental protection (d)		5,0	
Technical assistance (e)		9,2	
Breakdown by Fund :			
	ERDF	206,0	69%
	ESF	94,0	31%
	Total	300,0	100%
5 SPDs			
	Average per SPD		60,0



Implementation in 1995

Environmental measures in the Netherlands are very varied. Three of the SPDs (Groningen, Zuidoost Brabant and Zuid-Limburg) make specific provision for Community appropriations amounting to ECU 13 million (ECU 5 million for direct measures), or 4.5% of total assistance. These measures concentrate on improvements to make urban and industrial areas more attractive.

The areas of the Netherlands eligible under Objective 2²⁶ receive a total of ECU 300 million from the Structural Funds in the form of five SPDs adopted in 1994. In general, the launch of these programmes in 1995 was satisfactory, as shown by the level of Community commitments, but actual implementation on the ground varied from one programme to another. The SPD for Zuidoost Brabant got off to a slow start because of its late approval but progress speeded up at the end of 1995 so that, by the beginning of 1996, 54% of the total appropriations had been committed for approved projects (ERDF: 48%; ESF: 66%). These included a number of major projects, which gave an important stimulus to private investors (some 250 companies). In the case of the Arnhem-Nijmegen programme, actual expenditure committed by the final beneficiaries now amounts to 40% of the total costs for 1994. In the case of the ESF, however, some ECU 2 million out of a total of ECU 16.6 million had been committed so that a special working party was set up to encourage a larger number of projects part-financed by the ESF. This has made encouraging progress.

Good progress in implementation:

In Zuidoost Brabant, the measure for the restoration of areas for the establishment of economic activities will be completed early in 1996 and there are high expectations of the KIC (*Kennisintensieve Industrie Clustering* - Knowledge-intensive industrial grouping) involving technical cooperation between firms not only in Zuidoost Brabant but also in Zuid-Limburg, another Objective 2 area, and in northern and central Limburg, which are eligible under Objective 5(b).

In Arnhem-Nijmegen, the aim of the programme is to create 3 000 jobs and it appears that the total number of jobs created by the projects approved has already reached that figure.

In Twente, the main project approved in 1995 was the general programme of assistance to small firms (total cost: ECU 11.4 million, ERDF aid: ECU 8.5 million) which has three strands: assistance and advice, investment grants and loans for innovative projects. The Commission approved the first two parts in spring 1995.

In the case of the Twente SPD, about 43% of the ERDF assistance (ECU 39.4 million) was used for individual projects. This means that the ERDF provided about ECU 24 million in part-finance. While the schedule of commitments was complied with, there are delays in payments since the 1995 instalment has not been paid. The situation with regard to the Groningen-Drenthe programme is similar. While almost 40% of ERDF assistance (ECU 48.6 million) has been committed, there is a delay in payments and the 1995 instalment will have to be committed in 1996. The Zuid-Limburg programme became operational in a few months, mainly because it was the continuation of earlier programmes. By the end of 1995, 32% of the assistance had been committed. Because a number of the projects decided on are on a large scale (the development of sites and facilities for economic activities), actual payments will be made later.

²⁶ Zuidoost Brabant, Arnhem-Nijmegen, Groningen-Drenthe, Twente and Zuid-Limburg.

1995 in the context of programming for 1994-96

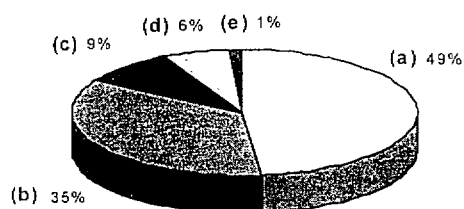
Table 31: Objective 2 - Netherlands - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Arnhem-Nijmegen	171,6	56,0	0,0	17,9	32%	0,0	9,0	50%
SPD Groningen-Drenthe	252,7	76,0	9,1	33,4	44%	12,3	16,7	50%
SPD Twente-Overijssel	197,5	58,0	0,0	18,6	32%	0,0	9,3	50%
SPD Zuid-Limburg	130,3	43,0	0,0	13,8	32%	0,0	6,9	50%
SPD Zuidoost Brabant	172,0	67,0	0,0	21,4	32%	0,0	10,7	50%
TOTAL	924,1	300,0	9,1	105,0	35%	12,3	52,3	50%

UNITED KINGDOM

Programming for 1994-96 (ECU million)

Breakdown by sector :			
Productive environment (a)		1.038,0	
Human resources (b)		755,0	
Land improvement and restoration (c)		189,0	
Environmental protection (d)		138,0	
Technical assistance (e)		22,0	
Breakdown by Fund :			
	ERDF	1.606,9	75%
	ESF	535,1	25%
	Total	2.142,0	100%
13 SPDs			
	Average per SPD		164,8



Implementation in 1995

Measures to protect the environment are included in virtually all the SPDs for the United Kingdom. They total ECU 138 million, or 6.5% of Community assistance. Despite their variety, they form two distinct groups. Many areas are trying to improve their image and so are targeting measures on the renovation of urban centres while others have concentrated measures on the development of clean technologies in firms in order to reduce industrial pollution.

In the early part of the year, the bulk of the work involved establishing the Monitoring Committees for the 13 SPDs²⁷ approved at the end of 1994 and defining the procedures and criteria for the selection of projects. In each region the Monitoring Committees set up a number of sub-committees (working parties, advisory groups, etc.) to assist in programme implementation, and particularly the assessment and selection of projects. The groups are organized on a regional or sub-regional basis (e.g. for Yorkshire and Humberside there is a separate advisory group responsible for selecting projects in the three areas eligible, South Yorkshire, West Yorkshire and Humberside) or on a sectoral basis (e.g. a sectoral group for each of the programme priorities: small firms, R&D, local development, etc.). The Commission is represented on all these committees.

²⁷ Eastern Scotland, Western Scotland, East Midlands, Gibraltar, East London and the Lee Valley, Industrial South Wales, North East England, Greater Manchester Lancashire Cheshire, Plymouth, Thanet, West Cumbria and Furness, West Midlands, Yorkshire and Humberside.

Original methods of operating:

The Monitoring Committees and working parties are assisted by *secretariats*. The Commission has attached great importance to the establishment of independent secretariats responsible to the Monitoring Committees but only in Scotland have such secretariats (with externally recruited staff and their establishment financed partly by technical assistance) been set up with the support of local partners. They have given very good results. In England and Wales the secretariats have been set up with staff from the regional government offices or the Welsh Office and in some cases staff seconded from the partnership paid partly through technical assistance.

In all the regions, the Monitoring Committees have adopted *transparent criteria* for the selection of projects. All the projects are assessed using a system of points based on criteria agreed jointly by the respective Monitoring Committees. The criteria used include the capacity of the project to create permanent jobs. Other criteria include the cost/benefit ratio, the life of the project and its complementarity with other projects. Projects costing less than ECU 5 million are normally considered and selected by working parties reporting back to the appropriate Monitoring Committee. Projects costing more than that amount are normally approved by the Monitoring Committee.

Operational mechanisms were introduced in all the regions in February-March 1995. The main task in the following months was to issue calls for projects, which was done at regular intervals throughout the year, and to select projects. Measures under the ESF were selected on the basis of a single call in each region, as were those under the ERDF in the case of the smallest programmes. In the case of larger programmes, a number of calls for projects were issued with varying results. For example, under the West Midlands SPD, over 800 proposals were received in response to the first call. Replies varied depending on the measure. Traditional measures such as "industrial sites and premises" and "development of tourism" sometimes reached the allocations fixed rapidly. More innovative measures such as the development of clean technologies and local economic development made slower progress. Some applicants, particularly associative bodies, often had problems in finding the part-finance required to implement their projects.

The Monitoring Committees also resolved certain basic questions on the implementation of the SPDs, including the implementation of priorities for local development, where programmes sought to stimulate a bottom up approach, and combatting the social exclusion of the least favoured social groups concentrated in certain areas of each region. Where these areas had not been defined in the SPDs this was done by the Monitoring Committees during 1995. Plymouth is the area where the target population is most concentrated with 14% of the population of the Objective 2 areas.

A certain amount of aid was provided under technical assistance, for example for the preparation of work programmes or to bolster secretariats through staff seconded from the enlarged partnership.

As far as monitoring and evaluation are concerned, the local partners undertook to complete the basic indicators, some of which were not yet available when the SPDs were approved at the end of 1994. By the end of 1995 some major indicators still remained to be established in some beneficiary areas. Evaluations of earlier programmes (such as that for Eastern Scotland) or studies on specific subjects were launched and the results will be considered by the Monitoring Committees. In addition, in 1995 the Commission launched a study on local economic development in Great Britain. In some regions, such as North-East England, special seminars were organized to make the opportunities in this field better known.

1995 in the context of programming for 1994-96

Table 32: Objective 2 - United Kingdom - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitment 1995	Commitment 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
SPD East London & The Lee valley	191,3	74,0	6,1	29,7	40%	4,4	16,1	54%
SPD East Midlands	218,2	79,0	6,5	31,7	40%	5,8	18,4	58%
SPD Eastern Scotland	293,0	121,0	40,1	78,6	65%	6,6	25,9	33%
SPD Gibraltar	11,5	5,0	0,0	5,0	100%	0,0	2,5	50%
SPD Greater Manchester	814,5	329,0	32,7	137,3	42%	27,5	79,8	58%
SPD Industrial South Wales	526,4	188,0	15,6	75,3	40%	14,3	44,2	59%
SPD North East England	723,7	308,0	95,7	193,6	63%	37,4	86,3	45%
SPD Plymouth	69,2	29,0	0,0	29,0	100%	0,0	14,5	50%
SPD Thanet	69,1	14,0	0,0	14,0	100%	0,0	7,0	50%
SPD West Cumbria & Furness	65,3	25,0	0,0	25,0	100%	0,0	12,5	50%
SPD West Midlands	938,4	371,0	123,0	240,9	65%	19,1	78,1	32%
SPD Western Scotland	665,8	286,0	94,8	185,7	65%	18,5	63,9	34%
SPD Yorkshire & Humberside	813,7	313,0	103,8	204,4	65%	19,3	69,6	34%
TOTAL	5.400,1	2.142,0	518,3	1.250,0	58%	153,0	518,9	42%

In general, measures under the programmes have given impressive results in terms of the level of commitment of the Structural Funds. By the end of the year, the programmes which had been approved in principle represented about half the total assistance for that purpose. However, progress in terms of actual expenditure was rather slower.

In December 1995 adjustments were made to four SPDs (Eastern Scotland, Western Scotland, Yorkshire and Humberside and West Midlands), mainly to define better the contribution of the private sector and to transfer to 1995 instalments of ERDF and ESF appropriations not used in 1994.

4. Objectives 3 and 4

4.1. Implementation of Objectives 3 and 4 in 1995

All the programmes under Objective 3 have now been approved for the new period, as all the CSFs, OPs and SPDs for the nine existing Member States were adopted in 1994 and the three SPDs for the new Member States were adopted in 1995²⁸. In all, therefore, Objective 3 is being implemented by four CSFs, 46 OPs and seven SPDs (including three for the new Member States). All the Objective 4 programmes for the Nine were also adopted in 1994, and in the new Member States, only the SPD for Sweden remained to be approved in 1995. Thus, Objective 4 is being implemented by nine SPDs (including two in the new Member States), one CSF and five OPs.

Implementation of Objective 3 in the Member States in 1995 was satisfactory. Emphasis was placed on the new guidelines for the 1994-99 programming period, which introduced new possibilities for assistance as regards both the targeted recipients (all those threatened with exclusion from the labour market) and measures (integration pathways, basic and continuing training and apprenticeship schemes).

Since the CSFs and SPDs for Objective 4 were approved in December 1994, measures were prepared in 1995 at differing speeds in the different Member States. Priority was given to the dissemination of information (mainly through seminars and information campaigns), setting up the partnership and selecting projects. In some Member States measures were launched in 1995, in others this will happen in 1996. The innovations in Objective 4, particularly with regard to pre-emptive measures, the extended partnership and the need to comply with competition rules have resulted in delays in implementation in relation to initial forecasts.

Table 33: Objectives 3 and 4 - 1995 in the context of programming for 1994-95 and 1996-99 (ECU million)

	B	DK	D	E	F	I	L	N	AT	FI	SE	UK	Total
Objective 3 (1994/95-99 except for UK 1994-96)													
Programmed	396,2 **	263,0 *	1 682,1 **	1 474,4 **	2 562,4 *	1 316,3 **	20,7 **	922,8 *	334,0 *	258,4 *	347,0 *	1 501,0 *	11 078,3
Adopted	400,9	263,0	1 682,1	1 480,3	2 562,4	1 300,1	20,7	922,8	334,0	258,4	347,0	1 501,0	11 072,7
%	101%	100%	100%	100%	100%	99%	100%	100%	100%	100%	100%	100%	100%
Commitments 1994-1995	97,8	85,0	307,8	426,6	778,4	200,5	6,5	282,3	64,1	60,3	73,0	975,0	3 357,1
% of assistance	24%	32%	18%	29%	30%	15%	31%	31%	19%	23%	21%	65%	30%
Payments 1994-1995	74,5	74,2	234,3	244,5	503,7	100,2	5,6	253,3	32,0	30,2	36,5	818,6	2 407,6
% of assistance	19%	28%	14%	17%	20%	8%	27%	27%	10%	12%	11%	55%	22%
Objective 4 (1994/95-96 except for E, I, N, UK 1994-99)													
Programmed	25,4 **	13,0 *	104,5 *	368,6 *	299,6 *	398,8 *	0,9 *	156,2 *	61,0 *	84,6 *	173,0 *	329,7 *	2 015,3
Adopted	25,7	13,0	104,5	368,6	299,6	398,8	0,9	156,2	61,0	84,6	0,0	0,0	1 512,9
%	101%	100%	100%	100%	100%	100%	99%	100%	100%	100%	0%	0%	75%
Commitments 1994-1995	4,6	6,0	29,6	118,1	95,4	60,6	0,5	22,2	11,7	14,8	0,0	0,0	363,6
% of assistance	18%	46%	28%	32%	32%	15%	59%	14%	19%	18%	0%	0%	24%
Payments 1994-1995	2,3	3,0	14,8	65,8	47,7	30,3	0,3	11,1	5,9	7,4	0,0	0,0	188,7
% of assistance	9%	23%	14%	18%	16%	8%	38%	7%	10%	9%	0%	0%	12%

* Programmed by SPD

** Programmed by CSF

The under-utilization of ESF appropriations for 1995²⁹ was noted by the various parties involved in the Community institutions and the Member States. The main reasons for this situation have been weaknesses and delays in implementation in certain Member States and delays in the adoption of many decisions. The situation varies according to the Objective and the Member State concerned, but a plan of action comprising steps to be taken by the Member States and the Commission has been adopted in order to improve implementation and achieve better control from 1996 on.

²⁸ See Chapter I.A.7. Integration of the new Member States into the structural policies.

²⁹ See also Chapter II.A Budgetary implementation.

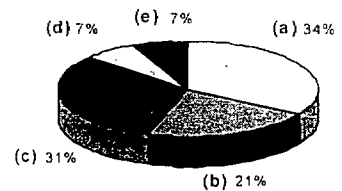
The environment in Objectives 3 and 4:

Since Objectives 3 and 4 concern human resource measures to combat long-term unemployment and facilitate vocational integration (Objective 3) and to facilitate the adaptation of workers to industrial changes (Objective 4) environmental considerations are necessarily indirect and concern work experience and vocational training. However, in the long term they contribute to adapting employees to new jobs and increasing public awareness of environmental issues. Thus, under Objective 3 the ESF is supporting environmental action by part-financing employment aid for environmental improvement operations like the restoration of industrial sites, cleaning of rivers or beaches and the conservation of natural sites. Objective 4 includes vocational training and advisory measures in the context of re-skilling workers in the face of industrial changes. In the main, these measures aim to raise skill levels to enable workers to adapt to new, environmentally friendly procedures which often require advanced technical skills.

4.2. Country-by-country survey**BELGIUM**

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Integration of the long-term unemployed (a)	133,0
Vocational integration of young people seeking employment (b)	84,8
Integration of those threatened with exclusion (c)	124,6
Equal opportunities for men and women (d)	26,4
Aid for training and integration facilities (e)	27,4
Total	396,2



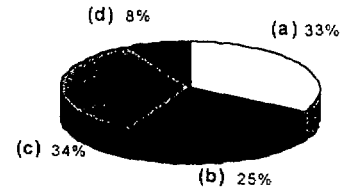
Objective 3: Objective 3 in Belgium is programmed in a CSF and five OPs, all adopted in 1994 and representing ESF assistance worth ECU 396.2 million. Measures programmed for 1995 progressed well. The Monitoring Committees for the OPs studied the ways and means of achieving optimal management of the integration pathway, which will become an eligibility criterion from 1997. Underlying this discussion has been the setting up of a forum to take place in 1996 in which trainees under measures supported by the ESF will play a key role. The Monitoring Committees also focused on defining specifications for assessment as well as appointing independent assessors.

Local branch offices in Brussels:

The idea of setting up local branch offices came from the municipalities which make up the city of Brussels, the public social assistance centres (CPAS) and their partner associations as a shared means of assisting local inhabitants in difficulty. There is no single model. These local branches seek to render the various measures and legal provisions taken by the municipal, regional and federal authorities more accessible and applicable to the everyday reality of the local population they serve. They play an important coordinating role at local level in facilitating access by the population to vocational integration measures and encouraging the development of integration pathways. The local branch offices in Brussels have set up reception and guidance facilities. Each year 300 to 600 people receive initial socio-vocational guidance in each of the local branches. There are now nine of them in the city's main municipalities.

Objective 4 - programming for 1994-96 (ECU million)

Priorities	FSE
Anticipation of labour market trends (a)	8,3
Improvements in training and guidance schemes (b)	6,4
Development of training and guidance (c)	8,7
Horizontal measures (d)	2,0
Total	25,4



Objective 4: Like Objective 3, Objective 4 is programmed through a CSF and five OPs adopted in 1994 with an ESF contribution of ECU 25.4 million until 1996. However, in contrast to initial plans, few measures were organized in 1995 because the Monitoring Committees for the OPs, in their concern to do justice to the specific goals of Objective 4, decided to determine as exactly as possible the criteria and procedures for selecting projects. Their discussions should be translated into administrative procedures during 1996.

Table 34: Objectives 3 and 4 - Belgium - Financial implementation of the SPDs (ECU million)

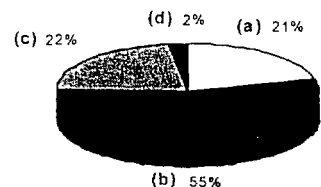
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
<i>1994</i>								
OP Flemish Community	632,0	188,3	0,0	30,4	16%	9,4	24,6	81%
OP French Community	361,7	158,7	25,9	51,9	33%	25,9	38,9	75%
OP German-speaking community	12,4	5,5	0,0	0,8	15%	0,1	0,5	56%
OP Brussels	32,7	12,4	1,9	3,7	30%	1,5	2,4	64%
OP Ministry of employment	94,3	36,0	5,6	10,9	30%	5,5	8,1	75%
Total	1.133,0	400,9	33,4	97,8	24%	42,3	74,3	76%
Objective 4								
<i>1994</i>								
OP Flemish community	45,1	18,3	0,0	3,5	19%	0,0	1,7	50%
OP French Community	11,1	3,7	0,0	0,2	5%	0,0	0,1	50%
OP German-speaking community	0,6	0,3	0,0	0,1	25%	0,0	0,0	50%
OP Brussels	3,1	1,0	0,0	0,3	30%	0,0	0,1	50%
OP Ministry of employment	6,9	2,6	0,0	0,6	24%	0,0	0,3	50%
Total	66,8	25,7	0,0	4,6	18%	0,0	2,3	50%
TOTAL	1.199,8	426,6	33,4	102,4	24%	42,3	76,8	75%

The measures receiving assistance under Objective 3 in 1995 comprise active steps to combat unemployment, with special priority to integration mechanisms which, with appropriate supervision, can effectively help the unemployed into permanent jobs. Implementation of this exacting concept (the integration pathway) has been highly successful. The delays in starting up in 1994 have almost all been retrieved and the financial implementation rate is expected to be around 100% when the balances are calculated. The success rate of Objective 4, being much more recent in terms of both approach and direction, has been more varied in the different regions of the country. Only the federal OP kept up with initial programming in 1995.

DENMARK

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Vocational integration of young people (a)	55,0
Integration of the long-term unemployed (b)	144,0
Integration of those threatened with exclusion (c)	58,5
Technical assistance (d)	5,5
Total	263,0

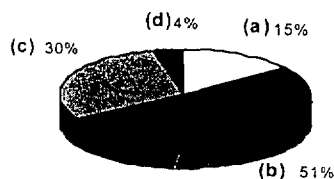


Objective 3: Objective 3 is being implemented in Denmark through a single SPD adopted in 1994, which saw ECU 41 million in commitment appropriations for 1995. The SPD supports and supplements Denmark's dynamic employment policy by concentrating assistance on a number of beneficiaries much smaller than the number of unemployed people receiving national assistance and on projects of a longer

duration than in the previous programming period. Results in 1995 show that application of this principle is bearing fruit.

Objective 4 - programming for 1994-96 (ECU million)

Priorities	FSE
Anticipation of labour market trends and vocational training requirements (a)	1,9
Vocational training, guidance, advice (b)	6,7
Improvements in vocational training schemes (c)	3,9
Technical assistance (d)	0,5
Total	13,0



Objective 4: 1995 was the first full year of implementation of the SPD for 1994-96 in Denmark. Late approval of the SPD prevented any action in 1994 and resulted in ECU 1 million being carried forward from 1994. ECU 5 million was committed in 1995. The measures provided for in the SPD aim, in particular, at improving the current arrangements for monitoring the labour market and assisting firms to make better use of them. The ESF is also assisting measures with two other strategic aims: on the one hand, to develop vocational training in addition to that offered by the Danish system, matching market requirements and targeting those in greatest need and, on the other hand, to set up advisory services for businesses, especially SMEs. With regard to monitoring, the standing assessment committee provided for in the SPD has been set up. It is collaborating in the creation, application and development of new methods for anticipating and monitoring labour market requirements.

Study on the impact of electronic data exchange (EDE):

The purpose of this project is to study the extent to which EDE will change the skills required of staff and how surplus human resources can be reallocated elsewhere. The main target group is staff directly affected by the introduction of EDE, with management in second place. The first phase of the project, launched in 1995, consists in gathering information and pinpointing current and future uses of EDE by businesses by means of internal interviews and using experience gained in other countries. The project is being part-financed by the ESF (39%), the national public sector (33%) and the private sector (28%).

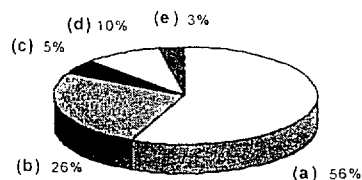
Table 35: Objectives 3 and 4 - Denmark - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	ESF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
<i>1994</i>								
SPD Denmark	552,9	263,0	41,0	85,0	32%	39,0	74,2	87%
Objective 4								
<i>1994</i>								
SPD Denmark	28,9	13,0	5,0	6,0	46%	3,3	3,0	50%
TOTAL	581,8	276,0	46,0	91,0	33%	41,5	77,2	85%

GERMANY

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Vocational integration of those threatened with long-term unemployment (a)	951,4
Vocational integration of young people seeking employment (b)	441,7
Integration of those threatened with exclusion (c)	78,1
Equal opportunities for men and women (d)	160,1
Technical assistance and pilot projects (e)	50,7
Total	1.682,0



Objective 3: Objective 3 in Germany is programmed in one CSF and 12 OPs (one per Land and one federal) adopted in 1994 with total ESF financing worth ECU 1 682 million. 1995 was the first full year of implementation of the OPs, which is why only 18% (ECU 48.2 million) of the total allocation of ECU 268.7 million provided for 1995 in the financing plan was committed and why commitments for 1994-95 represented 58% of the amounts programmed. Most of the programmes only reached cruising speed during the second half of 1995.

ESF assistance under Objective 3 at federal level is being used to supplement standard aid proposed under national employment measures, i.e. the "AFG-plus" programme run by the federal employment service (*Bundesanstalt für Arbeit*), which supplements the training and employment aid provided for in the "AFG" (*Arbeitsförderungsgesetz*) employment promotion law. The most important aspect of the "AFG-plus" is the grant of aid to participants in vocational training measures who are not entitled to benefit under the AFG. Since the main beneficiaries of this assistance are women, implementation of the "AFG-plus" programme also helps contribute to equality of opportunities for men and women.

At Länder level, the most noteworthy aspect of the new set of programmes is the creation or development of "soziale Betriebe", or social enterprises. Their mission is to integrate disadvantaged unemployed people by setting up businesses which, in time, will be viable without financial assistance from public funds. These social enterprises have mainly been developed in Lower Saxony and are currently being introduced in other parts of the country, often in slightly different forms. They will carry considerable weight when the OPs are assessed.

Training women to drive buses in Munster:

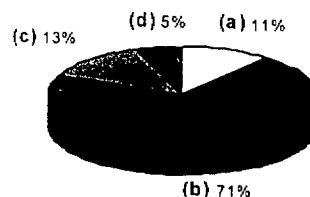
The aim of this project is to provide appropriate training for women who, after a period away from work, wish to re-enter the labour market as bus drivers. Part-time training should enable them to get part-time work doing a job in which women are under-represented. The shift of emphasis away from physical strength towards customer service makes this work more attractive to women. Lasting 21 months, the training involves both general aspects (driving techniques, road safety and the highway code, labour law, passenger and goods transport, selling methods, office organization and using a PC) and long practical training courses, partly organized on a rotating basis, which bring women into contact with their future employers.

With regard to implementation of the OPs, the closer cooperation between the regional branches of the federal labour services and the social affairs services of the Länder provided for in the CSF has already begun to bear fruit. The implementing arrangements for several of the specific programmes for the Länder have been amended to make them compatible with the federal "AFG-plus" programme. Most of the bodies managing the programmes have found that the overall level of the programmes has been improved by applying the quality criteria of the CSF, which stipulate that projects must meet local and regional skilling requirements and be linked as closely as possible with businesses providing jobs. However, although progress is tangible, it is also slow and monitoring is needed to ensure that implementation continues. In addition, participation of the social partners and independent experts on the labour market in the work of the Monitoring Committee has permitted more intensive debate on the policy options. The economic and social partners in several Länder are collaborating in the selection of projects or the adjustment of regional programmes.

Lastly, mid-term reviews of Objectives 3 and 4 have been prepared, with Monitoring Committee sub-groups on assessment drawing up specifications and publishing an invitation to tender.

Objective 4 - programming for 1994-96 (ECU million)

Priorities	FSE
Anticipation of labour market trends and vocational training requirements (a)	11,4
Training and retraining, guidance and advice (b)	73,7
Improvement and development of appropriate training schemes (c)	13,7
Technical assistance (d)	5,7
Total	104,5



Objective 4: Objective 4 is being implemented in Germany by an SPD with ECU 104.5 million for 1994-96. Implementation of assistance began late, so that the German authorities were able to spend only ECU 3 million in 1994 and 1995. The unspent funds from the 1994 and 1995 instalments will be carried forward to 1997-99. One of the main reasons for the delay was the temporary imposition of the "de minimis" rule on state aids, since the German authorities had to show that the planned assistance complied with Community competition rules. Consequently, none of assistance provided for in the SPD was implemented until May-June 1995. Another reason for the delay is the novelty of the approach under Objective 4, which required suitable structures to be set up to ensure that the right projects were selected. On 6 and 7 July 1995 the Germany authorities organized a seminar in Berlin to discuss planning for structural change and the forecasting of vocational training requirements. This was the first thematic seminar at European level since the Objective 4 programmes were launched.

Table 36: Objectives 3 and 4 - Germany - Financial implementation of the programmes (ECU million)

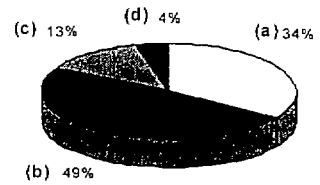
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
1994								
<i>Regional OPs</i>								
OP Baden-Württemberg	115,8	52,4	8,3	16,4	31%	6,6	10,6	65%
OP Bavaria	125,3	56,5	0,0	8,7	15%	2,6	6,9	80%
OP Berlin	113,0	50,8	8,1	15,9	31%	8,8	12,7	80%
OP Bremen	93,5	39,5	6,3	12,3	31%	6,8	9,9	80%
OP Hamburg	86,1	39,1	0,0	6,0	15%	1,8	4,8	80%
OP Hesse	135,4	49,6	7,9	15,5	31%	6,2	10,0	65%
OP Lower Saxony	276,8	121,2	0,0	18,6	15%	0,0	9,3	50%
OP Rhineland-North Westphalia	674,8	280,6	0,0	43,0	15%	12,9	34,4	80%
OP Rhineland-Palatinate	65,8	29,5	5,0	10,2	34%	4,1	6,6	65%
OP Saar	90,9	40,9	6,4	13,0	32%	7,1	10,4	80%
OP Schleswig-Holstein	90,4	34,4	6,1	12,2	35%	6,7	9,8	80%
<i>Multiregional OPs</i>								
OP Federal	2 589,7	887,6	0,0	136,1	15%	40,8	108,8	80%
Total	4 457,4	1 682,1	48,2	307,8	18%	104,3	234,3	76%
Objective 4								
1994								
SPD Germany	255,3	104,5	0,0	29,6	28%	0,0	14,8	50%
Total	255,3	104,5	0,0	29,6	28%	0,0	14,8	50%
TOTAL	4 712,7	1 786,6	48,2	337,4	19%	104,3	249,1	74%

The rather low rate of budget implementation can be attributed mainly to the fact that the federal programme for Objective 3, which accounts for more than 50% of ESF assistance, is financing new measures which cannot be implemented in practice until a decision approving them has been taken. For this reason, the programme reached cruising speed only in the second half of the year. In addition, implementation of the programmes for the previous programming period continued until the end of 1995.

SPAIN

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Vocational integration of the long-term unemployed (a)	499,3
Vocational integration of young people seeking employment (b)	725,8
Integration of those threatened with exclusion (c)	187,6
Equal opportunities for men and women (d)	61,7
Total	1.474,4



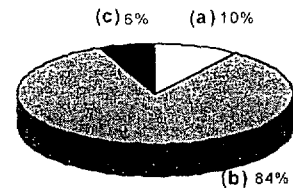
Objective 3: Objective 3 assistance in the Spanish regions outside Objective 1 is programmed in a CSF with Community assistance worth ECU 1 474 million. There are 11 OPs in all, of which four (representing 72% of total assistance) are managed by national bodies and the remaining seven (28% of assistance) by the Autonomous Communities. Around ECU 233.8 million was available for 1995, about 90% of which was committed. The average rate of implementation of programmes is satisfactory. At its two meetings in 1995 the Monitoring Committee emphasized its strategic role in implementing the CSF priorities and in organizing the mid-term review as well as drawing up specifications for intermediate assessment by independent assessors.

Stimulating the spirit of enterprise in Spain:

The "Escuela de Organización Industrial" project was set up to help design a project to create new businesses to capitalize on local potential and to stimulate the spirit of enterprise and innovation through theoretical and practical training. To achieve this, the school provides training in how to manage a business in three integrated modules (theory, practical experience and supervision). During the practical phase, students develop a project to set up a business under the individual guidance of a project director (product/market definition, analysis of local potential, determining the strategy, etc) and during the final phase the finished project, including the data necessary to assess its viability, is formally presented.

Objective 4 - programming for 1994-99 (ECU million)

Priorities	FSE
Pre-emptive measures, guidance and advice (a)	36,9
Continuing training of workers (b)	308,4
Technical assistance (c)	23,3
Total	368,6



Objective 4: Objective 4 outside the Objective 1 areas of Spain is programmed in an SPD for 1994-99 adopted at the end of 1994 with ESF assistance worth ECU 368.6 million. Implementation of this SPD has been seriously delayed, since only 25% of the 1994 instalment has been spent, leading the Commission to approve an amendment to the financing tables in the SPD in November 1995 to transfer unused amounts from 1994 to 1995. The delay is due both to the late approval of the SPD and the internal decision-making process of FORCEM, the joint body responsible for managing and part-financing Objective 4. With regard to the measures implemented by FORCEM in 1994 and part-financed by the ESF under Objective 4 (i.e. outside Objective 1 regions), it has become clear that the emphasis must be placed on training in SMEs (less than 250 employees), the least qualified workers and equality of opportunities for men and women. The Monitoring Committee met twice in 1995.

Table 37: Objectives 3 and 4 - Spain - Financial implementation of the programmes (ECU million)

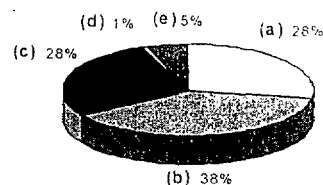
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
<i>1994</i>								
<i>Regional OPs</i>								
OP Aragon	45,1	20,3	0,0	20,0	99%	2,1	2,6	13%
OP Balearic Islands	28,8	12,9	0,0	12,9	100%	0,0	1,0	8%
OP Catalonia	210,3	94,6	15,6	31,1	33%	18,5	23,0	74%
OP Rioja	9,6	4,3	0,0	4,3	100%	0,6	0,6	14%
OP Madrid	250,2	112,6	18,4	36,8	33%	13,4	22,6	62%
OP Navarre	94,6	42,6	6,8	15,4	32%	6,7	10,1	75%
OP Basque Country	279,2	125,7	20,7	41,3	33%	15,5	25,9	63%
<i>Multiregional OPs</i>								
OP INEM (1)	1.364,4	614,0	110,0	167,1	27%	83,6	112,1	67%
OP Multiregional	730,6	328,8	35,5	58,3	18%	29,1	40,5	70%
OP Universities	201,2	90,5	0,0	7,3	8%	0,0	3,7	50%
OP Various bodies	75,6	34,0	0,0	33,9	100%	0,0	2,4	7%
<i>Total</i>	<i>3.289,6</i>	<i>1.480,3</i>	<i>207,0</i>	<i>426,6</i>	<i>29%</i>	<i>109,7</i>	<i>244,5</i>	<i>57%</i>
Objective 4								
<i>1994</i>								
SPD Spain	1.045,0	368,6	62,7	118,1	32%	38,1	65,8	56%
<i>Total</i>	<i>1.045,0</i>	<i>368,6</i>	<i>62,7</i>	<i>118,1</i>	<i>32%</i>	<i>38,1</i>	<i>65,8</i>	<i>56%</i>
TOTAL	4.334,5	1.848,9	269,7	544,7	29%	207,8	310,4	57%

(1) National institute for employment

FRANCE

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Integration of those threatened with long-term unemployment (a)	705,8
Vocational integration of young people seeking employment (b)	987,2
Integration of those threatened with exclusion (c)	714,2
Equal opportunities for men and women (d)	17,9
Technical assistance and pilot projects (e)	136,9
Total	2.562,0

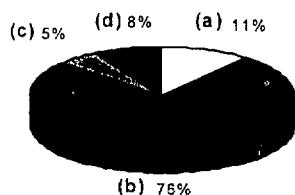


Objective 3: The programming of ESF assistance under Objective 3 in France, implemented by an SPD with an ESF contribution amounting to ECU 2 562 million, contains a new feature in the greater involvement of local authorities, both financially (with 40% of ESF appropriations) and in terms of programming and management (decentralization of appropriations in the regional section). Implementation in 1994 was much slower than expected because of the late adoption of the SPD, the reform of French financial channels, the programming of assistance in new domains and the greater involvement than hitherto of the local authorities. However, generally speaking the priority concerning those threatened with long-term unemployment progressed well. The priorities concerning the vocational integration of young people and equal opportunities were slower to get started and encountered difficulties in implementation. The priority concerning the integration of those threatened with exclusion faced still greater implementation problems.

The rate of financial implementation was higher in 1995 than in 1994 (73%). Nevertheless, since neither of the meetings held by the Monitoring Committee in 1995 reported on the progress made in implementing the programme in 1995, no information regarding qualitative results or forecasts was available for inclusion in this report. In addition, in 1995 a debate began on employment policy in France which will have repercussions on the programming of Objective 3 (abolition of certain mechanisms, mergers, etc.) The Commission has repeatedly stressed the need to convene a meeting of the Monitoring Committee as quickly as possible. With regard to assessment, the specification has been adopted and the assessor selected. The steering committee met twice and should transmit a mid-term report at the end of July 1996.

Objective 4 - programming for 1994-96 (ECU million)

Priorities	FSE
Pre-emptive measures relating to skills and qualifications (a)	32,1
Increase in the training effort (b)	227,8
Improvements to training schemes (c)	14,6
Technical assistance (d)	25,1
Total	299,6



Objective 4: The decision approving the SPD for Objective 4, which provides for an ESF contribution worth ECU 299.6 million, was taken in 1994. Since the call for projects was not issued until early 1995, no measures were approved in 1994 for the 1994 instalment. In view of the newness of Objective 4, special efforts went into preparing communications measures (call for projects, dissemination of technical tools, exchange of experience) to train those involved and inform and raise the awareness of the bodies liaising with firms, especially SMEs (local chambers of trade, socio-professional bodies, social partners). Much of 1995 was dedicated to these measures and the presentation of projects therefore began only towards the end of the year. 70 projects were approved at national level and 335 at regional level. With regard to assessment, a steering committee was set up at the end of 1995 to determine specifications with a view to selecting an assessor.

Measures to accompany changes in the car industry:

A car parts company, Valéo Sécurité, in the department of Nièvre, has developed new products and new production systems and work organization arrangements in order to adapt to industrial change and find new markets. To accompany these changes in its development strategy, employees have attended training programmes (integrated automation of production processes, use of new materials, integrated quality management, international sales and trade) to increase their independence and range of skills. These measures targeted employees with the lowest skill levels in order to increase their skills in line with the development of their jobs. The ESF contributed 8%, as did the French Government, while the firm contributed 84%.

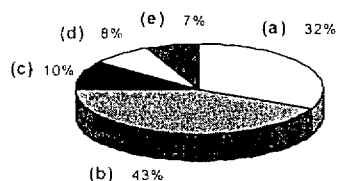
Table 38: Objectives 3 and 4 - France - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
1994								
SPD France	5 443,4	2 562,4	396,8	778,4	30%	312,9	503,7	65%
Objective 4								
1994								
SPD France	834,5	299,6	0,0	95,4	32%	0,0	47,7	50%
TOTAL	6 277,9	2 862,0	396,8	873,8	31%	312,9	551,4	63%

ITALY

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Reintegration of the long-term unemployed (a)	424,2
Initial training and integration of young people (b)	566,0
Integration of those threatened with exclusion (c)	131,6
Equal opportunities for men and women (d)	105,3
Improvements in training schemes and employment services (e)	92,1
Total	1.319,2

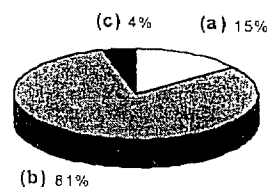


Programming of Objective 3 in Italy is being implemented by means of a CSF, adopted in August 1994, and 16 regional and multiregional OPs adopted in December 1994. Objective 4 programming is being implemented by an SPD also adopted in 1994. However, in 1995 the Commission decided to extend the commitments of funds for certain regional and multiregional OPs under Objectives 3 and 4 for the

period 1990-93, so that the new and the old programming are running side by side and the implementation of the priorities of the Objective 3 CSF and the Objective 4 SPD for the second programming period has been slowed down.

Objective 4 - programming for 1994-99 (ECU million)

Priorities	FSE
Pre-emptive measures, aid for programming and managing a continuing training scheme (a)	58,3
Training, the adjustment of human resources to structural changes in the productive economy (b)	323,1
Technical assistance (c)	17,4
Total	398,8



The ESF has become an indispensable partner in the development of training in Italy. Most of the regional training systems are closely involved with Community assistance, either for part-financing or for training guidelines. Moreover, one of the characteristics of the new programming is the net increase in assistance under the responsibility of the central authorities. In addition, the new programming in Italy includes a system of tendering procedures for project selection which certainly ensure transparency and efficiency in the management of training systems but which also slow down implementation of the programming. This is why all the regions and autonomous provinces selected projects on the basis of invitations to tender published in the regional official gazettes only towards the end of 1995. The projects presented concern training and measures relating to the creation of new jobs (Objective 3) and prospecting measures to disseminate the results of studies on the anticipation of needs in businesses, as well as training measures (Objective 4).

There has been some delay in implementing the measures part-financed under Objectives 3 and 4, and there were no commitments or payments in 1995 as a consequence. The amount provided for 1995 will therefore be reprogrammed over subsequent years. It should be pointed out that the part-financing mechanism, which had suffered from shortcomings in the past, has just been reformed. Improvements can therefore be expected in the years to come.

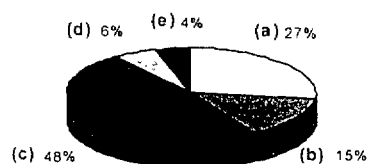
Table 39: Objectives 3 and 4 - Italy - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
<i>1994</i>								
<i>Regional OPs</i>								
OP Bolzano	54,4	24,5	0,0	3,7	15%	0,0	1,8	50%
OP Emilia-Romagna	409,8	184,4	0,0	27,6	15%	0,0	13,8	50%
OP Friuli-Venezia Giulia	118,6	53,4	0,0	8,0	15%	0,0	4,0	50%
OP Lazio	271,7	122,3	0,0	18,3	15%	0,0	9,2	50%
OP Liguria	94,0	42,3	0,0	6,3	15%	0,0	3,2	50%
OP Lombardy	389,1	175,1	0,0	26,2	15%	0,0	13,1	50%
OP Marche	81,7	39,8	0,0	5,5	15%	0,0	2,8	50%
OP Piedmont	271,6	122,2	0,0	18,3	15%	0,0	9,2	50%
OP Tuscany	145,8	65,6	0,0	9,8	15%	0,0	4,9	50%
OP Trento	62,7	28,2	0,0	4,2	15%	0,0	2,1	50%
OP Umbria	67,7	30,5	0,0	4,6	15%	0,0	2,3	50%
OP Valle d'Aosta	27,6	12,4	0,0	1,9	15%	0,0	0,9	50%
OP Venezia	240,7	108,3	0,0	16,2	15%	0,0	8,1	50%
<i>Multiregional OPs</i>								
OP Technical assistance	77,8	35,0	0,0	5,9	17%	0,0	3,0	50%
OP Innovative measures	118,9	53,5	0,0	9,0	17%	0,0	4,5	50%
OP Training	456,8	205,6	0,0	34,8	17%	0,0	17,4	50%
Total	2 889,0	1 300,1	0,0	200,5	15%	0,0	100,2	50%
Objective 4								
<i>1994</i>								
SPD Ministry of employment	886,1	398,8	0,0	60,6	15%	0,0	30,3	50%
Total	886,1	398,8	0,0	60,6	15%	0,0	30,3	50%
TOTAL	3 775,1	1 698,8	0,0	261,1	15%	0,0	130,5	50%

LUXEMBOURG

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Integration of the long-term unemployed (a)	5.5
Vocational integration of young people (b)	3.1
Integration of those threatened with exclusion (c)	9.9
Equal opportunities for men and women (d)	1.2
Horizontal measures (e)	0.9
Total	20.7



The Objective 3 SPD for Luxembourg, with ECU 20.7 million for 1994-99, is based on five priorities comprising a total of 14 training measures which have benefitted a total of 421 people. The Objective 4 SPD, with ECU 900 000, targets low-qualified workers, particularly in sectors where there is little or no access to training.

However, Luxembourg increasingly has a hard core of long-term unemployment. With ESF assistance, therefore, active measures to assist the unemployed have been strengthened by taking on social workers and setting up a new service for placement, prospection and support. Rates of financial implementation for both Objectives are very satisfactory.

Objective 4 - programming for 1994-96 (ECU million)

Priorities	FSE
Measures to anticipate trends in the labour market and requirements for vocational skills (a)	0.1
Vocational training and retraining, guidance and advice (b)	0.5
Improvement and development of training schemes (c)	0.1
Measures covering the entire SPD (d)	0.1
Total	0.9

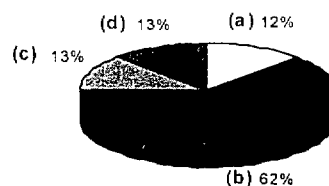


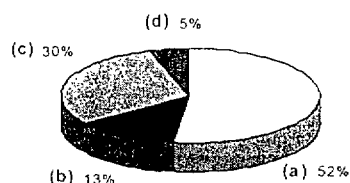
Table 40: Objectives 3 and 4 - Luxembourg - Financial implementation of the programmes (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
<i>1994</i>								
OP Private promoters	21.6	9.7	1.5	3.0	31%	1.7	2.5	83%
OP Public promoters	24.4	11.0	1.8	3.5	32%	2.3	3.1	90%
Total	46.0	20.7	3.3	6.5	31%	4.0	5.6	87%
Objective 4								
<i>1994</i>								
SPD Public promoters	2.3	0.9	0.3	0.5	59%	0.2	0.3	65%
Total	2.3	0.9	0.3	0.5	59%	0.2	0.3	65%
TOTAL	48.3	21.6	3.6	7.0	32%	0.2	5.9	85%

NETHERLANDS

Objective 3 - programming for 1994-99 (ECU million)

Priorities	FSE
Training (a)	480.0
Job placement (b)	120.0
Integration pathways (c)	277.0
Technical assistance (d)	46.0
Total	923.0



Objective 3: Implementation of the Objective 3 SPD, adopted in 1994, commenced in 1994 and reached its cruising speed at the beginning of 1995, so that all the ECU 143.8 million in the financing plan for 1995 was committed. The main measure implemented was the training measure provided for in the SPD which concerns initial, basic and vocational training and includes practical training in firms or

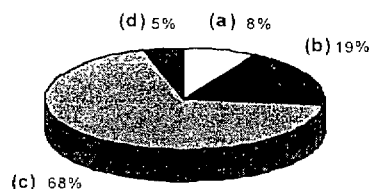
educational establishments, individual follow-up and personal guidance. A special effort was also made in 1995 to implement the new "integration pathways" measure in the new programme, which was specifically designed, using an integrated approach, to help the socially excluded return to the labour market. The Netherlands has also implemented a placement measure. These different measures focus on activities such as training, preparation for vocational integration, integrated initiatives to achieve closer cooperation between local authorities, the employment of people in the health sector and the reintegration of the partially disabled into the labour market. Other measures concern employment pools and the acquisition of work experience. Young unemployed people have benefitted from training programmes specifically designed for those who left school early, special schemes guaranteeing jobs and an extension of apprenticeship schemes. Lastly, the Monitoring Committee for the SPD gave special attention to improving the selection criteria adopted the previous year, because the lack of transparency had caused difficulties for programme managers. During the year, the Committee refined its quality criteria in order to ensure that better projects were selected, thereby allowing the regions to add certain criteria of their own and to improve the complementarity between projects and regional policy. At the same time, the restructuring of the regional employment offices was commenced.

A project for the socially excluded in North Brabant:

Initially an experimental project of the provincial employment aid agency, an office has been set up to offer advice to individuals excluded from the labour market because of mental problems. They receive personal follow-up throughout the process of training and recruitment, as well as after their reclassification. In this way they can step out of their isolation and some can find a job.

Objective 4 - programming for 1994-99 (ECU million)

Priorities	FSE
Encouraging interest in training (a)	15,0
Matching training to needs (b)	29,1
Training programmes (c)	106,7
Technical assistance (d)	7,4
Total	156,2



Objective 4: Since the Dutch SPD for Objective 4 could not be launched until the second half of 1995, the appropriations allocated had not yet been committed at the end of 1995. This considerable delay is due to uncertainty as to the programme's implementing procedures and the need to set up a special temporary office in the Ministry for Social Affairs and Employment. In June 1995 a conference was finally organized in order to launch the Objective 4 programme³⁰, during which an information booklet for potential promoters was officially presented. The Monitoring Committee for the SPD was also set up in mid-1995, when it adopted the project selection criteria. However, the Netherlands has had difficulty in finding suitable sources of part-financing and using existing resources to set up new structures. These different reasons explain why the first wave of projects was not presented until the end of 1995.

Table 41: Objectives 3 and 4 - Netherlands - Financial implementation of the SPDs (ECU million)

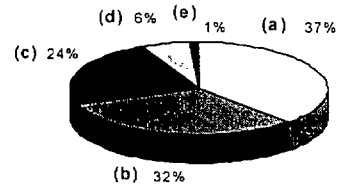
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
1994								
SPD Netherlands	1 407,8	922,6	143,8	282,3	31%	142,6	253,3	90%
Objective 4								
1994								
SPD Netherlands	363,6	156,2	0,0	22,2	14%	0,0	11,1	50%
TOTAL	1 771,4	1 079,0	143,8	304,5	28%	142,6	264,4	87%

³⁰ Together with the Community Initiatives Emplou and Adapt (see also Chapter I.B.1 Community Initiatives).

UNITED KINGDOM

Objective 3 - programming for 1994-96 (ECU million)

Priorities	FSE
Vocational integration of those unemployed for six months or more (a)	566,0
Vocational integration of the under 25s (b)	475,0
Vocational integration of those threatened with exclusion (c)	353,0
Equal opportunities for men and women (d)	91,0
Technical assistance (e)	16,0
Total	1.501,0



It should be remembered that only Objective 3 has been programmed in the United Kingdom for 1994-96, as the authorities did not wish to present a programme for Objective 4 for that period.

Objective 3: The SPD for Objective 3 covers the period 1994-96 and has a total allocation of ECU 1 501 million, of which ECU 497 million was committed in 1995. Four priority groups are targeted for integration or reintegration measures: the long-term unemployed, young workers with few or no qualifications, those threatened with exclusion and the main potential beneficiaries of equal opportunities measures. Three types of measure are planned for each target group: guidance and counselling, training and job-hunting. This approach makes it possible to develop integrated projects giving those taking part a structured and signposted pathway to lead them from a situation of inadequate schooling or unemployment to suitable qualifications and a job. The selection of projects is administered by several types of body (national and local government, training and enterprise councils and local enterprise companies in Scotland, higher education establishments, universities and charitable organizations). The annual financial allocation for each type of body, per priority and per measure, was approved by the Monitoring Committee in 1994.

The delay in implementation in 1994 resulted in retrospective selection in 1995. However, it became clear once the projects had been selected that, for all the different types of body, the distribution by target group and measure did not correspond to the one in the financing plan of the SPD, which therefore had to be amended. The same procedure had to be repeated in 1995 when the situation recurred, this time because there were not enough measures under the equal opportunities target group or the measure for direct assistance in finding a job for all four target groups. It was decided to concentrate the lion's share of financing (95%) on the training measure for all four groups.

Lastly, the Objective 3 Monitoring Committee decided to set up a standing assessment group to prepare, study and supervise the assessment procedure and report back to it. The assessment process is based on the analysis of the participants' dossiers, the monitoring of beneficiaries and *ad hoc* studies.

Table 42: Objectives 3 and 4 - United Kingdom - Financial implementation of the SPD (ECU million)

Programme and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
Objective 3								
1994								
SPD United Kingdom	3 898,9	1 501,0	497,0	975,0	65%	436,2	818,6	84%

5. Objective 5(a)

5.1. Objective 5(a) for agriculture

Programming for 1994-99

Objective 5(a) - a horizontal Objective which concerns farming throughout the Union - is a fundamental part of Community rural development policy³¹. Closely linked to the common agricultural policy, with the task of modernizing agricultural structures and funding of ECU 5 400 million³², it makes an important contribution to helping the Structural Funds achieve social and economic cohesion. Objective 5(a) measures are taken pursuant to specific Regulations, the most important of which are Regulation (EEC) No 2328/91 on production structures, and Regulations (EEC) No 866/90 and No 867/90 on marketing and processing structures. These Regulations were revised in 1994 by Regulation (EC) No 2843/94³³, which simplified the rules and introduced greater flexibility into the granting of aid.

Competitiveness and employment: Measures to make the agricultural sector more competitive and maintain employment levels are supported at every level, from farmers setting up to the modernization of holdings and the marketing of agricultural products:

- training aid³⁴ helps to improve technical knowledge among farmers setting up so that they can meet the challenges of a constantly changing economic environment;
- setting-up aid for young farmers³⁵ contributes to generational renewal to counteract one of the trends which weighs heaviest on the agricultural sector and most undermines competitiveness: the ageing of the active population;
- aid for investments in agricultural holdings³⁶ assists with modernizing facilities, rationalizing the production process and making it more profitable, diversification, improving living and working conditions and maintaining employment;
- aid for back-up measures to assist agricultural holdings³⁷ (administrative services, mutual aid, accounting) makes a qualitative contribution to improving competitiveness;
- aid to producer groups³⁸ for marketing their products in regions with specific marketing problems also contributes to redressing inter-regional imbalances;
- aid for investment in the processing and marketing of agricultural and forestry products³⁹ assists with the modernization of industrial and commercial activities which receive inputs from agriculture by guaranteeing better outlets for farmers and ensuring that they receive a share of the profits arising from the value added to their products.

When approving specific measures proposed by Member States, the Commission takes care to ensure that they are compatible with other measures covered by the regional Objectives (1, 5(b) and 6), and with other Community policies, in particular environmental policy and the common agricultural policy. To this end, a number of rules are applied (selection criteria, sectoral prohibitions and limits,

³¹ See also Chapter II.D.2. The Structural Funds, the common agricultural policy and rural development.

³² Initial financial allocation for 1994-99.

³³ See 1994 Annual Report.

³⁴ Article 28 of Regulation (EEC) No 2328/91.

³⁵ Articles 10 and 11 of Regulation (EEC) No 2328/91.

³⁶ Articles 5 to 9 of Regulation (EEC) No 2328/91.

³⁷ Articles 13 to 16 of Regulation (EEC) No 2328/91.

³⁸ Regulation (EEC) No 1360/78.

³⁹ Regulations (EEC) No 866/90 and No 867/90.

conditions to be fulfilled, etc.) to guarantee complementarity with CAP measures⁴⁰. Preventing surplus production and encouraging production of products which can be disposed of through normal market outlets are also important factors in improving the sector's competitiveness.

Consideration of the environment in Objective 5(a) measures for agriculture:

In the context of the adjustment of agricultural structures, assistance granted by the EAGGF Guidance Section under Objective 5(a) has beneficial effects on the environment through support for investments in agricultural holdings which are intended to protect and improve the environment. Furthermore, as part of the measures for adjusting processing and marketing structures for agricultural products, in 1994 the Commission amended the selection criteria for investment aid so as to encourage investments in processing industries using technological innovations that are environmentally friendly, help prevent pollution and eliminate waste and promote organic farming products.

Note should also be taken of the impact on the environment of the measures to accompany the reform of the CAP adopted by the Council in 1992. One of the three measures, financed by the EAGGF Guarantee section, concerns agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside⁴¹. This Regulation provides in particular for limiting agricultural production by reducing the use of fertilizers, pesticides and insecticides, as well as reducing the number of livestock held on farms or the number of head per hectare. In 1995 ECU 484.5 million was paid out for this purpose in the twelve Member States. Forecast expenditure for 1996 is over ECU 1 300 million for the fifteen Member States.

Balanced land use and employment: To achieve balanced land-use development, specific measures are applied in particular to assist mountainous and other less-favoured areas⁴². They are designed to maintain farming in such areas through compensation for the permanent natural handicaps which exist there and comprise principally compensatory payments per production unit and more generous investment aid than that granted to areas without such handicaps. Their effect is to maintain the social fabric in areas under serious threat of depopulation and so prevent job losses, the flight from the land and desertification.

⁴⁰ See Chapter II.D.2. The Structural Funds, the common agricultural policy and rural development.

⁴¹ Council Regulation (EFC) No 2078/92 of 30 June 1992, OJ No L 215, 30.7.1992.

⁴² Articles 17 to 20 of Regulation (EEC) No 2328/9.

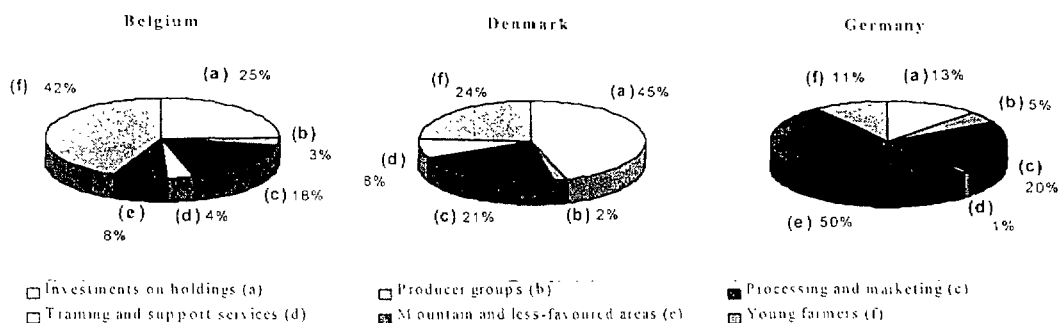
Table 43: Extent of less-favoured areas (in 1 000 ha) within the meaning of Directive 75/268/EEC (situation at the start of 1996)

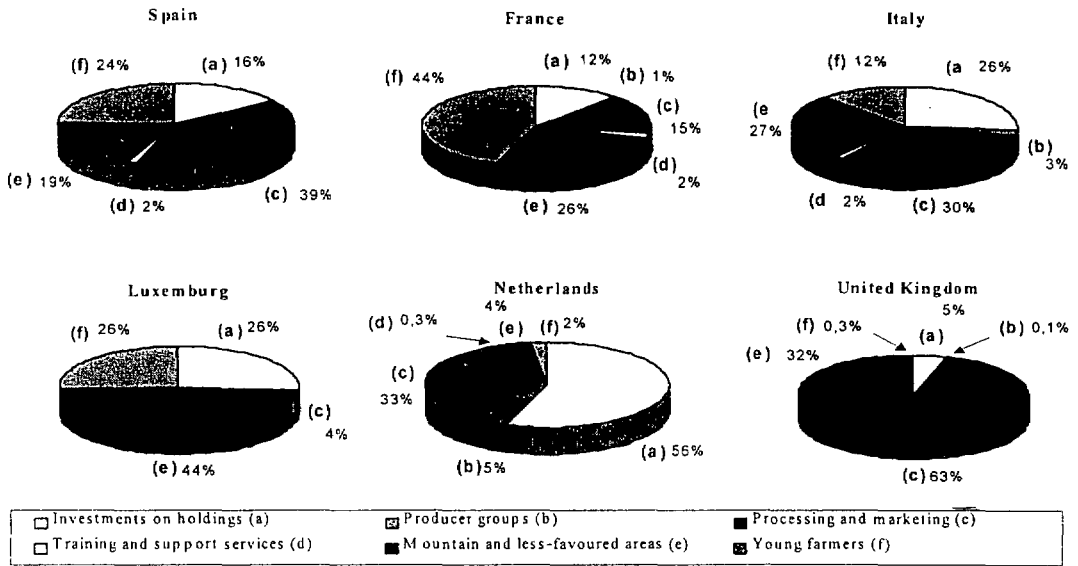
MEMBER STATES	UAA of less-favoured areas ⁽¹⁾			Total UAA		% of less-favoured areas in the Member State
	Mountain areas (Art. 3(3))	Other less-favoured areas (Art. 3(4))	Less-favoured areas with specific handicaps (Art. 3(5))	Less-favoured areas	Member State	
Belgium	-	273	-	273	1.357	20%
Denmark	-	-	-	0	2.770	0%
Germany	336	7.987	199	8.522	17.012	50%
Greece	3.914	964	402	5.280	6.408	82%
Spain	7.503	11.343	700	19.546	26.330	74%
France	5.284	7.809	804	13.897	30.011	46%
France (excl. OD)	5.197	7.794	729	13.720	29.834	46%
France OD	87	15	75	177	177	100%
Ireland	-	3.456	12	3.468	4.892	71%
Italy	5.218	3.405	218	8.841	16.496	54%
Luxembourg	-	122	3	124	127	98%
Netherlands	-	-	111	111	2.011	6%
Portugal	1.227	2.056	150	3.433	3.998	86%
United Kingdom	-	8.341	1	8.342	18.658	45%
Total EUR 12	23.482	45.756	2.600	71.837	130.070	55%
Austria	2.047	208	164	2.419	3.524	69%
Finland	1.407	536	220	2.164	2.549	85%
Sweden	526	1.011	333	1.869	3.634	51%
Total EUR 15	27.462	47.511	3.317	78.290	139.777	56%
%	35%	61%	4%	100%		

(1) UAA: Usable agricultural area including "common land" estimated at: 2 300 000 ha in Greece; 1 770 000 ha in Spain; 1 259 000 ha in France; 450 000 ha in Ireland; 1 550 000 ha in Italy; 700 000 ha in Portugal; 1 220 000 ha in the United Kingdom; 250 000 ha in Austria; 100 000 ha in Sweden

Member State selections of measures for the 1994-99 programmes: Taken as a whole, the Objective 5(a) measures provide a flexible legal framework within which Member States may both select measures and decide what arrangements are most appropriate to the specific needs of each area. Thanks to this flexibility, Member States have been able to select the sectors, categories of farmers and areas which they consider should receive priority.

Member States' options for 1994-99





Implementation forecasts: After adoption of the programming documents and expenditure forecasts for the new Member States⁴³, the indicative financial programming for Objective 5(a) measures outside Objective 1 and 6 regions⁴⁴ for the period 1994-99 is as follows :

Table 44: Objective 5(a) agriculture - Implementation forecasts for 1994-99 (ECU million)

	Total			%
Belgium	170,4	Production	140,4	82%
		Processing and marketing	30,0	18%
Denmark	127,0	Production	100,3	79%
		Marketing and processing	26,7	21%
Germany	1.069,9	Production	851,7	80%
		Processing and marketing	218,3	20%
Spain	326,0	Production	207,0	63%
		Processing and marketing	119,0	37%
France	1.745,5	Production	1.486,6	85%
		Processing and marketing	258,9	15%
Italy	680,0	Production	494,4	73%
		Processing and marketing	185,6	27%
Luxembourg	39,0	Production	37,3	96%
		Processing and marketing	1,7	4%
Austria (1)	385,8	Production	323,5	84%
		Processing and marketing	62,3	16%
Netherlands	118,0	Production	78,8	67%
		Processing and marketing	39,2	33%
United Kingdom	361,0	Production	134,5	37%
		Processing and marketing	226,5	63%
Finland(1)	331,0	Production	287,9	87%
		Processing and marketing	43,1	13%
Sweden(1)	90,1	Production	67,2	75%
		Processing and marketing	22,9	25%
Total	5.443,7	Production	4.209,6	77%
		Processing and marketing	1.234,1	23%

⁽¹⁾ 1995-99 - See also Chapter I.A.7. Integration of the new Member States into the structural policies.

⁴³ For more details on the new Member States, see Chapter I.A.7. Integration of the new Member States into the structural policies.

⁴⁴ In Objective 1 and 6 regions, Objective 5(a) measures are programmed within the CSFs and SPDs.

Implementation of Objective 5(a) for agriculture in 1995

Physical and financial implementation for 1995 outside Objective 1 and 6 regions is shown below.

Table 45: Objective 5(a) agriculture - Financial implementation in 1995 (commitments - ECU million)

Member State	Indirect measures "structures of production"	Processing and marketing (R. 866/90)	Total
Belgium	22,650	7,583	30,233
Denmark	16,731	-	16,731
Germany	138,230	26,902	165,132
Spain	19,920	1,176	21,096
France	216,972	35,111	252,083
Italy	-	-	-
Luxembourg	5,188	0,283	5,471
Austria	61,498	-	61,498
Netherlands	4,889	-	4,889
Finland	54,523	6,897	61,420
Sweden	13,721	-	13,721
United Kingdom (1)	22,802	-	22,802
TOTAL	577,124	77,952	655,076

(1) Revised SPD

A large number of the programmes concerning measures for processing and marketing had been approved and the first instalment committed by the end of 1994. However, a number of Member States could not receive the second instalment (1995) before the end of that year because the programmes had not made sufficient progress. The first instalment for Austria was not committed until the beginning of 1996 and Sweden did not programme an amount for 1995.

Table 46: Objective 5(a) agriculture - Physical implementation in 1994

Member State	Settling-up of young farmers (Art. 10) Number of beneficiaries			Investment aid for young farmers (Art. 11) Number of beneficiaries			Investment aid (Art. 7) Number of beneficiaries			Compensatory allowances (Art. 19) Number of holdings
	Obj. 1	Non-Obj. 1	Total	Obj. 1	Non-Obj. 1	Total	Obj. 1	Non-Obj. 1	Total	
Belgium	72	772	844	26	342	368	81	1 066	1 147	6 853
Denmark	-	438	438	-	420	420	-	1 436	1 436	140 612
Germany	984	4 049	5 033	-	689	689	-	2 110	2 110	231 275
Greece	705	-	705	251	-	251	2 466	-	2 466	187 538
Spain	3 501	1 212	4 713	1 890	753	2 643	9 762	3 277	13 039	187 056
France	159	7 086	7 245	21	2 256	2 277	57	7 400	7 457	140 612
Ireland	357	-	357	290	-	290	2 660	-	2 660	105 619
Italy	718	1 495	2 213	55	412	467	273	1 666	1 969	39 056
Luxembourg*	-	59	59	-	101	101	-	96	96	2 515
Netherlands	-	-	0	4	90	94	25	858	883	3 901
Portugal	1 059	-	1 059	1 025	-	1 025	2 353	-	2 353	89 510
United Kingdom	-	-	0	8	14	22	237	409	646	60 912
TOTAL	7,555	15,111	22,666	3,570	5,077	8,647	17,914	18,348	36,262	1,195,482

* 1993, except for compensatory allowances 1994

1995 in the context of the 1994-99 programming period**Table 47: Objective 5(a) agriculture - State of financial implementation of the programmes (ECU million)**

	B	DK	D	E	F	I	L	N	AT	FI	SE	UK	Total
Programmed	170.4 *	127.0 *	1 069.9 *	326.0 *	1 745.5 *	680.0 **	39.0 *	118.0 *	385.8 *	331.0 *	90.1 *	361.0 *	5 443.7
Adopted	170.4	127.0	1 069.9	326.0	1 745.5	680.0	39.0	118.0	385.8	331.0	90.1	361.0	5 443.7
% of assistance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Commitments 1994-95	53.0	38.7	322.7	101.9	678.6	117.5	12.2	25.3	61.5	61.4	13.7	85.2	1 371.6
% of assistance	31%	30%	30%	31%	39%	17%	31%	21%	16%	19%	15%	24%	29%
Payments 1994-95	16.5	19.2	209.8	80.3	402.8	58.7	5.4	12.2	30.7	30.7	6.9	41.7	914.9
% of assistance	10%	15%	20%	25%	23%	9%	14%	10%	8%	9%	8%	12%	17%

* Programmed by SPD

** Programmed by CSF for Regulation (EEC) No 866/90

5.2. Objective 5(a) for fisheries

Programming for 1994-99

The objective of the adjustment of fisheries structures, the financial instrument for which is the FIGF, is pursued through operations aiming both to ensure a sustainable balance between fisheries resources and fishing activities and to support and strengthen the entire European fisheries sector. As regards the adjustment of fishing effort, the FIGF contributed in 1995 to part-financing the reduction of the European fleet in line with the Multiannual Guidance Programme for 1993-96 through the permanent cessation of fishing vessel activity (in the form of the scrapping or export of vessels or the formation of joint ventures). At the same time, work was continued on strengthening the European fisheries and aquaculture industry, in particular in the fields of product processing and marketing, aquaculture and port facilities.

Consideration of the environment in Objective 5(a) measures for fisheries:

Several measures part-financed by the FIGF, including the adjustment of fishing effort, are designed to reduce the disruptive effect of fishing activity on the environment and fisheries resources, which are still being over-exploited. This involves supporting material investment in protecting fisheries resources in coastal sea areas, protecting certain coastal areas and modernizing facilities and equipment in fishing ports, aquaculture and the processing industry as well as the introduction, under the common fisheries policy, of technical rules to protect fisheries resources and the maritime ecosystem in general, which have a clear preventive impact in terms of the conservation of the environment.

Objective 5(a) and protected maritime areas:

The improvement and protection of certain coastal areas is the fourth aspect of FIGF intervention. The creation of protected marine areas can be achieved through the introduction of mobile or stationary units, in the form of artificial reefs, the creation of marine reserves, the prohibition of fishing activities, etc. This action will help to protect juveniles and improve living standards and resource development in the regions concerned. More than ECU 30 million of FIGF resources have been allocated to these projects, of which ECU 16 million has gone to Spain.

Objective 5(a) for fisheries concerns only measures outside Objective 1 and 6 regions (within those regions "fisheries" operations are included in CSFs and/or single programming documents). There are a total of 12 of these programmes, nine in the old Member States, which were adopted in 1994, and three in the new Member States, which were adopted in 1995⁴⁵. ECU 176.9 million has been committed under this heading and ECU 81 million was paid out in 1995 (of which ECU 65 million and ECU 19.1 million respectively were for the new Member States).

FIGF measures in Objective 1 regions were implemented through five operational programmes for fisheries, but also under the "fisheries and aquaculture" chapters in a total of nine SPDs and three OPs. Similarly, in Objective 6 regions both the single programming documents for Finland and Sweden contain a "fisheries and aquaculture" heading. ECU 270.8 million has been committed and ECU 81.3 million was paid out in 1995 for Objective 1 regions, while for Objective 6 regions commitments and payments represented ECU 1.4 million and ECU 700 000 respectively.

⁴⁵ See Chapter I.A.7. Integration of the new Member States into the structural policies.

Table 48: Objective 5(a) for fisheries - Operational priorities of single programming documents for 1994-99 (ECU million)

	B	DK	D (1)	E	F	I	L	N	UK	Total
Adjustment of fishing efforts	5,2	37,7	6,8	40,6	16,2	35,4	0,0	8,0	13,5	163,4
Other fishing fleet measures	0,0	0,0	0,0	0,0	27,0	0,0	0,0	0,0	18,5	45,5
Modernization and renovation of the fishing fleet	7,9	35,0	12,3	35,9	20,3	33,6	0,0	2,2	13,3	160,5
Aquaculture	1,9	9,2	7,1	7,2	33,7	20,5	0,7	1,5	3,8	85,6
Protection of marine areas	0,7	3,2	0,0	1,8	0,0	1,2	0,0	0,0	0,4	7,3
Port facilities	1,5	9,8	5,6	6,0	8,1	5,6	0,0	20,4	4,3	61,3
Processing and marketing of products	5,9	30,1	39,4	23,9	54,8	28,1	0,3	8,5	22,7	213,7
Promotion of products	1,2	7,2	2,5	1,8	5,0	3,6	0,1	6,0	12,1	39,5
Socio-economic measures (2)	pm	pm	pm	pm	pm	pm	pm	pm	pm	pm
Other measures	0,2	7,6	1,8	2,4	24,8	6,4	0,0	0,0	0,2	43,4
Total	24,5	139,9	75,5	119,6	189,9	134,4	1,1	46,6	88,7	820,2

(1) Indexed amounts.

(2) Following the amendment of Regulation (EC) No 3699/93 in 1995, these measures may be introduced by the Member States. The amount of these measures is to be determined within the overall financing allocation

Implementation of Objective 5(a) for fisheries in 1995

In 1995 the main steps taken were the adoption of socio-economic measures, a specific measure to assist Spanish and Portuguese fishermen and the rescheduling of FIFG appropriations for certain Member States.

Socio-economic measures for fishermen: Alongside the measures to reduce the fleet and improve fisheries and aquaculture structures, a new, socio-economic dimension was added to FIFG-financed measures in 1995. A Regulation adopted by the Council in November⁴⁶ allows the FIFG to finance, at the request of the Member States, two new types of measure to alleviate the social consequences of the far-reaching restructuring of the sector, in particular job losses arising from the reduction of the Community fleet. These measures consist of aid for national early retirement schemes for sea-going fishermen (under certain conditions concerning age and the length of time spent in this occupation) and individual grants for younger fishermen obliged to leave this employment because of the withdrawal of fishing vessels from use. These measures, which meet the requests of several Member States, the European Parliament and those employed in the sector, will impose no additional burden on the Structural Fund budget since they will be financed through the rescheduling of FIFG appropriations already allocated.

Specific measures to assist Spanish and Portuguese fishermen: The expiry of the Fisheries Agreement with Morocco and the temporary absence of a new one caused around 700 vessels in Spain and Portugal, whose fishing activities were in waters under Moroccan sovereignty or jurisdiction, to be laid up between May and November 1995. A specific measure for the crews concerned, designed to limit the consequences of this situation, was established⁴⁷ using a system of monthly individual compensation payments. Expenditure on this measure is limited to ECU 31.8 million (ECU 27 million for Spain and ECU 4.8 million for Portugal), of which the Union provided ECU 23.85 million. In addition, FIFG appropriations already granted to these two Member States under their operational programmes were partly re-directed to compensate ship-owners for the temporary inactivity of their vessels, on the basis of Article 14 of Regulation (EC) No 3699/93. For the entire period during which activity was interrupted, ECU 52 million were made available (ECU 48 million for Spain and ECU 4 million for Portugal), of which ECU 39 million came from Union resources.

Reprogramming of FIFG appropriations: The delayed adoption of a number of FIFG programming documents in 1994 and difficulties relating to the establishment of a completely new financial instrument led in some Member States to a certain delay in the use of FIFG appropriations programmed

⁴⁶ Regulation (EC) No 2791/95 of 20 November 1995, OJ No L 283, 25.11.1995.⁴⁷ Council Decision 95/451/EC of 26 October 1995, OJ No L 264, 7.11.1995.

for 1994. To avoid this delay having repercussions on the entire programming period, the Commission and the eight Member States concerned decided, through the partnership, to reschedule the commitments by transferring part of the 1994 appropriations to 1995. Italy, the Netherlands, Spain and the United Kingdom benefited from this arrangement under Objective 5(a), and similar rescheduling was carried out for Germany, Greece, France, Italy, Portugal and Spain under Objective 1.

Changes in the rules: Regulation (EC) No 3699/93 laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector was amended twice in 1995. The first amendment⁴⁸ introduced gross tonnage as the unit of vessel measurement (used to establish premiums for permanent abandonment of activity). The second concerned socio-economic measures for sea-going fishermen (see above). A third proposal for a Council Regulation was introduced before the end of the year⁴⁹ intended, firstly, to maintain at a constant level permanent withdrawal premiums for vessels more than thirty years old and, secondly, to put a ceiling on the cost of measures for the temporary cessation of fishing activity. Finally, with regard to rules for the payment of FIFG appropriations, the Commission adopted a new Regulation⁵⁰ laying down the procedure for presenting half-yearly statements of expenditure and annual implementation reports, on the basis of which advances and balances are paid out. These measures are intended to harmonize and rationalize systems for paying out FIFG assistance, as well as guaranteeing greater transparency.

1995 in the context of the 1994-99 programming period

Table 49: Objective 5(a) for fisheries - 1995 in the context of programming for 1994-99 (ECU million)

	B	DK	D	E	F	I	L	N	AT	FI	SE	UK	Total
Programmed	24,5	139,9	74,5	119,6	189,9	134,4	1,1	46,6	2,0	23,0	40,0	88,7	884,2
Adopted	24,5	139,9	74,5	119,6	189,9	134,4	1,1	46,6	2,0	23,0	40,0	88,7	884,2
%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Commitments 1994-95	4,1	46,6	24,9	39,8	63,3	44,8	1,1	9,2	2,0	23,0	40,0	14,8	313,4
% of assistance	17%	33%	33%	33%	33%	33%	100%	20%	100%	100%	100%	17%	35%
Payments 1994-95	3,3	30,3	16,1	10,0	41,1	11,2	0,2	6,2	0,2	6,9	12,0	11,8	149,3
% of assistance	13%	22%	22%	8%	22%	8%	15%	13%	10%	30%	30%	13%	17%

Country-by-country survey

Table 50: Objective 5(a) fisheries - Financial implementation of SPDs (ECU million)

Programmes and year of adoption	Total cost	SE assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
SPD Belgium	91,9	24,3	0,0	4,1	17%	1,2	3,3	80%
SPD Denmark	438,8	139,9	23,3	46,6	33%	18,6	30,3	65%
SPD Germany	369,2	74,5	12,5	24,9	33%	9,9	16,1	65%
SPD Spain	334,1	119,6	19,9	39,8	33%	0,0	10,0	25%
SPD France	843,0	189,9	31,6	63,3	33%	25,3	41,1	63%
SPD Italy	380,8	134,4	22,4	44,8	33%	0,0	11,2	25%
SPD Luxembourg	3,7	1,1	0,9	1,1	100%	0,1	0,2	15%
SPD Netherlands	123,5	46,6	1,4	9,2	20%	2,3	6,2	68%
SPD United Kingdom	240,8	88,7	0,0	14,8	17%	4,4	11,8	80%
TOTAL	2.825,8	819,2	111,9	248,4	30%	61,9	130,2	51%

Belgium: The contribution of the FIFG to the single programming document under Objective 5(a) in Belgium is ECU 24.5 million for 1994-99, with ECU 4.1 million each for 1994 and 1995. Implementation of the programme began in 1995 in the case of adjustment of the fishing effort and renewal and modernization of the fleet.

⁴⁸ Council Regulation (EC) No 1624/95 of 29 June 1995, OJ No L 155, 6.7.1995.

⁴⁹ COM(95) 627 final, 5.12.1995.

⁵⁰ Commission Regulation (EC) No 1796/95 of 25 July 1995, OJ No L 174, 26.7.1995.

Denmark: ECU 23.3 million was committed in 1995 under Objective 5(a) for fisheries in Denmark. The Monitoring Committee met twice in that year and adopted detailed project selection criteria. Implementation of the programme proceeded satisfactorily. Substantial legislative work was carried out in Denmark in 1995 in order to adapt national law to the Structural Fund system. The Danish authorities organized a major conference in May 1995 on the future of fisheries in Denmark.

Germany: In 1995 Monitoring Committees were established and adopted their rules of procedure and project selection criteria. This facilitated a rapid start-up of the programmes (adopted in December 1994), so that absorption of appropriations was satisfactory. Two thirds of the annual instalment for 1994 was implemented, which meant that the 1995 instalment could be committed and the second 1994 advance paid out, as well as the first advance for 1995 (total FIFG payments: ECU 16.1 million out of ECU 24.9 million committed.).

Spain: Since the Spanish single programming document was adopted on 22 December 1994, implementation could not really start until 1995. The level of implementation was 25% of the 1994 instalment (total FIFG payments: ECU 10 million out of ECU 19.9 million committed). Reprogramming was carried out on 19 October 1995 involving the transfer of ECU 15.1 million to the 1995 instalment, which subsequently enabled the Commission to commit the 1995 instalment.

France: The single programming document, adopted on 22 December 1994, was actually implemented in 1995. However, implementation was satisfactory and used 64% of the annual instalment for 1994, so that the second instalment for the year could be paid out, the 1995 instalment committed and a first advance paid out within the time limits provided for (total FIFG payments: ECU 41.1 million out of ECU 63.3 million committed, with a national contribution of ECU 42.5 million).

Italy: 1995 was marked by difficulty in absorbing appropriations because of the delayed availability of the national financial contribution for internal administrative reasons (delayed approval of the findings of the inter-Ministerial Committee for economic programming; Sardinian appeal against those findings). As a result of these delays, the appropriations needed for national part-financing only became available from October 1995. On 23 October 1995 the Monitoring Committees for the two FIFG programmes (Objective 5(a) and Objective 1) approved the rescheduling of the 1994 instalment to adjust it to the real state of progress, thereby enabling the Commission to commit the 1995 instalment. Almost all the projects financed are part of the last instalment (1994) under Regulation (EEC) No 4028/86, paid out of the FIFG budget.

Luxembourg: The main objective of the programme is to assist the development of aquaculture and the processing and marketing of aquaculture products. The Monitoring Committee met twice in 1995 and the principal beneficiary has already made substantial investments in improving and increasing production of certain species of fish in aquaculture.

Netherlands: In 1995 the programme's Monitoring Committee was set up. After it had adopted its rules of procedure and project selection criteria, actual implementation of the programme began with the first measures for the permanent withdrawal of fishing vessels. In addition, the Dutch authorities informed the Monitoring Committee of various measures launched under other headings in the programme, namely agriculture, product processing and marketing, and the promotion of fisheries products. Financial rescheduling was, however, adopted on 29 November 1995, reducing the 1994 instalment initially provided for (ECU 7.8 million) by ECU 1.2 million, while the 1995 instalment was increased from ECU 7.8 million to ECU 14.3 million.

United Kingdom: The Objective 5(a) single programming document concentrates on adjusting fishing effort, modernizing and improving the safety of vessels, adjusting the processing industry and developing ports. Appropriate national legislation was adopted in June 1995 and certain FIFG measures were launched at the end of 1995. It was necessary to revise the financial plan for the single programming document, reducing the 1994 instalment by 30% and increasing the 1996 instalment by the same proportion, in order to schedule expenditure more efficiently over the whole period. The

meeting of the Monitoring Committee enabled project selection criteria to be adopted. A measure for taking vessels out of service is underway for 1993-98: around 7% of the fleet has currently been taken out of service, and it is estimated that at the end of 1998 around 12% will have been withdrawn.

6. Objective 5(b)

6.1. Programming for 1994-99

Table 51: Objective 5(b) - area and population of eligible areas and funding allocated to each Member State, 1994-99

Member States	Area (km ²)	Population ('000 inhab.)	Structural Fund allocation (ECU million)
Belgium	6.831	448	78.1
Denmark	8.374	361	54.0
Germany	96.178	7.823	1.229.0
Spain	85.223	1.731	664.0
France	291.558	9.759	2.239.4
Italy	80.486	4.828	903.7
Luxembourg	831	30	6.0
Netherlands	5.405	800	150.0
United Kingdom	67.987	2.841	820.5
EUR 9	642.873	28.621	6.144.7
Austria	50.040	2.276	411.0
Finland	95.219	1.094	194.0
Sweden	52.746	754	138.0
EUR 3	198.005	4.124	743.0
Total	840.878	32.745	6.887.7

A study of the 78 single programming documents approved in 1994 and 1995 for the Objective 5(b) 1994-99 programming period confirms that the main priorities set by the Commission have been taken into account. Article 4 of the Framework Regulation, specifying that "Community operations shall be such as to complement or contribute to corresponding national operations," has led the Commission to adjust its assistance to the specific contexts of each Member State and region. The result has been a great diversity of programmes, reflecting the very varying nature of European rural areas.

Priorities adjusted to national and regional contexts

Agricultural diversification, support for forestry-related activities and the construction of rural infrastructures together receive more than 27% of Community funding. However, this percentage can vary greatly from one Member State to another: Denmark, Spain, France, Italy and Austria submitted programmes under which the proportion of the appropriations set aside for this development priority is higher than average. This means that farms located in Objective 5(b) areas may be assisted when they engage in product improvement projects, in particular under Council Regulation (EEC) No 2081/92 on the protection of designations of origin and geographical indications. In fragile rural areas, the major role that can be played by farmers in tourist development (farm tourism) and maintaining or protecting the environment is very actively encouraged. Farmers' efforts to diversify their products are also encouraged. These measures, which are targeted and adjusted to each different regional or even "micro-regional" context, are a useful complement to the common agricultural policy, the effects of which they are designed to reinforce.⁵¹

Setting up and supporting SMEs is the second largest sphere of assistance (25% of Community funding). For Belgium, Germany, the Netherlands, Finland and the United Kingdom, this is the most important priority and the proportion of appropriations devoted to it exceeds the Community average. It enables trade and crafts to be maintained and developed in villages and thus helps to improve the services available to the rural population. Production too is involved, since appropriations are also allocated to supporting direct investment by SMEs and enabling them to develop or establish themselves (areas of economic activity, industrial premises, etc.). The main purpose of this assistance is to allow rural SMEs to benefit from the effects of the single market.

⁵¹ See Chapter II.D.2. The Structural Funds, the common agricultural policy and rural development.

Investment in human resources is the third largest sphere of assistance. Almost 15% of Community funding is being used to finance training and recruitment aid measures. Investment in "human capital" must be inseparably linked with other productive investment. In the countryside, the priority is to adjust training arrangements to the specific conditions of particular areas and their inhabitants (low population density, development projects which are often very specific and do not always conform to pre-established training models). The Commission has put a great deal of effort into ensuring that priority for assistance under this heading is given to training modules designed and implemented to meet real needs and which support local development trends.

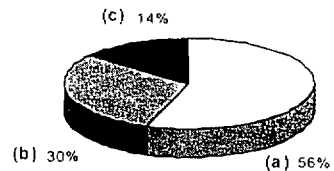
Tourism (complementary to the farm tourism referred to above) involves more than 12% of the Community appropriations allocated. In Denmark, the majority of funding is allocated to this priority. The United Kingdom and Italy also decided to devote a major part of the funding to this area of assistance, which takes second and third place respectively in their list of priorities. One aim is to improve and increase tourist accommodation capacity. Where necessary, accompanying investment is planned to make rural areas more attractive (site improvements, tourist sign-posting, development of the cultural, architectural and natural heritage). A key objective is to make original forms of tourism available on the market (cultural tourism, discovery trails, open-air sports, etc.).

Consideration of the environment in Objective 5(b) measures :

A high-quality environment can contribute to the development of rural areas. It is the basis for many tourist and farming activities which, in turn, can contribute to a better environment. Thus, under Objective 5(b), direct investment in environmental projects accounts for ECU 720.5 million for 1994-99, i.e. 11.7% of the appropriations for this Objective, which are to a very large extent (56%) concentrated on measures, most frequently of a preventive nature, contributing to the conservation of the countryside and biodiversity. Another substantial fraction (30%) of the funding goes towards restorative measures to reduce pollution. More specific examples are the establishment of teams and structures for introducing people to environmental protection in cooperation with the farm tourism sector in particular (discovery trails, education and reception points) and measures to protect aquatic biotopes (reintroducing salmon, restoring sites which have deteriorated). In very sensitive areas (for example, wetlands), Community assistance takes account of the particular constraints which this imposes on economic activity and provides them with additional resources for adjustment. In addition, productive activities are encouraged entailing diversification and based on a high-quality environment, such as services associated with research and development on food and agriculture, "green tourism", organic farming and nature conservation. In rural areas, as elsewhere, investments are also encouraged in SMEs to support products and techniques compatible with the needs of the environment, renewable energy and techniques which economize on the use of energy and water.

Table 52: Objective 5(b) and the environment - breakdown of appropriations allocated directly to the environment, 1994-99 (EUR 9 - ECU million - 1994 prices)

Management of nature, the countryside and biodiversity (a)	400,5
Depollution/ treatment (clean technologies, industrial waste) (b)	216,2
Upgrading woodlands (c)	103,8
Total	720,5



A contrasted impact of Community investment in different Member States

Commission expectations concerning the impact of Community investment in relation to total expected investment were of two kinds: firstly, to ensure that the Community allocation to each programme could directly generate by the "lever effect" a significant total investment; secondly, to avoid Community funding being so diluted among the vast range of public assistance measures that the qualitative contribution made by Union assistance could not be perceived. A study of the financing plans of each SPD adopted shows that the ratio between Community investment and total planned investment is directly related to the content of the programmes (priorities, content of measures, types of operations). On average, one ecu from the Community should generate ECU 3.9 of investment :

- Italy and Austria proposed programmes envisaging ECU 5.2 to 6.5 of investment for each ecu allocated by the Community;
- in the case of Finland, Belgium, France, Denmark, the Netherlands, Germany and Luxembourg, the expected impact ranges from ECU 3.2 to 4.3 of total investment planned for each ecu from the Community;
- in the case of the United Kingdom and Spain, investment of ECU 2.5 to 2.7 is expected for every ecu contributed by the Community.

6.2. Implementation of Objective 5(b) in 1995

Table 53: Objective 5(b) - Summary of SPDs adopted in 1994 and 1995 (ECU million)

SPDs ADOPTED IN 1994					SPDs ADOPTED IN 1995				
Member State/region	TOTAL	EAGGF	ERDF	ESF	Member State/region	TOTAL	EAGGF	ERDF	ESF
Denmark	54.0	21.6	21.6	10.8	Belgium	78.1	23.8	41.1	13.2
Germany	1,083.3	454.2	416.5	212.6	Mecklenburg	10.3	3.5	5.2	1.6
Bavaria	560.2	235.3	207.3	117.6	Wallonia	41.4	12.4	20.4	8.7
Hesse	80.8	42.0	32.3	6.5	Westhoek	26.4	7.9	15.5	2.9
Lower Saxony	245.1	98.0	98.0	49.0	Germany	145.7	68.7	58.6	18.4
Rhineland-Palatinate	111.3	44.5	44.5	22.3	Baden-Württemberg	74.9	42.4	27.4	5.1
Schleswig-Holstein	85.9	34.4	34.4	17.2	North Rhine-Westphalia	46.8	18.3	23.7	4.7
Spain	617.9	393.9	148.6	75.5	Saarland	24.1	7.9	7.5	8.7
Aragon	298.6	197.7	72.8	28.1	Spain	46.1	20.7	12.2	13.2
Catalonia	148.0	88.6	36.0	23.4	Balearic Islands	46.1	20.7	12.2	13.2
Baixa	38.9	26.3	10.1	2.6	France	21.3	7.0	12.3	2.0
Madrid	49.3	24.3	13.2	11.7	Massif Central	12.7	2.8	8.3	1.5
Navarre	56.6	37.8	12.1	6.7	Massif des Pyrénées	8.6	4.2	3.9	0.5
Basque Country	26.5	19.1	4.5	3.0	Italy	239.5	105.7	105.9	27.9
France	2,218.1	1,000.1	927.2	290.8	Friuli-Venezia Giulia	44.0	20.7	17.8	5.5
Alsace	48.8	19.0	24.2	5.5	Liguria	35.8	13.3	18.1	4.3
Aquitaine	225.3	113.5	81.5	30.3	Marche	76.2	37.6	30.5	8.1
Auvergne	164.7	80.3	63.3	21.1	Piedmont	83.5	34.1	39.5	9.9
Lower Normandy	133.5	47.0	61.3	25.0	United Kingdom	433.5	72.6	284.6	76.3
Burgundy	112.7	61.2	39.4	12.1	Borders Region	30.4	3.7	20.7	6.1
Britany	186.3	73.0	91.1	22.2	Central Scotland / Tayside	25.4	3.2	17.1	5.1
Centre	84.1	36.1	35.9	12.2	Dunfries and Galloway	47.7	6.4	34.4	6.9
Champagne-Ardenne	29.3	12.1	14.2	3.0	English Midlands Uplands	12.2	2.1	8.2	1.8
Franche-Comté	78.1	34.3	33.2	10.6	Grampian	39.5	4.8	28.6	6.1
Upper Normandy	11.2	5.0	4.8	1.4	Lincolnshire	53.7	9.5	36.2	8.0
Langue doc-Roussillon	119.9	63.5	41.2	13.2	The Marches	40.6	7.4	24.2	8.9
Lorraine	128.0	68.5	39.1	20.5	Wales	184.0	35.6	115.1	33.3
Midi-Pyrénées	283.1	122.2	130.9	30.0					
Lure	122.0	47.0	57.7	17.3	TOTAL 1995	964.2	298.5	514.7	151.0
Pauillac-Charentes	130.1	59.3	47.4	23.4	%	100%	31%	53%	16%
Provence-Alpes-Côte d'Azur	95.6	46.0	38.7	10.3					
Rhône-Alpes	169.4	75.7	75.0	18.6					
Italy	664.2	305.2	264.4	94.7					
Basilicata	43.0	19.9	17.9	5.2					
Emilia Romagna	57.1	28.5	21.5	7.1					
Lazio	145.7	70.0	51.5	24.1					
Lombardy	40.3	18.1	18.1	4.0					
Liguria	133.0	58.5	56.1	18.5					
Lombardy	19.9	9.2	7.8	2.8					
Umbria	75.5	33.1	32.6	9.7					
Valle d'Aosta	4.2	2.2	2.0	0.0					
Veneto	145.6	65.5	56.8	23.3					
Luxembourg	6.0	2.2	3.1	0.8					
Netherlands	150.0	50.6	81.8	17.6					
Friesland	68.7	20.6	43.5	4.6					
Groningen / Drenthe	34.9	11.5	16.8	6.6					
Limburg	19.1	8.1	8.1	2.9					
Overijssel	15.5	4.8	8.9	1.8					
Zeeland	11.8	5.6	4.6	1.6					
United Kingdom	387.0	78.6	250.4	58.0					
East Anglia	60.0	10.5	40.5	9.0					
English Northern Uplands	108.0	27.0	64.8	16.2					
South West England	219.0	41.1	145.1	32.8					
TOTAL 1994	5,180.5	2,306.2	2,113.5	760.8	TOTAL 1994-1995	6,144.7	2,604.7	2,628.2	911.8
%	100%	45%	41%	15%	%	100%	42%	43%	15%

In 1995 the Commission approved 30 Objective 5(b) SPDs, including nine for the new Member States,⁵² bringing the total number of such documents adopted for 1994-99 up to 78 (48 were adopted in 1994).

⁵² See Chapter I.A.7. Integration of the new Member States into the structural policies.

Among the programmes adopted in 1994 and 1995, 77 include contributions from three Funds (the ERDF, EAGGF and ESF) and only one (Valle d'Aosta) from the ERDF and EAGGF alone.

More generally, 1995 was the year in which implementation of most Objective 5(b) SPDs actually began, with financing for 1994-99 forecast at ECU 6 900 million. Substantial work was done regarding the new Member States (Austria, Finland, Sweden) in order to decide which areas are eligible, define the amounts of Community funding, prepare and adopt the single programming documents and organize the first meetings of the Monitoring Committees.

Almost ECU 6 750 million was allocated to Objective 5(b) programmes approved in 1994 and 1995. Over these two years, the Commission committed ECU 1 181 million (or 17.5% of the 1994-99 total allocation) and paid out ECU 662 million (or 9.8% of total funding). After the 78 single programming documents had been adopted, the Commission committed a first instalment and paid half the appropriations so committed. Regions were then entitled to apply for subsequent payments and commitments according to the actual state of progress of projects on the ground. Excluding Austria, Finland and Sweden, whose single programming documents were approved somewhat later, 21 regions were in a position to apply for a second Community payment (second advance on the first instalment from the EAGGF, ERDF and ESF); 15 regions were able to apply for a third Community payment (the balance of the first instalment) in the case of the EAGGF, and 13 in the case of the ERDF. Few regions were able to apply for a fourth payment (second advance on the second instalment): five regions in the case of the ERDF and eight in the case of the EAGGF.

Table 54: Objective 5(b) - 1995 in the context of programming for 1994-99 (ECU million)

	B	DK	D	E	F	I	L	N	AT	FI	SE	UK	Total
Programmed	78,1	54,0	1.229,0	664,0	2.239,4	903,7	6,0	150,0	411,0	194,0	138,0	820,5	6.887,7
Adopted	78,1	54,0	1.229,0	664,0	2.239,4	903,7	6,0	150,0	411,0	194,0	0,0	820,5	6.749,7
%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	0%	100%	98%
Commitments 1994-99	9,2	9,8	261,7	162,1	373,2	107,0	0,8	25,6	78,3	32,8	0,0	120,7	1.181,2
% of assistance	12%	18%	21%	24%	17%	12%	14%	17%	19%	17%	0%	15%	18%
Payments 1994-99	4,6	5,7	134,2	118,4	207,9	53,5	0,4	12,6	39,2	15,9	0,0	69,4	661,9
% of assistance	6%	10%	11%	18%	9%	6%	7%	8%	10%	8%	0%	8%	10%

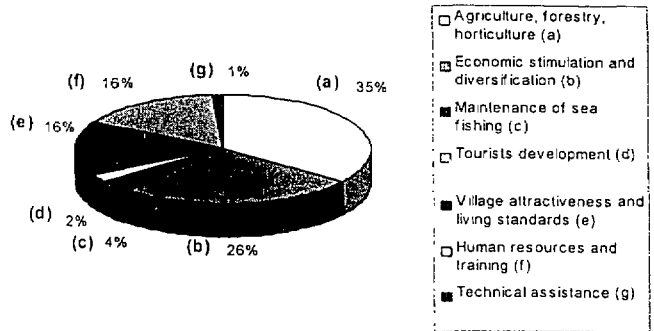
As regards the state of progress of the programmes, it should first be noted that financial implementation will have to be accelerated. To achieve this, an effort will be made to ensure better circulation of the appropriations. Greater involvement of public part-financers will have to be encouraged at Monitoring Committee meetings. If it proves appropriate, adjustments to the programmes could be adopted. Secondly, greater attention should be paid to the objective of integrating the three Funds, thereby achieving concrete results reflecting a link between investment in human resources and investment in the productive sectors.

6.3. Country-by-country survey⁵³

BELGIUM

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	448
Area (km ²)	6.831
<i>ECU million</i>	
<i>J SPDs</i>	Total
	78,1
	Average per SPD
	26,0
<i>Breakdown by Fund</i>	
	EA GGF
	23,8
	ERDF
	41,1
	ESF
	13,2



Implementation in 1995

Three SPDs were approved by the Commission at the beginning of 1995: in Flanders, two programmes for the regions of Westhoek and Meetjesland, and in Wallonia one programme for the south-east of Belgium. Flanders and Wallonia are responsible for the implementation of these Community operations, which give high priority to developing small and medium-sized firms and industry and to diversification in agriculture and forestry. The three Monitoring Committees met during 1995. Proposals for assessment and information programmes will be submitted at their next meetings. Precise project selection criteria have been established and communicated to Committee members.

1995 in the context of the 1994-99 programming period

Table 55: Objective 5(b) - Belgium - Financial implementation of the SPDs (ECU million)

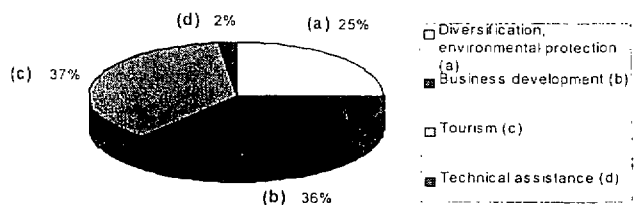
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1995</i>								
Meetjesland	34,2	10,3	1,2	1,2	12%	0,6	0,6	50%
Wallonia	135,4	41,4	4,9	4,9	12%	2,4	2,4	50%
Westhoek	96,6	26,4	3,1	3,1	12%	1,5	1,5	50%
TOTAL	266,2	78,1	9,2	9,2	12%	4,6	4,6	50%

Progress on financial implementation of the programmes must be accelerated in 1996, since in 1994-95 the Commission committed 12% and paid out 6% of the total appropriations for the whole period.

DENMARK

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	361
Area (km ²)	8.374
<i>ECU million</i>	
<i>J SPDs</i>	Total
	54,0
	Average per SPD
	34,0
<i>Breakdown by Fund</i>	
	EA GGF
	21,6
	ERDF
	21,6
	ESF
	10,8



⁵³ For a more detailed description of each Member State's programming priorities, see the 1994 Annual Report.

Implementation in 1995

On 21 December 1994 the Commission approved the single programming document for Denmark which established three major priorities of equal importance: diversification of agriculture and forestry, diversification and development of non-agricultural sectors and development of tourism. The Danish Ministry of Agriculture is responsible for implementing the programme. The Monitoring Committee for the programme met at the end of 1995. Its members were informed of the project selection criteria. Assessment and information programmes are to be adopted in 1996.

1995 in the context of the 1994-99 programming period

Table 56: Objective 5(b) - Denmark - Financial implementation of the SPD (ECU million)

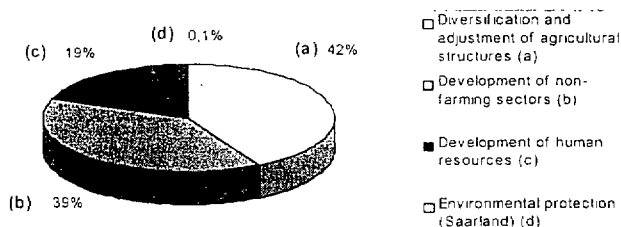
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
Denmark	201,5	54,0	3,4	9,8	18%	2,5	5,7	58%

Between 1994 and 1995, after committing 18% of the total Community appropriations, the Commission paid out 10.5% of the overall allocation for the period as a whole.

GERMANY

Objective 5(b) - programming for 1994-99

Population (000 inhab.)	7.823
Area (km ²)	96.178
<i>ECU million</i>	
8 SPDs	Total 1229,0
	Average per SPD 153,6
<i>Breakdown by Fund</i>	
EA GGF	522,9
ERDF	475,1
ESF	231,0



Implementation in 1995

Between December 1994 and March 1995 eight single programming documents were approved for the German regions. These programmes give high priority to the development of small and medium-sized firms and industry, followed by agricultural and forestry diversification. Responsibility for each of the programmes is in the hands of the Länder. The eight Monitoring Committees met in 1995. Project selection criteria were precisely defined under the various arrangements for regional aid used for the implementation of the programmes. Mid-term assessment was to begin in 1996 and be finalized in 1997.

1995 in the context of the 1994-99 programming period

Table 57: Objective 5(b) - Germany - Financial implementation of the SPDs (ECU million)

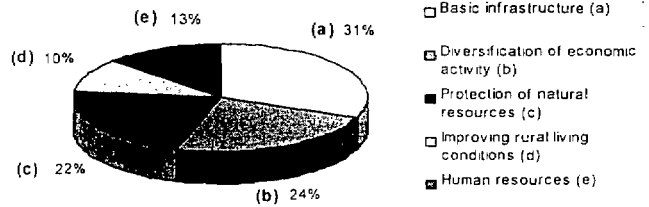
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
Baden-Württemberg	450,8	74,9	8,8	8,8	12%	4,4	4,4	50%
North Rhine-Westphalia	117,9	46,8	5,5	5,5	12%	2,7	2,7	50%
Saarland	108,0	24,1	2,8	2,8	12%	1,7	1,7	61%
1994								
Bavaria	2 933,4	560,2	70,4	135,5	24%	34,9	67,4	50%
Hesse	232,3	80,8	14,1	23,7	29%	8,0	12,8	54%
Lower Saxony	706,5	245,1	15,6	44,4	18%	11,3	25,7	58%
Rhineland-Palatinate	426,8	111,3	8,0	20,2	18%	6,4	12,5	62%
Schleswig-Holstein	229,6	85,9	10,7	20,9	24%	1,8	7,0	33%
TOTAL	5.205,3	1.229,0	135,8	261,7	21%	71,2	134,2	51%

The state of financing of the single programming documents is satisfactory, as the Commission has committed 21% and paid out 11% of the appropriations provided for the period as a whole.

SPAIN

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	1.731
Area (km ²)	85.223
<i>ECU million</i>	
SPDs	Total 664,0
Average per SPD	94,9
<i>Breakdown by Fund</i>	
EAGGF	414,6
ERDF	160,8
ESF	88,6



Implementation in 1995

All the Spanish Objective 5(b) single programming documents were approved in 1994, with the exception of the one for the Balearic Islands (approved on 18 January 1995). In total, seven programmes are being implemented. They are organized around five priorities: basic infrastructure for economic development (country roads, electrification and small-scale industrial infrastructure, consolidation of holdings and improving existing irrigation networks); economic diversification and job creation (agricultural diversification, quality policy, aid to craft, industry and service SMEs); protecting and developing the potential of the environment (protection and extension of forested areas, combating erosion, developing the potential of protected country areas); improving rural living conditions (improving small-scale infrastructure and the renovation of villages); and human resources (training, recruitment aid, improving employment structures, improving scientific and technological potential). Responsibility for implementing the programmes is in the hands of the Autonomous Communities.

The Monitoring Committees for these programmes were set up during the first half of 1995. The Madrid and Balearic Committees held second meetings at the end of 1995. A national Monitoring Committee responsible for coordination at national level of aspects concerning more than one single SPD met in July and December.

1995 in the context of the 1994-99 programming period

Table 58: Objective 5(b) - Spain - Financial implementation of the SPDs (ECU million)

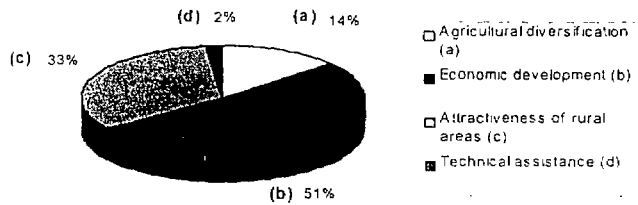
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
Balearic Islands	146,9	46,1	8,2	8,2	18%	6,8	6,8	82%
1994								
Aragon	763,6	298,6	41,0	78,8	26%	37,8	56,8	72%
Catalonia	366,7	148,0	17,1	34,7	23%	15,8	24,6	71%
Rioja	166,5	38,9	1,9	6,2	16%	1,8	4,0	64%
Madrid	112,9	49,3	6,5	11,3	23%	5,4	7,8	69%
Navarre	161,0	56,6	10,1	16,4	29%	10,9	14,1	86%
Basque Country	81,2	26,5	3,8	6,4	24%	3,2	4,6	71%
TOTAL	1.798,7	664,0	88,6	162,1	24%	81,7	118,4	73%

Financial implementation generally went ahead very rapidly in 1995 in order to make up for the delay in approving single programming documents in 1994. The Commission was able to commit 24% and pay out 18% of the total appropriations allocated to the single programming documents for the period as a whole.

FRANCE

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	9.739
Area (km ²)	291 558
<i>ECU million</i>	
20 SPDs	Total 2 239,4
	Average per SPD 112,0
<i>Breakdown by Fund</i>	
EA GGF	1 007,1
ERDF	939,4
ESF	292,9



Implementation in 1995

Eighteen French single programming documents were approved in 1994 and two further programmes concerning the Massif Central and the French Pyrenees were adopted in the first quarter of 1995. A specific programme concerning technical assistance still remained to be adopted at the end of 1995. All these programmes confirm the priority given to strategies for diversification and developing the potential of agricultural and forestry production. The second level of priority is "diversification and development in non-agricultural sectors". Responsibility for the implementation of the programmes is in the hands of the regional representative of the State.

Thirty Monitoring Committee meetings were held in 1995. This allowed all the partners to be informed about the project selection criteria, which were set out in the application documents drawn up in each region. Most of the Committees considered and proposed assessment programmes, and the assessors were to be selected in the first half of 1996 in order to start interim assessment during the second half of the year.

1995 in the context of the 1994-99 programming period

Table 59: Objective 5(b) - France - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
Massif Central	27,4	12,7	1,1	1,1	8%	0,5	0,5	50%
Massif des Pyrénées	17,8	8,6	1,1	1,1	13%	0,5	0,5	50%
1994								
Alsace	169,1	48,8	0,2	6,7	14%	0,0	3,3	48%
Aquitaine	762,4	225,3	2,8	34,4	15%	3,4	19,2	56%
Auvergne	724,7	164,7	25,7	44,9	27%	19,0	28,6	64%
Lower Normandy	433,4	133,3	12,8	31,5	24%	7,8	17,1	54%
Burgundy	407,6	112,7	20,4	29,7	26%	9,4	14,1	47%
Brittany	510,6	186,3	0,0	26,2	14%	3,1	16,2	62%
Centre	259,7	84,1	1,1	5,1	6%	0,5	2,5	49%
Champagne-Ardenne	100,1	29,3	0,0	4,1	14%	0,0	2,1	50%
Franche-Comté	437,6	78,1	6,9	13,9	18%	4,8	8,3	60%
Upper Normandy	32,9	11,2	0,0	1,1	10%	0,0	0,5	50%
Languedoc-Roussillon	344,3	119,9	0,0	11,7	10%	0,0	5,8	50%
Limousin	560,8	128,0	14,0	32,0	25%	12,5	21,5	67%
Lorraine	304,6	96,8	1,4	10,2	11%	1,2	5,6	55%
Midi-Pyrénées	849,9	283,1	4,9	33,9	12%	3,7	18,2	54%
Loire	334,2	122,0	12,5	27,8	23%	4,2	11,8	42%
Poitou-Charentes	450,8	130,1	3,8	20,9	16%	2,6	11,1	53%
P.A.C.A. (1)	288,0	95,0	0,3	12,1	13%	1,9	7,8	65%
Rhône-Alpes	844,5	169,4	1,6	24,9	15%	1,5	13,2	53%
TOTAL	7.860,4	2.239,4	110,5	373,2	17%	76,6	207,9	56%

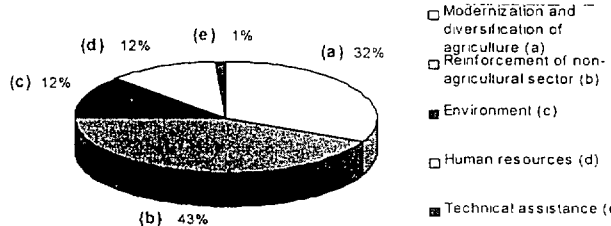
(1) Provence-Alpes-Côte d'Azur

The Commission committed 17% and paid out 9% of the Community allocation for France (entire period). A sustained effort must be made to make up for the delay caused largely by the fact that programmes were adopted at the end of 1994.

ITALY

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	4.828
Area (km ²)	30.486
ECU million	
13 SPDs Total	903,7
Average per SPD	69,5
Breakdown by Fund	
EA GGF	410,8
ERDF	370,3
ESF	122,6



Implementation in 1995

During the first quarter of 1995, the adoption procedures for the 13 Italian single programming documents were completed. These programmes show the priority given to agricultural and forestry diversification, the second priority being the development of small and medium-sized firms and industry and tourism, while an effort was made to ensure that, in addition to the training measures provided for under each of the priorities, a separate priority was adopted for the development of human resources. The Italian programmes call for substantial participation by the private sector. Responsibility for implementing the programmes is in the hands of the regions and autonomous provinces.

The Commission participated in seventeen Monitoring Committees meetings, which concentrated on the importance of transparent procedures and project selection criteria. All the Committees drew up and approved assessment programmes. Selection of independent assessors by invitation to tender will be completed in the middle of 1996. The Committees also adopted information and publicity programmes.

1995 in the context of the 1994-99 programming period

Table 60: Objective 5(b) - Italy - Financial implementation of the SPDs (ECU million)

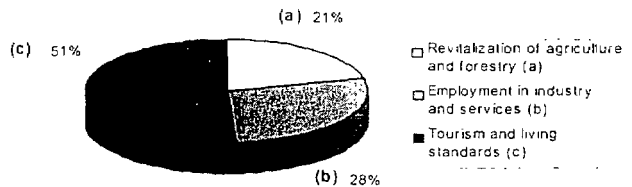
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
Friuli-Venezia Giulia	275,4	44,0	5,2	5,2	12%	2,6	2,6	50%
Liguria	189,6	35,8	4,2	4,2	12%	2,1	2,1	50%
Marche	429,9	76,2	8,9	8,9	12%	4,5	4,5	50%
Piedmont	438,2	83,5	9,8	9,8	12%	4,9	4,9	50%
1994								
Bolzano	157,1	43,0	0,0	5,1	12%	0,0	2,6	50%
Emilia Romagna	311,6	57,1	3,4	6,8	12%	1,7	3,4	50%
Lazio	514,9	145,7	0,0	16,7	11%	0,0	8,3	50%
Lombardy	213,8	40,3	0,0	4,8	12%	0,0	2,4	50%
Tuscany	744,9	133,0	0,0	15,8	12%	0,0	7,9	50%
Trento	66,0	19,9	0,0	1,1	6%	0,0	0,6	50%
Umbria	341,9	75,5	0,0	10,7	14%	0,0	5,4	50%
Valle d'Aosta	13,9	4,2	0,0	0,6	14%	0,0	0,3	50%
Veneto	1.033,2	145,6	0,0	17,3	12%	0,0	8,6	50%
TOTAL	4.728,4	903,7	31,5	107,0	12%	15,8	53,5	50%

For 1994-95, the Commission committed 12% and paid out 6% of the Community allocation reserved for the Italian single programming documents. Following the invitations to tender issued in 1995 and appraisal of the projects submitted, it was expected that the utilisation of available financing would increase from 1996.

LUXEMBOURG

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	30	
Area (km ²)	831	
<i>ECU million</i>		
<i>TSFD</i>	<i>Total</i>	6,0
<i>Average per SPD</i>		6,0
<i>Breakdown by Fund</i>		
	EA GGF	2,2
	ERDF	3,1
	ESF	0,8



Implementation in 1995

The single programming document for the Objective 5(b) area of Luxembourg was approved in December 1994. The priorities of this programme are creating and maintaining jobs in SMEs and small and medium-sized industry and developing tourism and the quality of life. Responsibility for implementation of the programme is in the hands of the Ministry of Agriculture. The first meeting of the Monitoring Committee, which was to have been held in 1995, was postponed to 1996.

1995 in the context of the 1994-99 programming period

Table 61: Objective 5(b) - Luxembourg - Financial implementation of the SPD (ECU million)

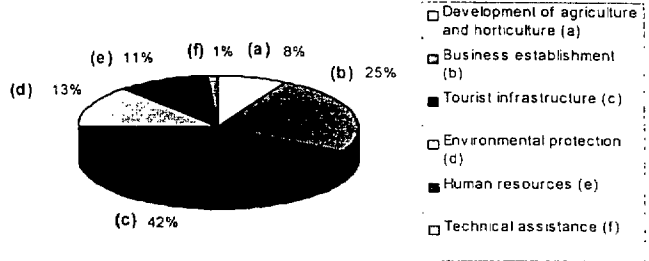
Programme and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1994								
Luxembourg	25,5	6,0	0,0	0,8	14%	0,2	0,4	50%

The Commission committed 14% and paid out 7% of the Community allocation for the whole period.

NETHERLANDS

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	800
Area (km ²)	5.405
<i>ECU million</i>	
5 SPDs	Total 150,0
	Average per SPD 30,0
<i>Breakdown by Fund</i>	
	EAGGF 50,6
	ERDF 81,8
	ESF 17,6



Implementation in 1995

Five single programming documents for the Netherlands were adopted by the Commission in December 1994. The operations are directed primarily towards supporting small and medium-sized firms and industry and protecting the environment. Responsibility for the implementation of the programmes is in the hands of the regional authorities.

The Commission participated in eight Monitoring Committee meetings in 1995. During the meetings information was provided on the project selection criteria. The programmes are currently being drawn up, and should lead to the first invitations to tender being issued during 1996.

1995 in the context of the 1994-99 programming period

Table 62: Objective 5(b) - Netherlands - Financial implementation of the SPDs (ECU million)

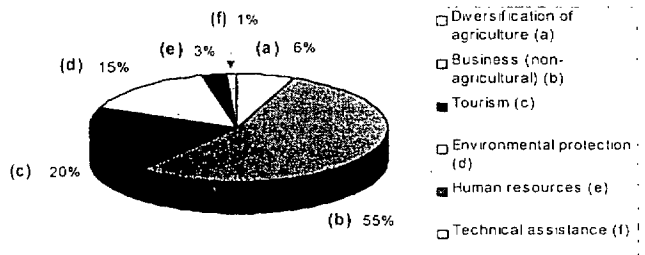
Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
<i>1994</i>								
Friesland	266,9	68,7	4,5	12,7	18%	4,1	5,2	41%
Groningen / Drenthe	157,4	34,9	0,0	4,2	12%	1,7	2,1	50%
Limburg	48,4	19,1	0,0	2,3	12%	0,4	1,1	50%
Overijssel	70,2	15,5	1,4	3,3	21%	1,2	1,6	50%
Zeeland	49,2	11,8	1,4	3,2	27%	2,0	2,5	79%
TOTAL	592,1	150,0	7,3	25,6	17%	9,5	12,6	49%

Between 1994 and 1995, the Commission committed 17% and paid out 8% of the Community appropriations allocated for the period as a whole.

UNITED KINGDOM

Objective 5(b) - programming for 1994-99

Population ('000 inhab.)	2.841
Area (km ²)	67.987
<i>ECU million</i>	
11 SPDs	Total 820,5
	Average per SPD 74,6
<i>Breakdown by Fund</i>	
	EAGGF 131,2
	ERDF 535,0
	ESF 134,3



Implementation in 1995

Eleven single programming documents for the United Kingdom were approved between the end of 1994 and the beginning of 1995. Generally speaking, they give a high priority to supporting small and medium-sized firms and industry and to developing tourism. The programmes are implemented by the Government departments concerned.

Eighteen Monitoring Committee meetings were organized in 1995. At the meetings Committee members were informed of the project selection criteria. Assessment programmes should be finalized in 1996.

1995 in the context of the 1994-99 programming period**Table 63: Objective 5(b) - United Kingdom - Financial implementation of the SPDs (ECU million)**

Programmes and year of adoption	Total cost	SF assistance (1)	Commitments 1995	Commitments 1994-95 (2)	% (2)/(1)	Payments 1995	Payments 1994-95 (3)	% (3)/(2)
1995								
Borders Region	76,6	30,4	7,7	7,7	25%	3,1	3,1	41%
Central Scotland / Tayside	64,0	25,4	3,8	3,8	15%	2,0	2,0	54%
Dumfries and Galloway	125,3	47,7	6,7	6,7	14%	3,6	3,6	54%
English Midland Uplands	33,3	12,2	1,4	1,4	12%	0,7	0,7	52%
Grampian	96,2	39,5	5,6	5,6	14%	2,9	2,9	52%
Lincolnshire	133,6	53,7	7,5	7,5	14%	4,0	4,0	53%
The Marches	90,8	40,6	6,2	6,2	15%	3,4	3,4	55%
Wales	483,4	184,0	27,1	27,1	15%	15,3	15,3	56%
1994								
East Anglia	132,4	60,0	1,4	8,6	14%	1,0	4,6	33%
English Northern Uplands	262,3	108,0	2,2	15,0	14%	1,7	8,1	54%
South West England	514,5	219,0	5,1	31,2	14%	8,8	21,8	70%
TOTAL	2.012,3	820,5	74,6	120,7	15%	46,4	69,4	58%

The Commission committed 15% and paid out 8% of the Community allocation for the period as a whole.

7. Integration of the new Member States into the structural policies

Integration of the three new Member States into the structural policies was an important aspect of the 1994 accession negotiations; it is an aspect which is largely regulated by the Act of Accession itself. The Act provides for the creation of a new Structural Funds Objective, Objective 6, for regions with a very low population density, makes the Austrian Land of Burgenland eligible under Objective 1 and also fixes for each Member State the financial resources for Objectives 1 (Austria), 6 (Finland and Sweden) and Objectives 2 and 5(b) (all three countries). The Act did not establish the list of eligible areas under Objectives 2 and 5(b), nor did it allocate the appropriations for Objectives 2 to 5(b). This was a task for the Commission, which adopted the decisions in 1995⁵⁴.

In 1995, activities relating to the new Member States were more concerned with preparing all the programming documents under the various Objectives than with implementing the programmes, given that Community rules did not apply to those countries until 1 January 1995. It was therefore felt that the priorities for the different programmes for those countries should be presented in a separate section, whereas for the other Member States the Report concentrates on implementation and execution during 1995. However, almost all the programmes of assistance by Objective were adopted rapidly in 1995 so that most of them could start up before the end of the year.

A total of 35 programming documents were adopted for the three new Member States in 1995: 17 for Austria and 9 each for Finland and Sweden. By the end of the year there were only six Swedish SPDs left to approve, one under Objective 4 and five under Objective 5(b). Objectives 2 and 5(b) had the majority of the approved programmes (10), followed by Objective 5(b) (9), then Objective 5(a) agriculture (5). For the other Objectives, one SPD per Member State was approved (Objective 1: 1, Objective 3: 3, Objective 4: 2, Objective 5(a) fisheries: 3, Objective 6: 2).

The desire to preserve sustainable development:

Austria, Finland and Sweden are environmentally conscious countries. The state of the environment in all three new Member States is very good. The northern parts of Sweden and Finland in particular (the sparsely-populated Objective 6 region) is recognized as one of the last natural wildernesses left in Europe in an almost pristine state. Austria possesses some of Europe's most beautiful mountain regions.

The high sensitivity of public opinion to environmental issues has resulted in well developed environmental legislation in each of these Member States. In the Finnish and Swedish Objective 6 and 2 regions, the main environmental problem is probably the potential threat posed by cross-border pollution. Some damage is caused through acidification of land and water. Another important issue in these two countries is the sustainable exploitation of natural resources. In Austria, the main environmental issues are probably the protection of the natural environment in the mountainous regions against transport pollution and the promotion of sustainable forms of tourism.

The environment as a horizontal concern in all programmes :

A common feature of all programmes in the new Member States is regard for the environment as a horizontal theme underpinning all measures. In all the Swedish programmes, environmental concerns are regarded as a horizontal criterion in most measures. It is however not possible to translate the commitment to give priority to actions contributing to sustainable development or to an improvement of environmental conditions into monetary terms.

⁵⁴ For more details on the structural aspects of enlargement in 1994, see the 1994 Annual Report.

7.1. Objectives 1 and 6

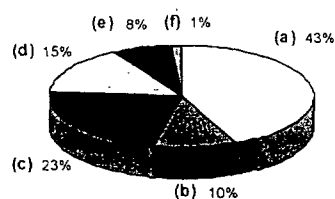
Objective 1

AUSTRIA

Burgenland is the only region in the three new Member States eligible under Objective 1. In 1995 the per capita GDP in this region bordering three central European countries was about 70% of the Community average. Its 270 000 inhabitants live in 4 000 km² of mainly rural areas. The SPD presented to the Commission on 20 April 1995 was adopted on 15 November 1995 and provided for ECU 165.6 million in Structural Funds assistance to a programme costing a total of ECU 831.4 million.

Objectif 1: Autriche - la programmation 1995-1999

Priorities	Total cost	S.F. assistance				National public contribution	Private contribution
		Total	ERDF	ESF	EAGGF		
Trade and industry (a)	360,9	56,8	53,8	3,0	-	114,4	189,7
Research & development (b)	82,6	15,5	12,5	3,0	-	26,9	40,2
Tourism (c)	191,5	38,7	38,7	-	-	63,2	89,6
Agriculture and environment (d)	125,0	24,2	-	-	24,2	48,2	52,6
Promotion of job creation and stability (e)	63,0	26,3	0,7	25,6	-	26,7	10,0
Technical assistance (f)	8,4	4,1	2,0	1,5	0,6	4,2	-
Total	831,4	165,6	107,6	33,1	24,8	283,6	382,1



The general aims of the regional development programme are to create in central Europe a region with dynamic industrial, commercial, tourist and agricultural sectors and to reduce internal economic disparities by creating a more uniform standard of living throughout the region. The measures financed will create an extra 7 300 jobs (6 000 in industry, 1 000 in technology-based SMEs and 300 in technology centres).

A few general priorities:

- Particular attention will be paid to ways of increasing job opportunities for women, unskilled labour and young people in essentially rural areas, this being an essential way of stopping population drift and reducing out-migration.
- Measures to train and reskill local labour are aimed at better meeting the needs of the region with regard to training SME entrepreneurs in technology and to development of the local economy.
- Internationalization, cooperation and networking, reflecting the geographical situation of Burgenland and its cooperation with Hungary and other central and eastern European countries.
- **Preservation of a unique environment:** The measure "protection of nature and the environment" (ECU 800 000 of Structural Funds money; total cost: 2.26 million) provides part-finance for projects in protected zones and landscapes attractive to tourism: the Burgenland ecological programme, the programme to clean up the Neusiedlersee, the Neusiedlersee-Seewinkel national park and the programme to protect threatened biotopes and habitats.

The opportunities offered by the new situation in central Europe and by the accession of Austria to the European Union need to be fully exploited to the profit of Burgenland between 1995 and 1999. In this respect, the growth potential in neighbouring countries and the other regions of Austria should have a very favourable impact on the future prospects for northern and central Burgenland. The southern part does not benefit from the same external stimuli and will have to concentrate on the development of its locally-generated potential (particularly spa tourism) while drawing maximum benefit from cross-border cooperation.

Table 64: Objective 1 - Austria - Financial implementation of the SPD (ECU million)

Programme and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
1995						
SPD Burgenland	831,4	165,6	28,8	17%	14,4	50%

Objective 6

Objective 6 was introduced by the Act of Accession and targets the development of sparsely populated areas; this is understood to mean a population density of no more than 8 inhabitants per square kilometre. The areas in Finland and Sweden eligible under Objective 6 were defined in Protocol No 6 to the Act of Accession. As a general rule, the provisions of the Structural Funds Regulations, in particular those applicable to Objective 1, also apply to Objective 6.

Table 65: Objective 6 in Finland and Sweden - basic statistics

	Total Objective 6 population	% of national total	Total Objective 6 area (km ²)	% of national total
Finland	840.000	17%	206.000	60%
Sweden	449.000	5%	241.640	50%
TOTAL	1.289.000	-	447.640	-

FINLAND

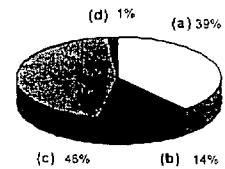
The Finnish regions eligible under Objective 6 cover a continuous surface comprising the regions of Lappi (Lapland), Kainuu, Pohjois-Karjala (North Karelia) and Etelä-Savo (South Savo) and parts of the regions of North and Central Ostrobothnia, Pohjois-Savo (North Savo) and Keski-Suomi (Central Finland). The average population density is 4 inhabitants per km². The increase in unemployment resulting from the crisis in the 1990s has worsened the traditional problems in those regions - a gradual decrease in population and an exodus from the land towards the towns. All the regions are also highly dependent on the agriculture and forestry sectors and on public services, and the industrial base is unbalanced, concentrated on a number of major forestry, metals and chemicals businesses. In addition, there are relatively few SMEs and job losses in the public sector are affecting women more than men.

The Objective 6 SPD was presented to the Commission on 8 March 1995 and adopted on 11 July 1995. Its strategy is to develop the strengths of the regions: timber and forestry products, specialized branches of agriculture, metals, electronics and tourism. It is aimed at creating a stronger SME sector through incentives to establish local industry and private service firms and through training and R&D. The programme also aims to exploit to their maximum the opportunities offered by new technologies, particularly in telecommunications, so as to counteract the effect of the long distances. Because of the significance of agriculture, particularly in the southern parts of the zone, about a quarter of the programme is to be earmarked for aid to farmers under the system of aid to less-favoured areas (Objective 5(a)). The programme also contains ESF measures to aid the unemployed and to support training. The ESF will also finance projects relating to the information society.

During negotiations with the Finnish authorities, a number of amendments were made to the programmes initially presented. The Community part-financing rate for the less-favoured areas was reduced so as to release appropriations for development. Basic infrastructure projects were abandoned and measures relating to human resources in the information society were strengthened. Lastly, a number of relatively minor measures were regrouped into a package of flexible rural development which will finance mainly local projects in a large variety of sectors, including projects relating to the Sami minority in northern Lapland.

Objective 6, Finland - programming for 1995-99 (ECU million)

Priorities	Total cost	S.F. assistance					National public contribution	Private contribution
		Total	ERDF	ENF	EAGGF	FIFG		
Industrial development (a)	513,4	153,7	133,8	19,9	0,0	0,0	153,7	206,0
Development of human resources (b)	189,8	87,9	16,7	71,2	0,0	0,0	87,9	14,0
Agriculture, forestry, fisheries, rural development & environment (c)	604,5	209,1	18,6	12,6	174,0	3,9	280,5	114,9
Technical assistance (d)	18,4	9,2	3,4	2,1	3,6	0,1	9,2	-
Total	1.326,1	459,9	172,5	105,8	177,6	4,0	531,3	334,9



The final programme consists of three priorities: industrial development, the creation of businesses and investment in existing businesses, and human resources, comprising training and advice to the unemployed, research and the information society, and agriculture, forestry, fisheries, rural development and the environment. The Community contribution to the programme is ECU 459.9 million (a major proportion of this, 39%, coming from the EAGGF as a result of the size of compensatory allowance payments) out of total expenditure of ECU 1 326 million.

Measures for the environment:

Under the industrial development and environmental protection priorities, the Finnish SPD provides for environmental measures requiring a Community contribution of ECU 14.4 million:

- Firstly, to encourage the use of biomass and other renewable energy sources and to develop energy infrastructures and networks (Structural Funds assistance: ECU 8 million; total cost: 35.3 million). This relates, inter alia, to environmentally sound production methods (renewable energy sources, emission reduction, etc) and measures for the rational use of energy.
- The environmental protection measure provides for improving water supply and waste disposal systems, developing recycling, environmental protection in tourist centres, investments in nature reserves, environmental studies, environmental management plans, etc. (Structural Funds assistance: ECU 6.4 million, total cost: 16 million).

The aims of the programme are to reduce the rate of unemployment by 2% and to put 8 000 people back to work each year, this in a region which had 90 600 jobless in 1994 (24% of the active population): to increase to 135 000 the number of jobs in the private services and industry (117 500 in 1994); and to reduce by 5 points (from 20% to 15%) the gap between local GDF and the national average.

Management of the SPD is shared between the regions and central government. Each region has adopted its own programme which it will implement in accordance with a common framework of project selection procedures and criteria via a regional management committee comprising representatives of the region, of the ministries' local offices and of the social partners. This is why the programme is contained in a single SPD with a single Monitoring Committee. Two meetings of the Monitoring Committee took place, in September and November 1995.

SWEDEN

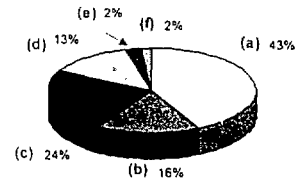
There are seven Swedish regions eligible under Objective 6, located in the north of the country. They are one entire county (Jämtland), and parts of six others (Värmland, Kopparberg, Gävleborg, Västernorrland, Västerbotten and Norrbotten). Their population density is 2 inhabitants per km². These areas taken as a whole are characterized by small urban centres separated by long distances, with a third of the population living in very isolated habitats outside those centres. The sparseness of the population in the interior of the region along with the resulting close dependence on the coastal regions creates a great demand for infrastructure and social solidarity. The rate of unemployment is 13% and jobs, particularly those for women, are mainly in the public sector followed by forestry and mining, which is in decline, in second place.

The SPD was adopted by the Commission on 6 November 1995 and provides for a Structural Funds contribution of ECU 252 million to a total cost ECU 635 million. The aim of the programme is to help to overcome the problems linked to the remoteness of the region, to job losses in traditional industries

(especially in the mines) and to population imbalances caused by the exodus of women and young people. The programme also seeks to develop the strengths of the region: its unspoilt environment, abundant natural resources and relatively well developed infrastructures. The SPD therefore seeks to create jobs in the private sector so as to reduce unemployment and offset the planned job losses in the public sector, which will mainly hit women. The viability of the widely scattered small communities will depend on their capacity to create new jobs and keep the region attractive as a place in which to live and work.

Objective 6, Sweden - programming for 1995-99 (ECU million)

Priorities	Total cost	S.F. assistance					National public contribution	Private contribution
		Total	ERDF	ESF	EAGGF	TFPG		
Employment, trade and industry (a)	269,4	82,6	58,2	20,9	3,5	0,0	80,2	106,6
Promotion of know-how (b)	102,7	48,8	35,7	13,1	0,0	0,0	40,4	13,5
Agriculture, fisheries & natural res (c)	151,5	66,1	12,5	6,0	43,6	4,0	61,0	24,4
Rural development & community work (d)	85,4	41,7	13,7	20,0	8,0	0,0	41,7	2,0
Sami population (e)	15,7	7,6	0,0	2,6	5,0	0,0	7,6	0,5
Technical assistance (f)	10,3	5,2	2,5	1,3	1,2	0,1	5,2	-
Total	635,0	252,0	122,6	63,9	61,4	4,1	236,1	147,0



The programme's strategy, which revolves around five priorities, is also based on a number of horizontal themes: maximum use of the information technologies in all socio-economic activities, guaranteed equal opportunities for men and women, preservation of the exceptional natural environment and cultural heritage, exploiting the competitive advantages of the region, and improving the skills and qualifications of individuals. There is also a set of measures to help firms and increase their competitiveness, develop the potential of RTD and information technologies, develop natural and agricultural resources while respecting the environment, expand tourism, encourage local initiatives and improve the level of training and qualifications. The special priority for the Sami people will help to preserve their environment and their traditional way of life, the farming of reindeer.

Measures for the environment:

The Swedish SPD provides for two measures with Community funding of ECU 6 million:

- for natural resources and conservation of the countryside: measures for recycling, improvement of water supply and drainage systems, research and pilot projects in environmentally sound agriculture, and development of better environmental management systems (Structural Funds contribution: ECU 4 million; total cost: 8 million);
- to develop environmental expertise, it is planned to support training in environmental technologies, the training of farmers and forest owners in environmental management, training in recycling for industry and commerce, new water technologies, and publicity in the tourism sector on public right of access to the countryside ("allemansrätt") (Structural Funds contribution: ECU 2 million; total cost: 4 million).

The general targets of the programme are to create or preserve about 9 500 jobs, to reduce the gap between the per capita GDP in the region (excluding energy production) and the national average, to create 900 new firms and to increase expertise in information technologies.

The majority of the programme budget (80%) will be executed by regional management committees made up from existing local and regional structures. Some measures, for example those under Objective 5(a), will be managed by central bodies, while the Sami will receive a global grant. The first meeting of the SPD Monitoring Committee took place in December 1995 and the approval and execution of the projects commenced in that year.

Table 66: Objective 6 - Financial implementation of the SPDs (ECU million)

	FI	SV	Total
Programmed	459,9	252,0	711,9
Adopted	459,9	252,0	711,9
%	100%	100%	100%
Commitments 1995	81,0	44,9	125,9
% of assistance	18%	18%	18%
Payments 1995	40,5	22,5	63,0
% of assistance	9%	9%	9%

7.2. Objective 2

The Commission, acting in accordance with the Regulations governing the Structural Funds and the provisions of the Act of Accession of Austria, Finland and Sweden and with the unanimous approval of the Committee for the Development and Conversion of Regions, adopted the lists of zones eligible under Objective 2 for Austria and Finland on 22 February 1995⁵⁵ and for Sweden on 10 May 1995⁵⁶.

Table 67: Objective 2 in the new Member States - basic statistics

	Number of eligible regions	Total Objective 2 population	% of total	Total area	% of total
Austria	4	640.000	8%	8.692	10%
Finland	6	790.000	15%	17.000	5%
Sweden	5	970.000	11%	35.325	8%

AUSTRIA

The Austrian authorities presented proposals for the four Austrian Objective 2 regions (Styria, Lower Austria, Upper Austria and Vorarlberg) on 26 April 1995, and the Commission adopted the SPDs on 15 November 1995. The programmes cover the period 1995-99. Their total cost is ECU 816 million, and the Structural Funds contribution is ECU 101 million.

Table 68: Objective 2 - Austria - Financial breakdown by region and by Fund (ECU million)

SPD	Total cost	S.F. assistance			National public contribution	Private contribution
		Total	ERDF	ESF		
Styria	463,4	58,0	38,8	19,2	123,7	281,7
Lower Austria	199,2	22,4	17,9	4,5	33,7	143,0
Upper Austria	67,0	10,8	7,1	3,6	18,7	37,5
Vorarlberg	86,6	9,9	6,4	3,5	12,0	64,7
TOTAL	816,1	101,0	70,2	30,8	188,2	526,9

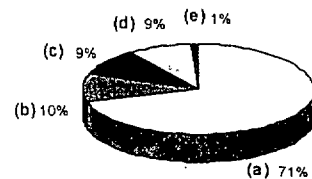
The strategy behind the SPDs is to modernize and diversify the economy in these areas, which have been hit by the rapid decline in the metallurgical, mining and textile sectors. The accent is on creating new enterprises and strengthening existing ones (particularly SMEs) by developing new technical skills. About 60% of the available resources are earmarked for strengthening industry and the handicrafts sector and the corresponding technical skills; 30% will help to finance measures to provide human resources with skills and 7% will help to develop and promote tourism. It is estimated that measures financed under the four SPDs will help to create or maintain 11 000 jobs.

⁵⁵ OJ No L 51, 8.3.1995.

⁵⁶ OJ No L 123, 3.6.1995.

Objective 2 Austria - programming for 1995-99

Priorities	Total cost	S.F. assistance			National public contribution	Private contribution
		Total	ERDF	ESF		
Investments in enterprises (including tourism) (a)	573,4	40,8	40,8	0,0	84,9	447,7
R&D, innovation, technology transfer (b)	84,4	10,2	10,2	0,0	23,2	51,0
Infrastructures supporting activities (c)	76,6	16,7	16,7	0,0	35,1	24,8
Training and reskilling (d)	75,6	30,5	0,0	30,5	41,7	3,4
Technical assistance (e)	6,1	2,8	2,5	0,3	3,3	0,0
TOTAL	816,1	101,0	70,2	30,8	188,2	526,9

**Integration of the environment:**

Environmental protection is an integral part of the SPDs and is included in support for the introduction of "clean" technologies and the use of alternative energy sources:

- In Styria, two measures under two different priorities (investment in industry and tourism, technology transfer and advice) provide for support to investment in environmental protection enterprises and advice on energy-saving and environmental technologies.
- In Vorarlberg, the know-how improvement measure provides for aid to pilot and full-scale projects promoting the rational use of energy and more environmentally-sound production methods.
- in Lower Austria, action to help the environment is planned within three measures: economic restructuring: support to investment by enterprises (rational use of energy, reducing industrial waste and air pollution, etc); advisory services to enterprises: advice to SMEs (waste treatment, pollution reduction, audits, etc), and economic infrastructure: investments in renewable energy sources (solar, biomass, wind, hydro-electricity, etc).

In addition, there are special measures aimed at the reintegration of women into the labour market, mainly in Lower and Upper Austria. Technical assistance will be supplied to strengthen and create regional management structures aiding the development and launching of innovative project ideas and the coordination of regional development efforts.

Table 69: Objective 2 - Austria - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
1995						
SPD Lower Austria	199,2	22,4	22,4	100%	7,6	34%
SPD Upper Austria	67,0	10,8	10,8	100%	3,9	37%
SPD Styria	463,4	58,0	11,1	19%	5,6	50%
SPD Vorarlberg	86,6	9,9	9,9	100%	4,3	44%
TOTAL	816,1	101,0	54,1	54%	21,4	40%

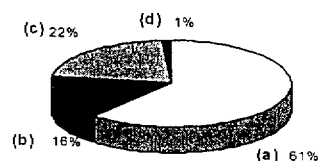
FINLAND

Six industrial areas of Finland are eligible under Objective 2. Programming is integrated into a single SPD for 1995-96, the Finnish authorities having opted to present a new programme for 1997-99. Three of the areas are coastal regions (parts of the regions Satakunta and South-West Finland on the west coast and Itä-Uusimaa and Kymenlaakso on the eastern coast of the Gulf of Finland and Kokkola on the northwestern coast); the other three are in the interior, in the regions of Päijät-Häme (Lahti) and in Central Finland (Jyväskylä) and South Karelia (Lappeenranta). The main problem is the high rate of unemployment (an average 23% in 1994 against a national average of 20%), due to structural changes and the constant erosion of jobs in the main industries, dominated by the major companies in the forestry, metals and chemicals sectors. The structural decline in employment in those industries has been speeded up by the collapse in trade with Russia after 1990.

Dependence on a few large employers is one of the weak points in these regions. Because of this, the SPD stresses the development and diversification of SMEs. In addition to aid for setting up new enterprises, the programme encourages the development of existing SMEs through investments, research, the development of new products and improving skills in technology and marketing, hence the importance of training and networking with other SMEs or larger enterprises (grouped development). Lastly, the programme is aimed at developing Finland's role as an access route to Russia and the Baltic States, especially by means of targeted investments in the ports used for transit trade.

Objective 2 Finland - programming for 1995-96

Priorities	Total cost	S.F. assistance			National public contribution	Private contribution
		Total	ERDF	ESF		
Development of enterprises (a)	172,8	36,6	30,5	6,1	49,4	86,8
Skills and technologies (b)	45,6	16,3	8,7	7,6	20,1	9,2
Environment, infrastructures and tourism (c)	61,8	14,9	14,9	0,0	37,0	9,9
Technical assistance (d)	2,8	1,4	1,1	0,3	1,4	-
TOTAL	283,0	69,2	55,2	14,0	107,9	105,9



The programme was presented to the Commission on 8 March 1995 and adopted on 11 July 1995. It contains three priorities: the development of enterprises; the development of skills and technologies; and the environment, infrastructures and tourism. The Community contribution is ECU 69.2 million, and the total cost is ECU 283 million. The aims of the programme are a net increase of about 10 000 jobs in the industry and service sectors, a reduction in the rate of jobless towards the national average, a 3% increase in the number of SMEs and a 3% increase in the number of exporting SMEs.

Two environmental protection measures:

One is included in the priority for the development of skills and technologies and the other in that for the environment proper:

- The measure "development and application of environmental technologies" (ECU 300 000 from the Structural Funds, total cost: ECU 1.1 million) provides aid for the gathering and dissemination of information on "green" technologies, for the development of environmentally-sound products and production methods, and for studies into environmental research and into cooperation between enterprises in the environmental field.
- The measure "environmental protection and urban renewal" (Structural Funds: ECU 6.9 million, total cost: ECU 30 million) provides aid for the renovation and use of vacant industrial structures, for improving the environment in town centres, for public awareness campaigns on environmental issues, and for research and development in waste treatment.

Programme management is divided between the regions and central government. Each area has adopted its own programme which it is implementing in accordance with a common framework of selection procedures and criteria via a regional management committee composed of representatives of the region, of the regional offices of the ministries and of the social partners. This is why the programme is integrated into a single programming document with a single national monitoring committee. The Monitoring Committee met twice: in September and November 1995.

Table 70: Objective 2 - Finland - Financial implementation of the SPD (ECU million)

Programme and year of adoption	Total cost	S.F. assistance (1)	Commitments	%	Payments	%
			1995 (2)	(2)/(1)	1995 (3)	(3)/(2)
1995						
SPD Finland	283,0	69,2	31,1	45%	15,6	50%

SWEDEN

The proposals covering the five Swedish Objective 2 regions (Angermanlandskust, Blekinge, Fyrstad, Norra Norrlandskust and Bergslagen, with a total population of 970 000) were presented to the Commission on 16 June 1995 and the five SPDs, which cover the period 1995-99, were adopted on 22 November 1995. The five regions are characterized by a high degree of dependence on traditional industries (forestry, mining, mechanical engineering), the dominance of one or two large employers on the local labour markets, a weak enterprise spirit and a tendency for people to leave resulting in ageing of the remaining population. The programmes provide for a total Structural Funds contribution of ECU 160 million to a total cost of just over ECU 800 million.

The main challenge facing these regions is to create new jobs to compensate for the losses suffered recently in traditional industries and those anticipated in the public sector. The main aim of the SPD is therefore to modernize and diversify the economies in the regions so as to provide a solid foundation for the creation of jobs in the private sector. The five programmes seek to improve the business environment in the regions concerned and strengthen SMEs in the productive sector and services to businesses. Another aim is to develop tourist activities based on the rich cultural heritage and natural beauty of the regions. It is estimated that implementing the programmes will create 21 000 new jobs.

Table 71: Objective 2 - Sweden - Financial breakdown by region and by Fund (f. ECU million)

SPD	Total cost	S.F. assistance			National public contribution	Private contribution
		Total	ERDF	ESF		
Angermanlandskust	89,5	18,0	14,2	3,8	29,5	42,0
Bergslagen	321,4	67,0	47,5	19,5	150,9	103,5
Blekinge	85,8	15,0	12,3	2,7	33,1	37,7
Fyrstad	145,5	24,0	19,0	5,0	56,0	65,5
Norra Norrlandskust	161,0	36,0	28,7	7,3	83,0	42,0
TOTAL	803,2	160,0	121,7	38,3	352,5	290,7

In order to achieve these strategic aims, the priorities are centered on the development of businesses and industry, tourism and human resources. Aid will go to advisory services, networking and research and training activities so as to encourage diversification and increase the competitiveness of businesses and the export potential. To stimulate innovation in SMEs, the SPDs provide for aid to business networking, collaboration between businesses and centres of expertise and SME staff training. Efforts will also be made to attract investments (restructuring and cleaning-up of industrial sites and promotion activities). Lastly, the programmes will assist measures to encourage the development of tourist activities (for example, small-scale tourist infrastructures, the organization of cultural events emphasising the rich heritage of the regions, the development of new attractions). These priorities are based on horizontal themes such as the development of information technologies, the promotion of equal opportunities, conservation of the environment and increasing skills and know-how.

Measures for the environment:

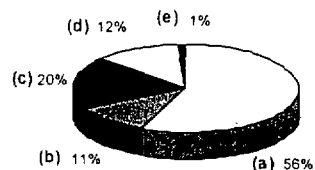
Each of the Swedish SPDs include such measures, which concern:

- *The renovation and cleaning-up of abandoned industrial sites and structures (Bergslagen: ERDF: ECU 3 million; total cost: 16 million).*
- *Aid for the development of environmentally-sound products and for the introduction of "clean" technologies into SMEs (Fyrstad: ERDF: ECU 600 000; total cost: 3.6 million).*
- *Aid for the conservation and maintenance of the heritage (Fyrstad: ERDF: ECU 1.6 million; total cost: 9.1 million; Norra Norrlandskust: ERDF: ECU 1.8 million; total cost: 8.7 million).*

The main beneficiaries of the programmes will be the SMEs, those wishing to start up businesses, the municipalities, various local organizations and training and R&D institutions.

Objective 2 Sweden - programming for 1995-99

Priorities	Total cost	S.F. assistance			National public contribution	Private contribution
		Total	ERDF	ESF		
Development of enterprises (a)	453,1	79,5	63,5	16	171,7	201,9
Innovation, research & technology (b)	86,7	17,8	17,8	0,0	39,8	29,1
Enterprise environment, tourism, local development (c)	157,1	33,8	30,8	3	89,6	33,7
Training, skills (d)	97,2	24,3	6,2	18,1	46,9	26,0
Technical assistance (e)	9,1	4,6	3,4	1,2	4,5	0,0
TOTAL	803,2	160,0	121,7	38,3	352,5	290,7



Programming will be carried out through partnership involving the Commission, central government and regional and local authorities representing all local interests, including the social partners, via a system of management committees under one general Monitoring Committee for the SPD. The first meeting of the five SPD Monitoring Committees was held in December 1995.

Table 72: Objective 2 - Sweden - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
1995						
SPD Angermanlandskust	89,5	18,0	18,0	100%	6,2	34%
SPD Bergslagen	321,4	67,0	12,8	19%	6,4	50%
SPD Blekinge	85,8	15,0	15,0	100%	5,0	34%
SPD Fyrstad	145,5	24,0	24,0	100%	8,2	34%
SPD Norra Norrlandskust	161,0	36,0	36,0	100%	12,3	34%
TOTAL	803,2	160,0	105,8	66%	38,1	36%

7.3. Objectives 3 and 4

As for the other Objectives, 1995 was the year in which the Objective 3 and 4 SPDs for the new Member States were established in an active partnership process.

Table 73: Objectives 3 and 4 - Indicative breakdown of appropriations for the new Member States (ECU million)

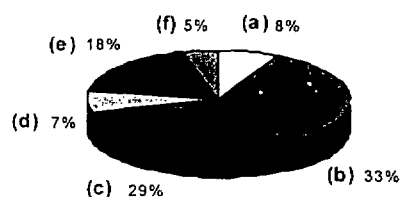
	Objectives 3 and 4	Objective 3	Objective 4
Austria	395,0	334,0	61,0
Finland	343,0	258,4	84,6
Sweden	520,0	347,0	173,0
Total	1.258,0	939,4	318,6

AUSTRIA

The Austrian Objective 3 and 4 SPDs were adopted in July 1995. They represent total ESF funding of ECU 395 million and are implemented under the general responsibility of the Minister for Labour and Social Affairs, mainly via the public employment service and the Länder social affairs departments. They cover 1995-99.

Objective 3: Programming for 1995-99 (ECU million)

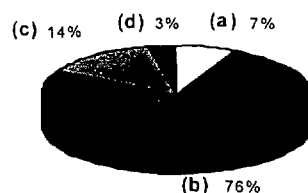
Priorities	ESF
Support for categories hit by structural changes (a)	25,8
Integration of the long-term unemployed, old people and those threatened with exclusion (b)	113,8
Integration of the handicapped (c)	95,2
Aid for integration of young people into employment (d)	22,9
Promotion of equal opportunities (e)	61,1
Technical assistance (f)	15,2
Total	334,0



Objective 3: Under this Objective special priority will be given to aid for those parts of the population particularly affected by economic trends resulting from accession. The ESF funding - continuance and deepening of Austrian labour market policies - will be targeted mainly at the long-term unemployed, old people and those threatened with exclusion from the labour market. There will be sizeable aid to encourage unemployed handicapped people to reintegrate into the labour market. Additional measures will promote equal opportunities and the integration of young people into the labour market.

Objective 4: Programming for 1995-99 (ECU million)

Priorities	ESF
Anticipation of labour market trends and updating of skills (a)	4,5
Professional training (b)	46,0
Improvement and development of training system (c)	8,4
Technical assistance (d)	2,1
Total	61,0



Objective 4: The main aim of the SPD is to help salaried staff to adjust to industrial change and to new production methods. To this end, in accordance with the principle of concentration, measures will be centered around SMEs. They will target old workers, unskilled workers or workers with obsolete skills, workers in key positions, customs agents, short-time and seasonal workers. Since this is a new approach to labour policy in Austria, the measures will be evaluated after two years and adjusted or replaced if necessary.

Implementation of the programmes in 1995 was facilitated by the decision of the Austrian authorities to pay advances to project promoters. However, the socio-economic effects will only become clear during the course of 1996.

Table 74: Objectives 3 and 4 - Austria - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
Objective 3						
<i>1995</i>						
SPD Austria	779,3	334,0	64,1	19%	32,0	50%
Objective 4						
<i>1995</i>						
SPD Austria	171,4	61,0	11,7	19%	5,9	50%
TOTAL	950,6	395,0	75,8	19%	37,9	50%

FINLAND

Finland was the first of the new Member States to have its ESF programmes approved. The Finnish Objective 3 and 4 SPDs were adopted on 25 July 1995 and provide for total ESF funding of ECU 343 million. This is equivalent to 7% of the national funds earmarked for employment measures. Finland is

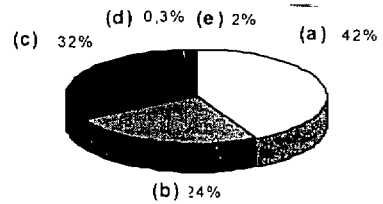
one of the most advanced countries in Europe in terms of education, training and employment policy so the ESF measures and programmes give a significant place to innovative measures.

With regard to implementation, Monitoring Committees have been set up for each Objective and all of them have already met. Several seminars, preparatory meetings and working parties have also been organized. The monitoring and evaluation rules have been developed with the Finnish authorities and the Monitoring Committees will take decisions on them during the first half of 1996. The employment ministry will be responsible for coordinating Objective 3 and 4 measures and will coordinate, with the competent authorities, the human resources measures under all Objectives. It will be responsible for executing most of the ESF horizontal programmes. Establishment of the budget and national rules will guarantee wide distribution of the decision-making procedures applied to ESF projects.

Objective 3: The SPD is designed to combat unemployment and trigger economic growth by the creation of SMEs. Some 97 400 people should benefit from the measures programmed under Objective 3.

Objective 3: Programming for 1995-99 (ECU million)

Priorities	ESF
Reintegration pathways (a)	110,0
Job creation and human resources development in SMEs (b)	61,5
Young people's employment needs (c)	82,2
Measures in favour of the Åland islands (d)	0,8
Technical assistance (e)	3,9
Total	258,4

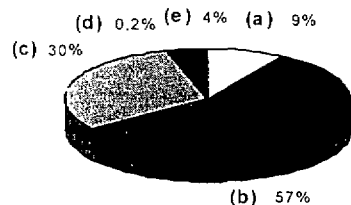


In early 1995 the Finnish authorities speeded up the launch of the programme by introducing an "absolute priority procedure". Drawing up new working methods and practical models, the administrative procedure and the creation of the necessary tools had taken longer than anticipated. Most of the projects started up in late autumn. A total of 204 projects started up in 1995. Given the problems bound to be encountered in the first year, this overall picture for 1995 is satisfactory.

Objective 4: Objective 4 will receive total funding of ECU 84.6 million in 1995-99. It contains three priorities and should benefit 34 500 people.

Objective 4: Programming for 1995-99 (ECU million)

Priorities	ESF
Forecasts of trends throughout working life (a)	7,6
Professional training and retraining; guidance and advice (b)	47,5
Development of innovative know-how and networks (c)	25,5
Measures in favour of the Åland islands (d)	0,2
Technical assistance (e)	3,8
Total	84,6



The Objective 4 programme started up more rapidly than anticipated in most of the Member States. The only problem is the concentration of funding and projects on a small number of measures, especially the measure to develop practical skills in the workforce, the largest one in the SPD and the only one really to have started properly. The other measures still contain only a few projects. A total of 81 projects got under way in 1995.

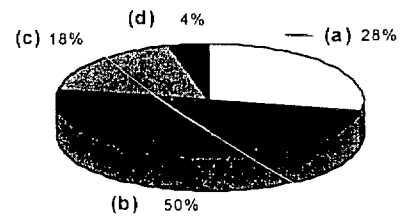
Table 75: Objectives 3 and 4 - Finland - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
Objective 3						
1995						
SPD Finland	926,0	258,4	60,3	23%	30,2	50%
Objective 4						
1995						
SPD Finland	301,5	84,6	14,8	18%	7,4	50%
TOTAL	1.227,5	343,0	75,2	22%	37,6	50%

SWEDEN

Objective 3: Programming for 1995-99 (ECU million)

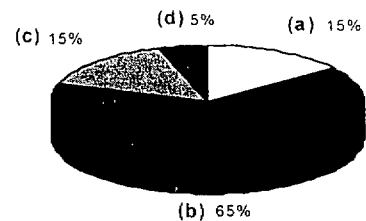
Priorities	ESF
Integration of young people into the labour market (a)	96,6
Combatting long-term unemployment (b)	173,1
Integration into the labour market of people threatened with exclusion (c)	63,3
Technical assistance (d)	14,0
Total	347,0



Objective 3: Sweden presented its draft SPD for Objective 3 to the Commission in April 1995, and the Commission approved it on 6 December 1995. It did not start up until 1996 but it was agreed to grant ESF funding retroactively to eligible projects started after 1 July 1995. The ESF funding will be concentrated on the most effective and innovative integration measures targeted at those most at risk of exclusion from the labour market. All the measures will respect the principle of equal opportunities. Some 160 000 people should benefit from the programme between 1995 and 1999.

Objective 4: Programming for 1995-99 (ECU million)

Priorities	ESF
Forecasting, planning and development (a)	26,0
Improving skills, guidance and advice (b)	112,4
Cooperation and transfer structures, networks (c)	26,0
Technical assistance (d)	8,6
Total	173,0



Objective 4: The draft Objective 4 SPD was presented to the Commission by the Swedish authorities in April 1995, but it was not approved until February 1996. As a result, ESF financing could be allocated only to projects started in the period 1996-99. The programme will concentrate mainly on innovative adjustment measures for the staff of SMEs employing fewer than 50 people. The SPD forms a coherent whole, each measure leading to or opening a door to another: the macro-economic forecast is duplicated by a forecast and definition of the enterprises' professional needs. This approach comprises the drawing up of individual business plans, permanent training of senior staff and - the main measure - developing the skills of staff, in particular those threatened with unemployment. The final measure encourages the establishment of networks between workers, businesses and transfer structures. A maximum of 15% of the budget earmarked for the main measures will be reserved for projects which, at the municipality and county level, are aimed at staff of SMEs in the public caring sector. Concern for equal opportunities underlies all the measures. The total number of beneficiaries will be of the order of 240 000 in the period 1996-99.

Table 76: Objective 3 - Sweden - Financial implementation of the SPD (ECU million)

Programme and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
Objective 3						
1995						
SPD Sweden	771,0	347,0	73,0	21%	36,5	50%

7.4. Objective 5(a)

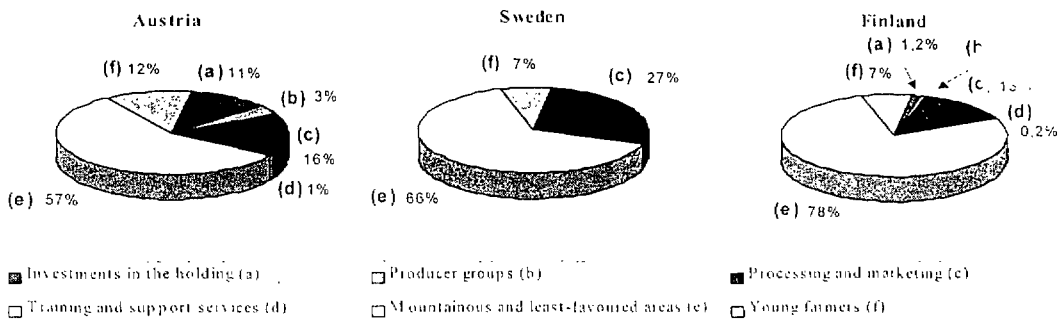
Objective 5(a) agriculture

The forecasts of expenditure in the new Member States on Objective 5(a) agriculture outside the Objective 1, 5(b) and 6 areas were adopted during 1995, along with the priorities by activity sector, category of farmer and type of area.

Table 77: Objective 5(a) agriculture - Forecast implementation in the new Member States 1995-99 (ECU million)

	Total			%
Austria	385,8	Production	323,5	84%
		Processing and marketing	62,3	16%
Finland	331,0	Production	287,9	87%
		Processing and marketing	43,1	13%
Sweden	90,1	Production	67,2	75%
		Processing and marketing	22,9	25%
Total	806,9	Production	678,6	84%
		Processing and marketing	128,3	16%

Objective 5(a) - The Member States' options for 1995-99



Objective 5(a) for fisheries

After preparatory work which started in 1994, the three Objective 5(a) fisheries programmes for Austria, Finland and Sweden for the period 1995-99 were adopted during 1995. It should be noted that the Objective 6 SPDs adopted for Sweden and Finland also contain a section on fisheries.

Table 78: Objective 5(a) for fisheries - Priorities for assistance in the new Member States (ECU million)

	Austria	Finland	Sweden	S.F. total
Adjustment and reorientation of fishing effort	-	4,1	4,0	8,1
Other fleet measures	-	-	-	0,0
Fleet renewal and modernisation	-	2,4	12,0	14,4
Aquaculture	1,05	6,0	5,1	12,2
Protected marine areas	-	0,5	1,9	2,4
Port facilities	-	1,0	2,2	3,2
Processing and marketing of products	0,87	6,5	9,0	16,4
Product promotion	0,04	2,2	2,2	4,4
Socio-economic measures (1)	pm	pm	pm	pm
Other measures	-	0,3	3,6	3,9
Total	2,0	23,0	40,0	65,0

(1) Since the amendment in 1995 of Regulation (EC) No 3699/93, such measures may be introduced by the Member States. The amount allocated to such measures must be determined within the overall budget.

Table 79: Objective 5(a) for fisheries - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
1995						
SPD Austria	22,5	2,0	2,0	100%	0,2	10%
SPD Finland	81,9	23,0	23,0	100%	6,9	30%
SPD Sweden	115,9	40,0	40,0	100%	12,0	30%
TOTAL	220,3	65,0	65,0	100%	19,1	29%

AUSTRIA

The Objective 5(a) fisheries SPD (non-Objective 1) was adopted on 26 July 1995 and provides for an FIG contribution of ECU 2 million for the period 1995-99. It relates mainly to the aquaculture sector and the processing and marketing of products. The Monitoring Committee met for the first time in October 1995, approving its rules of procedure and the project selection criteria. The Austrian authorities have already taken the first steps to implement the programme.

FINLAND

The Objective 5(a) fisheries SPD for Finland covers all the fisheries measures outside the Objective 6 zone. The indicative financing plan provides for a total investment of ECU 82 million for 1995-99, ECU 23 million of which will come from the FIG. The programme was approved on 28 July 1995 and comprises eight priorities, including the adjustment of fishing effort, fleet modernization, aquaculture and product processing. The first meeting of the Monitoring Committee, whose members include five representatives of the various fishery organizations, was held in December 1995. Although a small number of projects have already been approved, the method of assistance by programming is new and it will be a little while before the Finnish authorities and the Monitoring Committee can adopt procedures and monitor the implementation of the programme.

SWEDEN

The Swedish Objective 5(a) fisheries programme (non-Objective 6) was approved on 8 November 1995. The FIG contribution is ECU 40 million, and its main aim is to assist the adjustment and modernization of the fishing fleet and the qualitative and quantitative development of the processing industry. The Monitoring Committee, which will cover Objective 5(a) measures throughout the country, including the Objective 6 zones with the exception of financial matters, held its constitutive meeting in December 1995, where it adopted the selection criteria for projects; this enabled programme implementation to begin in early 1996.

7.5. Objective 5(b)

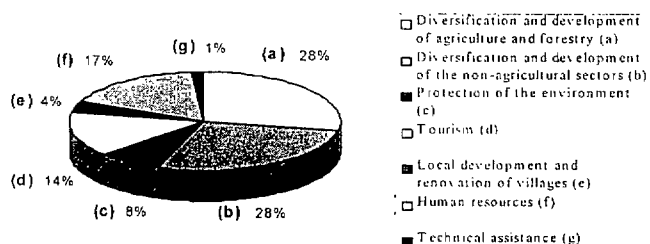
Before the SPDs were adopted prior appraisals of the Objective 5(b) programmes for the three new Member States were carried out. The appraisals covered one programme for mainland Finland and one for the Åland islands, seven programmes for Austria and five programmes for Sweden. The aim was to give the Commission a better idea of the needs of the regions, their potential and the priorities for their agricultural and rural development. The appraisals concentrated on these points: a clearer definition of the programme strategies and quantification of their aims, particularly for income and jobs; respect for the principle of regionalization, particularly for mainland Finland, where one programme was presented for all the Objective 5(b) areas; determination of the physical and performance indicators and measurement of the impact of applying the common agricultural policy on rural areas. The studies also proved a useful tool for the Commission during negotiations on the programmes.

Table 80: Objective 5(b) - SPDs adopted in 1995 in the new Member States (ECU million)

Member State/region	Total cost	S.F. total	EAGGF	ERDF	ESF
Austria	2.679,9	411,0	164,2	175,0	71,8
<i>Carinthia</i>	404,8	58,0	20,9	28,9	8,2
<i>Lower Austria</i>	762,7	111,6	44,6	46,7	20,3
<i>Upper Austria</i>	539,3	98,5	41,3	41,3	15,9
<i>Salzburg</i>	104,3	16,0	6,4	7,0	2,6
<i>Styria</i>	629,1	85,3	34,1	34,1	17,1
<i>Tyrol</i>	181,3	34,4	13,8	13,8	6,9
<i>Vorarlberg</i>	58,3	7,2	3,1	3,1	1,0
Finland	624,1	194,0	66,7	94,5	32,8
<i>Mainland Finland</i>	613,8	191,4	65,5	93,4	32,5
<i>Åland islands</i>	10,3	2,6	1,2	1,2	0,3
TOTAL	3.304,0	605,0	230,9	269,5	104,6
	%	100%	38%	45%	17%

AUSTRIA

Population ('000 inhab.)	2.276
Area (km ²)	50.040
<i>ECU million</i>	
SPDs	Total 411,0
	Average per SPD 58,7
<i>Breakdown by Fund</i>	
EAGGF	164,2
ERDF	175,0
ESF	71,8



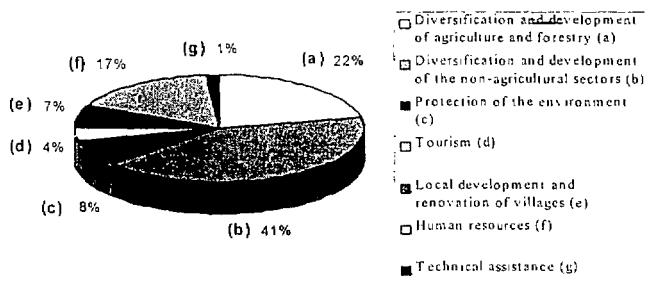
At the beginning of the year the Commission adopted the list of Austrian areas eligible under Objective 5(b) and the amount of Community appropriations: ECU 411 million for the period 1995-99. The seven SPDs were approved on 4 December 1995. The priority under the programmes is agricultural diversification and aid to small firms and industries. They require a very considerable investment effort from the private sector. The Länder will be responsible for their implementation. With regard to financial execution in 1995, the Commission committed 19% and paid 9% of the Community allocation for the entire period.

Table 81: Objective 5(b) - Austria - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
1995						
SPD Carinthia	404,8	58,0	11,0	19%	5,5	50%
SPD Lower Austria	762,7	111,6	21,2	19%	10,6	50%
SPD Upper Austria	539,3	98,5	18,9	19%	9,4	50%
SPD Salzburg	104,3	16,0	3,1	19%	1,5	50%
SPD Styria	629,1	85,3	16,2	19%	8,1	50%
SPD Tyrol	181,3	34,4	6,6	19%	3,3	50%
SPD Vorarlberg	58,3	7,2	1,4	19%	0,7	50%
TOTAL	2.679,9	411,0	78,3	19%	39,2	50%

FINLAND

Population (000 inhab.)	1 094
Area (km ²)	95 219
<i>ECU million</i>	
2 SPDs	Total 194,0
	Average per SPD 97,0
<i>Breakdown by Fund</i>	
EAGGF	66,7
ERDF	94,5
ESF	32,8



Definitions of the Finnish Objective 5(b) areas and the amount of the Community contribution, ECU 194 million for 1995-99, were adopted by the Commission in January and February 1995. The draft SPDs were presented by the Finnish authorities on 8 March 1995 and the Commission adopted the two programmes on 13 November 1995. Each programme was designed to take account of the geographical and socio-economic characteristics of the area concerned, one programme being for the Åland islands, the other, containing fourteen regional subsections, for the mainland. The main priority is aid to small firms and industries. The second is agricultural and forestry diversification. For the Åland islands tourism is a major development priority.

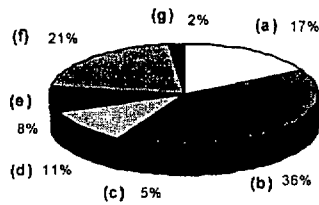
Responsibility for implementation has been entrusted at regional level to "regional councils" and at national level to the Ministry of the Interior. The Monitoring Committees were constituted on 11-13 December 1995 while in 1995 the Commission committed 17% and paid 8% of the Community contribution for the two programmes for the entire period.

Table 82: Objective 5(b) - Finland - Financial implementation of the SPDs (ECU million)

Programmes and year of adoption	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
1995						
SPD Mainland Finland	613,8	191,4	30,5	16%	15,2	50%
SPD Åland islands	10,3	2,6	2,3	89%	0,7	30%
TOTAL	624,0	194,0	32,8	17%	15,9	49%

SWEDEN

Population ('000 inhab.)	754
Area (km ²)	52.746
<i>ECU million</i>	
3 SPDs	Total
	138,0
Average per SPD	27,6



□	Diversification and development of agriculture and forestry (a)
■	Diversification and development of the non-agricultural sectors (b)
■	Protection of the environment (c)
□	Tourism (d)
■	Local development and renovation of villages (e)
□	Human resources (f)
■	Technical assistance (g)

Selection of the Swedish areas eligible under Objective 5(b) was adopted by the Commission on 18 April 1995. They have a very low population density (14 inhabitants per km²). There are three mainland zones (South-East Sweden and Västerbotten/Gävle/Dalarna, a forest area with a very scattered population; West Sweden, with an ageing population and a continuous out-migration of young people) and two island zones (Skärgården, an archipelago of some 300 islands suffering from remoteness, an ageing population and out-migration of young people, and the island of Gotland, the largest Swedish island, with local production remote from the main markets but with an exceptional and underdeveloped cultural and environmental heritage). The allocation of appropriations was decided by the Commission on 22 March 1995 and covers ECU 138 million for the period 1995-99. The five draft SPDs were presented to the Commission in 1995 and were to be finalized in 1996.

B. OTHER ASSISTANCE

1. Community Initiatives

1.1. Introduction

Many programmes approved

The main events in 1995 were the adoption of most of the Community Initiative programmes and the proposal for allocating the reserve available for the Initiatives. The Commission approved 263 programmes in 1995, about two thirds of the total of 401 programmes submitted by the Member States. This represents ECU 9 540 million, or 81% of the total of ECU 11 729 million initially allocated to the Twelve for 1994-99, plus ECU 157.7 million, or 42% of the total of ECU 376 million allocated to the three new Member States for 1995-99. Of the programmes approved, 45 are in the new Member States (14 INTERREG programmes and 31 programmes under other Initiatives). As the allocation of resources between Initiatives in the new Member States was not decided until April 1995, only eight programmes were adopted in 1995.¹

Table 83: Number of Community Initiative programmes presented and adopted in 1995

	ADAPT		Employment		LEADER		PESCA		SME		REGIS		RECHAR		KONVER		RESIDER		RETEX*		URBAN		TOTAL		
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	
B	2	2	0	0	4	0	0	0	2	1	-	-	2	2	3	3	2	2	2	1	3	2	20	13	
DK	1	1	0	0	1	0	0	0	1	0	-	-	-	-	1	1	-	-	-	-	-	1	1	5	3
D	1	1	0	0	14	13	0	0	16	9	-	-	7	6	16	13	9	8	8	4	10	8	81	62	
EL	1	1	0	0	1	1	0	0	1	1	-	-	1	1	1	1	1	1	1	1	1	1	1	8	8
E	1	1	0	0	17	17	0	0	1	0	1	1	1	0	1	0	1	0	1	0	1	0	1	25	20
F	1	1	0	0	20	11	1	1	3	3	4	1	7	6	17	17	7	5	15	15	8	0	69	46	
IRL	1	1	0	0	1	1	0	0	1	1	-	-	-	-	-	-	-	-	1	0	1	0	5	3	
I	1	1	0	0	21	12	1	1	1	0	-	-	2	2	1	0	1	0	2	2	1	0	31	18	
L	1	1	0	0	1	1	-	-	1	0	-	-	-	-	1	0	1	0	-	-	1	1	1	6	3
N	1	1	0	0	4	4	1	1	1	1	-	-	-	-	1	0	1	1	1	1	1	2	2	12	11
P	1	1	0	0	1	1	0	0	1	1	1	1	1	1	1	1	0	0	1	0	1	1	1	8	7
UK	2	2	0	0	5	5	1	1	5	4	-	-	8	8	1	1	3	2	2	2	10	1	37	26	
EUR 12	14	14	0	0	90	66	4	4	34	21	6	3	29	26	44	37	26	19	20	12	40	18	307	220	
AT	1	1	1	1	8	1	-	-	1	0	-	-	1	0	-	-	1	0	1	0	1	1	1	15	4
FI	1	1	1	1	2	0	1	0	2	0	-	-	-	-	-	-	-	-	-	-	-	1	0	8	2
SE	1	1	1	1	2	0	1	0	1	0	-	-	-	-	1	0	-	-	-	-	-	1	0	8	2
EUR 15	17	17	3	3	102	67	6	4	38	21	6	3	30	26	45	37	27	19	21	12	43	19	338	228	
Interreg/ Regen	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62	34
Peace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1
TOTAL	17	17	3	3	102	67	6	4	38	21	6	3	30	26	45	37	27	19	21	12	43	19	401	263	

(A) Programmes presented in 1995

(B) Programmes adopted in 1995

* Including CIPs adopted in 1993 and amended in 1995

The adoption of the programmes was a slow process, hampered at first by the sheer number of Initiatives (13) and hence of programmes (about 400) for the Structural Funds as a whole, which was partly due to certain Member States having submitted regionalized programmes under the Community Initiatives. A further factor in slowing down progress was the Commission's concern to adopt good programmes matching the specific features of the Initiatives, to keep them distinct from CSFs and SPDs. The purpose of these concerns is to:

- implement measures of an experimental nature, transferable between regions of the same Member State and from one Member State to another (exchange of experience, good practice);
- raise the local profile of the measures and clearly demonstrate the Union's interest in vulnerable target groups (e.g. in dealing with urban matters or equal opportunities) or sensitive subjects (e.g. conversion and restructuring of declining industrial regions).

¹ See below: 1.3 Community Initiatives in the three new Member States.

Community Initiatives and the environment:

The environmental aspects of Community Initiatives are a recurring theme, whether environment-friendliness is seen as a priority in its own right or as an asset for development and innovation at local or regional level. This concern is not new: in 1990, the Envireg Initiative was introduced, with an endowment of ECU 580 million, to help the less developed coastal areas through depollution of water and processing of waste, improvement of the coastline and protection of biotopes.² Since 1994, measures financed under Envireg are integrated into CSFs and SPDs, a sign of the new approach of systematically taking environmental considerations into account for structural operations.

The "second generation" Initiatives also take account of this aspect. It is difficult to estimate exactly how much is specifically allocated to environmental expenditure under the Initiatives from 1994-99, but most of them include relevant innovative and integrated measures.

The main purpose of the industrial conversion Initiatives (RECHAR, RESIDER, RETEX and KONVER) is to restore and find a new use for buildings (previously used for mining, steel production, textile production or military purposes) in seriously run-down industrial areas.³ The urban environment is one of the basic dimensions of the programmes adopted under the URBAN Initiative. Similarly, in terms of the rural environment, LEADER is geared in particular to improving the quality of life in the countryside, where it promotes integrated measures for the restoration of sites and villages. More specifically, REGIS includes measures in the most remote regions, such as the improvement of coastal areas, treatment of waste water and urban or industrial waste, or the prevention of natural hazards. One of the priorities of the SMEs Initiative is to support firms that take account of environmental aspects and rational use of energy, in particular through the development of non-polluting production procedures and technologies. Lastly, through INTERREG II, a whole series of cross-border cooperation measures are financed in the field of rational use of natural resources, from joint management of nature parks and the development of renewable energy sources to the combined development of infrastructure for waste water treatment, the prevention and control of pollution, waste disposal and the monitoring of compliance with environmental standards by new industries in border regions. Under REGEN, for the completion of energy networks, it is possible to give explicit priority to measures to introduce natural gas, which can reduce the pollution resulting from energy consumption.

Proposal for the allocation of the reserve in 1995

On 4 October, the Commission adopted a proposal for the allocation of the reserve available for Community Initiatives (ECU 1 665 million) for the period up to the end of 1999. The reserve corresponds to the amount still available after approval in 1994 of the guidelines for 13 Community Initiatives in the Twelve, as well as some financial adjustments in the meantime. On 2 November 1995, the Commission also proposed amendments to the guidelines for URBAN, EMPLOYMENT ("Integra" strand) and ADAPT ("Bis" strand) and a new Initiative: INTERREG II C.

² See Chapter IV.C. Ex post evaluation of the Community Initiatives.

³ For more detail, see below the presentation of programmes adopted in 1995.

Table 84: Summary of Commission decisions on Community Initiatives in 1994-95 (ECU million)

Dates	Decisions	Amounts (1994 prices)	Amounts (1995 prices)
July 1994	- Total for CIs (9 %)	13.467,0	
	- Overall amount for 13 CIs (allocation by Member State for 9 CIs) (allocation by subject for 4 "industrial" CIs) (adjustment RETEX)	-11.872,5 (9.950,5) (1.916,8) (5,2)	
	therefore: reserve available for CIs	1.594,5	
	- adjustment E, IRL, N, UK	-250,0	
	therefore: reserve available for CIs	1.344,5	
October 1994	- Allocation by Member State for Rechar, Resider, Retex	(1.416,8)	
	- Supplementary allocation for Luxembourg Resider	-5,1	
	therefore: reserve available for CIs	1.339,4	
December 1994	- Allocation by Member State for Konver	(500,0)	
	- Allocation for Spain	-50,0	
	therefore: reserve available for CIs	1.289,4	
April 1995	- Council Regulation on Textile Portugal (1)	+400,0	
	therefore: reserve available for CIs	1.689,4	
May 1995	- Allocation for Peace	-98,4	
	therefore: reserve available for CIs	1.591,0	1.613,7
January 1995	- Reserve for new Member States		51,3
	therefore: reserve available for CIs		1.665,0
October 1995	- Proposed distribution by CI and by Member State of the reserve (12 MS)		-1.613,7
	- Proposed distribution by CI and by Member State of the reserve (3 MS)		-51,3
	therefore: reserve available for CIs		0,0

(1) NB: the textiles and clothing programme in Portugal, adopted in 1993 by the Commission as a CI to support modernization of this sector in Portugal, was transferred in 1994 to heading 3 of the Financial perspective and is covered by a specific Council Regulation. As a result of this transfer, the corresponding appropriations were paid back into the reserve for the CIs. For information, in 1995 the budget appropriations under the heading for this programme comprised a commitment of ECU 80 million and a payment of ECU 40 million.

The proposed allocation of total financing was informed by a concern to concentrate on the following priorities: industrial restructuring, human resources, urban and rural development and spatial planning, in line with the wishes of the European Parliament. Other factors taken into account were the guidelines set by the Edinburgh European Council and the overall amount set aside for Objective 1. The allocation of the reserve among the three priorities can be summarized as follows.

- The purpose of "industrial restructuring" is to achieve greater diversification in regions highly dependent on the sectors of textiles and clothing, coal, steel or armaments. Under this heading, the Commission proposed the reinforcement of each of the four Initiatives (RETEX, RECHAR, RESIDER and KONVER) and their extension to 1999.
- The purpose of "human resources" is:
 - the expansion of employment, involving the reinforcement of the EMPLOYMENT, ADAPT, KONVER, RECHAR, RESIDER, RETEX, URBAN, LEADER and PESCA Initiatives;
 - the reinforcement of measures to promote equal opportunities, first of all through the "NOW" strand of the EMPLOYMENT Initiative and changes in the guidelines for URBAN, and secondly through reinforcement of the measures to encourage employment of young people through the "Youthstart" strand of the EMPLOYMENT Initiative;
 - combating social exclusion, which also involves working to eliminate racism and xenophobia, through the new "Integra" strand of EMPLOYMENT;
 - helping workers adapt to the information society, through the inclusion of a series of complementary measures (ADAPT "Bis").
- The purpose of "urban and rural development" is twofold:
 - reinforcement of measures for towns and cities, in particular medium-sized towns (it is planned to amend the guidelines for the URBAN Initiative accordingly, allocating a budget

of ECU 140 million), while continuing to stress rural development (a further ECU 230 million for LEADER II);

- a new departure in trans-national cooperation, for which the Commission has proposed the adoption of a new Initiative: INTERREG II "C".

Reinforcement of URBAN: The Commission has suggested concentrating on medium-sized towns and on priority matters in the urban context such as long-term unemployment, equal opportunities for men and women, and the urban environment.

New strand INTERREG II C (ECU 415 million): This new Initiative relates solely to European spatial planning, and it is quite distinct from the cross-border cooperation promoted by the first strand of INTERREG. This is clear from the extent of the area covered: the cooperation is trans-national (rather than cross-border) over a wide area, well beyond border regions, involving only matters of spatial planning. There are three aspects to take into account: general measures of trans-national cooperation in the field of spatial planning; flood prevention through trans-national cooperation; combating drought. The first implies a global approach, while the others relate to more specific needs. The main point is to give the Member States and the regions a new incentive to work together on defining a strategy to ensure smooth development, i.e. balanced distribution of economic activities and human resources, within the major common trans-national areas, and the practical application of joint measures. Examples of the areas concerned are the Baltic, the Alps, the Mediterranean basin, and the Atlantic seaboard. This will make it possible to demonstrate in concrete terms how a trans-national approach can add value.

INTERREG II C and the environment : spatial planning and the management of water

The "Europe 2000+" report stressed the link between the protection of natural resources and spatial planning, i.e. the distribution of activities over the territory. Spatial planning is of major importance to preservation, protection and improvement of the environment, and to the prudent and rational use of natural resources. Article 130s of the Treaty refers to this aspect. For example, the extremely uneven distribution of water resources throughout the Community has inevitable consequences for activities in the regions where water is in short supply. Similarly, the location and/or concentration of economic activity has affected groundwater and river basins, sometimes seriously, and trans-national cooperation has become necessary to ensure concerted exploitation. For sea water, a global and integrated territorial approach is needed to preserve both the development and the natural resources of coastal areas.

In 1995, the Commission prepared a proposal for a new strand of the INTERREG II Initiative, to help promote concerted trans-national action. The aims of INTERREG II C explicitly relate to drawing up strategies for sustainable development and seeking to restore a balanced allocation of activities over Community territory. There are three aspects to this:

- *trans-national cooperation in spatial planning measures, consistent with the sustainable development of the trans-national regions concerned, involving in particular the identification of environmentally sensitive areas and the improvement of the territorial impact of Community policies (especially transport policy);*
- *flood prevention through trans-national cooperation, in particular in the form of joint plans for the improvement of river basins and flood prevention measures;*
- *combating drought through sustainable development measures to limit excess water consumption and encourage rational allocation of water resources.*

For coastal areas, the Commission presented a communication on the subject in 1995.⁴

Each of the subjects mentioned above - industrial restructuring, human resources, urban and rural development and spatial planning - has been broken down by Initiative and by Member State, in accordance with Article 12 of the Structural Funds Framework Regulation and the criteria for the initial allocation of the total available for Community Initiatives in 1994.

⁴ See Chapter I.B.2. Innovative measures and technical assistance.

Table 85: Allocation of the reserve between Initiatives proposed by Commission in 1995 (ECU million)

<i>Industrial Initiatives:</i>	380,0
Retex	45,0
Rechar	45,0
Resider	45,0
Konver	245,0
Employment	100,0
Adapt-Bis	170,0
Interreg II C	415,0
<i>Transnational cooperation</i>	100,0
Drought	150,0
Flooding	165,0
Urban	140,0
Leader	230,0
Pesca	30,0
TOTAL	1.665,0

This proposal for allocating the reserve was presented to the European Parliament on 17 October 1995, and to the Management Committee for Community Initiatives at an introductory information meeting on 12 December 1995.⁵ It was due to be formally approved by the Commission early in 1996.⁶

1995 in the context of programming for 1994-97/99

Table 86: Community Initiatives - 1995 in the context of programming for 1994-97/99 (ECU million)⁷

	ADAPT	Employment	LEADER	PESCA	SME	REGIS	RECHAR	KONVER	RESIDER	RETEX**	URBAN	INTERREG**	Total
EUR12													
Programmed (1994 prices)	1.402,0	1.452,0	1.447,0 *	257,0 *	1.027,0 *	600,0	406,0	506,0	520,0	522,0	651,0	2.939,0	11.729,0
adopted	1.402,3	1.451,3	1.243,5 *	253,0 *	491,3 *	456,5	328,0	352,1	284,2	512,1	375,0	2.390,8	9.540,2
%adopted	100%	100%	86%	98%	48%	76%	81%	70%	55%	98%	58%	81%	81%
Commitments 1994-1995	265,1	236,0	466,8 *	53,1 *	203,5 *	58,8	172,5	238,2	177,1	165,1	150,5	361,8	2.748,7
% of aid	19%	16%	38%	21%	41%	13%	53%	68%	62%	32%	40%	24%	29%
Payments 1994-1995	132,6	117,8	132,4 *	17,2 *	67,7 *	22,0	75,6	87,3	78,3	75,5	54,7	234,4	1.095,5
% of aid	9%	8%	11%	7%	14%	5%	23%	25%	28%	15%	10%	10%	11%
EUR3													
Programmed (1994 prices)	42,5	72,9	62,1	6,5	36,3	-	1,8	3,3	5,1	2,6	17,0	125,9	376,0
adopted	42,5	72,9	2,6	0,0	0,0	-	0,0	0,0	0,0	0,0	9,8	30,0	157,7
%adopted	100%	100%	4%	0%	0%	-	0%	0%	0%	0%	57%	24%	42%
Commitments 1994-1995	42,5	72,9	2,0	0,0	0,0	-	0,0	0,0	0,0	0,0	6,8	23,5	147,7
% of aid	100%	100%	78%	0%	0%	-	0%	0%	0%	0%	70%	78%	94%
Payments 1994-1995	20,0	36,4	0,3	0,0	0,0	-	0,0	0,0	0,0	0,0	3,4	7,0	67,3
% of aid	47%	50%	13%	0%	0%	-	0%	0%	0%	0%	35%	23%	43%

* Including networks

** Including only appropriations for the period 1994-97

*** Including Peace

Although the adoption of programmes fell behind schedule in 1994, the lost time was largely made up in 1995. By the end of that year, programmes accounting for 81% of financing planned up to 1999 had been adopted, the proportion rising to 100% or thereabouts for certain Initiatives (ADAPT, EMPLOYMENT, PESCA, RETEX). The least advanced Initiatives are SMEs, RESIDER and URBAN. This good progress is matched by rates of commitment, which are closely linked to the proportion of programmes adopted by the beginning of the programming period. However, payments are less well advanced, as could be expected since the programmes had hardly filtered down to final recipients by the end of 1995, owing to the start-up stage.

In negotiations for the approval of the programmes and during implementation, the Commission has made sure that Community Initiatives add value to the action of the Structural Funds in relation to

⁵ See Chapter III.A.4. Committee opinions.

⁶ The allocation of the reserve and the amendments to the guidelines for the Urban, Interreg II, ADAPT and EMPLOYMENT Initiatives were adopted by the Commission on 8 May 1996.

⁷ The amounts shown in the table and in the rest of this Chapter correspond to those programmed after adjustment but before allocation of the reserve for Community Initiatives, which was decided only in 1996.

activities under CSFs and SPDs. To this end, the Commission encourages trans-national and innovative measures. Moreover, the Commission will have to ensure coordination and dissemination throughout the Community of local measures that deserve to be shared with other regions. With this in mind, the Commission is exploring the possibility of launching European networks in 1996 to enhance the usefulness of Community Initiatives.

Table 87: Summary of Community Initiative programmes adopted in 1994 and 1995 - EUR 15 (ECU million)

Community Initiatives (No of programmes)	Total cost	Structural Fund assistance						to areas covered by Obj. 1-6	% to areas covered by Obj. 1-6
		Total	ERDF	ESF	EAGGF	FIFG			
ADAPT (17)	3.010,9	1.444,9	52,5	1.392,4	0,0	0,0	413,5	29%	
Belgium (2)	91,9	31,2	0,0	31,2	0,0	0,0	3,8	12%	
Denmark (1)	65,7	29,5	0,0	29,5	0,0	0,0	0,0	0%	
Germany (1)	480,4	228,8	0,0	228,8	0,0	0,0	63,1	28%	
Greece (1)	44,6	30,1	3,5	26,6	0,0	0,0	30,1	100%	
Spain (1)	403,2	256,4	25,6	230,8	0,0	0,0	151,7	59%	
France (1)	622,5	249,7	23,3	226,4	0,0	0,0	7,1	3%	
Ireland (1)	28,3	21,2	0,0	21,2	0,0	0,0	21,2	100%	
Italy (1)	360,5	190,0	0,0	190,0	0,0	0,0	76,7	40%	
Luxembourg (1)	0,8	0,3	0,0	0,3	0,0	0,0	0,0	0%	
Netherlands (1)	142,8	57,6	0,0	57,6	0,0	0,0	0,0	0%	
Austria (1)	25,8	11,6	0,0	11,6	0,0	0,0	0,4	3%	
Portugal (1)	29,2	21,0	0,0	21,0	0,0	0,0	21,0	100%	
Finland (1)	42,9	19,7	0,0	19,7	0,0	0,0	3,0	15%	
Sweden (1)	21,7	11,3	0,0	11,3	0,0	0,0	0,5	4%	
United Kingdom (2)	650,6	286,6	0,0	286,6	0,0	0,0	34,9	12%	
EMPLOYMENT (17)	2.738,7	1.524,2	55,2	1.469,0	0,0	0,0	925,2	61%	
Belgium (2)	70,2	32,1	0,0	32,1	0,0	0,0	9,5	30%	
Denmark (1)	20,7	10,6	0,0	10,6	0,0	0,0	0,0	0%	
Germany (1)	297,5	156,8	0,0	156,8	0,0	0,0	68,9	44%	
Greece (1)	83,1	64,4	5,8	58,6	0,0	0,0	64,4	100%	
Spain (1)	576,8	386,6	38,7	347,9	0,0	0,0	386,6	100%	
France (1)	384,4	146,5	0,6	145,9	0,0	0,0	5,9	4%	
Ireland (1)	99,5	76,1	4,0	72,1	0,0	0,0	76,1	100%	
Italy (1)	589,1	348,7	0,0	348,7	0,0	0,0	246,8	71%	
Luxembourg (1)	0,6	0,3	0,0	0,3	0,0	0,0	0,0	0%	
Netherlands (1)	90,9	42,4	0,0	42,4	0,0	0,0	1,2	3%	
Austria (1)	49,4	23,0	0,0	23,0	0,0	0,0	0,8	3%	
Portugal (1)	55,6	40,3	5,1	35,2	0,0	0,0	40,3	100%	
Finland (1)	66,3	29,2	0,0	29,2	0,0	0,0	0,0	0%	
Sweden (1)	39,9	20,7	0,0	20,7	0,0	0,0	1,0	5%	
United Kingdom (2)	314,9	146,5	1,0	145,5	0,0	0,0	23,7	16%	
LEADER (68)	3.092,1	1.242,4	554,8	120,4	567,3	0,0	886,1	71%	
Germany (13)	382,4	169,8	59,9	16,9	93,0	0,0	82,1	48%	
Greece (1)	263,6	148,0	68,2	7,0	72,7	0,0	148,0	100%	
Spain (17)	1.161,9	354,8	162,8	29,3	162,7	0,0	296,0	83%	
France (11)	319,0	122,9	59,5	15,3	48,1	0,0	3,0	2%	
Ireland (1)	165,6	67,9	41,0	8,7	18,2	0,0	67,9	100%	
Italy (12)	436,0	183,2	68,7	24,6	89,9	0,0	143,5	78%	
Luxembourg (1)	4,8	1,0	0,5	0,0	0,5	0,0	0,0	0%	
Netherlands (4)	35,2	8,5	4,4	0,3	3,8	0,0	2,1	25%	
Austria (1)	6,5	2,6	0,9	0,6	1,1	0,0	2,6	100%	
Portugal (1)	156,8	117,6	47,4	5,7	64,5	0,0	117,6	100%	
United Kingdom (5)	160,4	66,2	41,5	11,9	12,8	0,0	23,3	35%	
PESCA (11)	605,9	253,0	116,9	33,8	0,0	102,3	129,0	51%	
Belgium (1)	4,3	2,0	0,0	0,0	0,0	2,0	0,0	0%	
Denmark (1)	48,6	16,4	5,0	4,1	0,0	7,3	0,0	0%	
Germany (1)	62,0	23,0	18,0	2,4	0,0	2,6	13,1	57%	
Greece (1)	54,6	27,1	18,2	0,3	0,0	8,5	27,1	100%	
Spain (1)	95,7	41,5	11,9	8,4	0,0	21,3	29,1	70%	
France (1)	81,3	28,3	2,4	7,1	0,0	18,8	0,3	1%	
Ireland (1)	12,2	6,7	2,4	0,7	0,0	3,7	6,7	100%	
Italy (1)	81,2	34,2	26,5	1,4	0,0	6,3	19,0	56%	
Netherlands (1)	34,2	10,8	4,8	0,1	0,0	5,8	2,0	19%	
Portugal (1)	47,2	25,6	5,8	2,1	0,0	17,7	25,6	100%	
United Kingdom (1)	84,7	37,4	22,0	7,1	0,0	8,4	6,1	16%	

Community Initiatives (No of programmes)	Total cost	Structural Fund assistance						to areas covered by Obj. 1-6	% to areas covered by Obj. 1-6
		Total	ERDF	ESF	EAGGF	FIFG			
SMEs (21)	1.025,5	491,3	445,4	45,9	0,0	0,0	402,1	82%	
Belgium (1)	14,2	9,4	7,5	1,9	0,0	0,0	8,5	90%	
Germany (9)	356,3	156,8	139,0	17,8	0,0	0,0	136,7	87%	
Greece (1)	156,9	83,3	74,4	9,0	0,0	0,0	83,3	100%	
France (3)	139,2	58,5	56,0	2,5	0,0	0,0	9,3	16%	
Ireland (1)	53,2	28,8	26,5	2,3	0,0	0,0	28,8	100%	
Netherlands (1)	26,9	10,3	9,5	0,8	0,0	0,0	2,2	22%	
Portugal (1)	235,9	124,0	113,7	10,3	0,0	0,0	124,0	100%	
United Kingdom (4)	43,0	20,1	18,8	1,3	0,0	0,0	9,2	46%	
REGIS (3)	751,5	456,5	384,4	28,7	42,9	0,6	456,5	100%	
Spain (1)	385,5	216,9	205,0	0,0	12,0	0,0	216,9	100%	
France (1)	209,2	115,6	63,4	28,7	22,9	0,6	115,6	100%	
Portugal (1)	156,8	124,0	116,0	0,0	8,0	0,0	124,0	100%	
RECHAR (26)	900,2	328,0	266,0	62,1	0,0	0,0	61,0	19%	
Belgium (2)	58,1	15,7	11,6	4,1	0,0	0,0	0,9	6%	
Germany (6)	400,8	128,4	101,7	26,6	0,0	0,0	54,0	42%	
Greece (1)	2,0	1,5	1,4	0,2	0,0	0,0	1,5	100%	
France (6)	39,4	16,7	15,5	1,2	0,0	0,0	0,0	0%	
Italy (2)	34,1	1,7	1,7	0,0	0,0	0,0	0,8	46%	
Portugal (1)	1,1	0,9	0,9	0,0	0,0	0,0	0,9	100%	
United Kingdom (8)	364,6	163,2	133,2	30,1	0,0	0,0	2,9	2%	
KONVER (37)	883,7	352,1	299,8	52,4	0,0	0,0	87,5	25%	
Belgium (3)	30,4	11,5	9,9	1,6	0,0	0,0	0,0	0%	
Denmark (1)	5,3	2,4	1,6	0,8	0,0	0,0	0,0	0%	
Germany (13)	342,3	144,5	122,9	21,6	0,0	0,0	59,0	41%	
Greece (1)	20,3	12,9	11,5	1,4	0,0	0,0	12,9	100%	
France (17)	244,1	71,0	64,1	6,6	0,0	0,0	0,0	0%	
Portugal (1)	10,7	7,9	7,9	0,0	0,0	0,0	7,9	100%	
United Kingdom (1)	230,6	101,9	81,6	20,4	0,0	0,0	7,7	8%	
RESIDER (20)	840,6	284,2	234,4	49,8	0,0	0,0	46,6	16%	
Belgium (2)	52,9	24,4	24,4	0,0	0,0	0,0	9,0	37%	
Germany (8)	558,3	164,3	127,0	37,3	0,0	0,0	26,0	16%	
Greece (1)	8,9	4,7	4,1	0,6	0,0	0,0	4,7	100%	
France (5)	105,8	42,6	38,1	4,5	0,0	0,0	0,0	0%	
Netherlands (1)	51,5	18,1	14,7	3,4	0,0	0,0	0,0	0%	
Portugal (1)	10,8	6,9	6,9	0,0	0,0	0,0	6,9	100%	
United Kingdom (2)	52,5	23,2	19,1	4,1	0,0	0,0	0,0	0%	
RETEX (18) *	1.756,2	592,7	559,5	33,2	0,0	0,0	437,4	74%	
Belgium (1)	6,0	3,0	2,0	1,0	0,0	0,0	3,0	100%	
Germany (7)	284,3	65,9	59,8	6,1	0,0	0,0	51,4	78%	
Greece (1)	145,3	87,5	78,0	9,5	0,0	0,0	87,5	100%	
Spain (1)	361,1	90,4	87,3	3,1	0,0	0,0	50,7	56%	
France (1)	79,3	28,9	24,3	4,6	0,0	0,0	0,0	0%	
Ireland (1)	22,5	11,4	9,2	2,3	0,0	0,0	11,4	100%	
Italy (2)	249,2	79,0	79,0	0,0	0,0	0,0	39,4	50%	
Netherlands (1)	3,5	1,0	1,0	0,0	0,0	0,0	0,0	0%	
Portugal (1)	526,8	189,0	189,0	0,0	0,0	0,0	189,0	100%	
United Kingdom (2)	78,2	36,6	30,0	6,6	0,0	0,0	5,0	14%	
URBAN (19)	822,9	384,8	320,0	64,8	0,0	0,0	315,0	82%	
Belgium (2)	26,6	8,2	6,3	2,0	0,0	0,0	5,7	69%	
Denmark (1)	3,0	1,5	1,3	0,2	0,0	0,0	0,0	0%	
Germany (8)	270,1	86,4	74,8	11,6	0,0	0,0	70,3	81%	
Greece (1)	67,2	45,2	34,1	11,1	0,0	0,0	45,2	100%	
Spain (1)	248,7	162,6	144,9	17,7	0,0	0,0	132,6	82%	
Luxembourg (1)	1,0	0,5	0,4	0,1	0,0	0,0	0,0	0%	
Netherlands (2)	87,9	9,3	7,9	1,4	0,0	0,0	0,0	0%	
Austria (1)	31,9	9,8	6,8	2,9	0,0	0,0	0,0	0%	
Portugal (1)	62,0	44,3	35,3	9,0	0,0	0,0	44,3	100%	
United Kingdom (1)	24,5	17,0	8,1	8,8	0,0	0,0	17,0	100%	
PEACE (1)	415,9	300,0	148,3	127,8	22,4	1,5	300,0	100%	
INTERREG/REGEN (34)	3.888,3	2.120,8	1.904,3	105,0	108,9	2,6	1.825,7	86%	
TOTAL (291)	20.732,4	9.774,8	5.341,3	3.585,1	741,5	107,0	6.285,6	64%	

* Including 11 CIPs adopted in 1993, 5 of which were amended in 1995

1.2. The individual Initiatives in the Twelve Member States

ADAPT (1994-99)

ADAPT (ECU 1 402 million): Under the new Objective 4, the purpose of ADAPT is to encourage the adaptation of the workforce to industrial change, to help firms increase their productivity, and to encourage the emergence of new activities. The measures cover the following fields: training, counselling and guidance, anticipation and promotion of new employment opportunities, adaptation of support structures and systems; information, dissemination and increasing awareness. The average amount of financing available for each measure and each country means that 43% of the total allocated to all the Member States will be absorbed by counselling and guidance measures. The main beneficiaries are workers affected by industrial change and those whose jobs are in danger or have disappeared following reorganization of the firm that employs them.

In May 1995 the Commission adopted the first 14 ADAPT programmes; the programmes of the three new Member States were adopted in December 1995.⁸ Among the measures financed, those relating to anticipation, promotion of networking and job creation will account for 25%. The other measures relate to the adaptation of support structures and systems (20%) and information, dissemination and awareness (12%). In the first phase of project selection, a total of 3 600 applications were received. It is estimated that 1 400 ADAPT projects would be approved, and started by February 1996.

Table 88: ADAPT Programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Belgium (2)	91,9	31,2	5,7	18%	2,8	50%
Denmark (1)	65,7	29,5	5,3	18%	2,7	50%
Germany (1)	480,4	228,8	42,9	19%	21,5	50%
Greece (1)	44,6	30,1	7,1	24%	3,6	50%
Spain (1)	403,2	256,4	48,1	19%	24,0	50%
France (1)	622,5	249,7	46,9	19%	23,5	50%
Ireland (1)	28,3	21,2	3,9	18%	1,9	50%
Italy (1)	360,5	190,0	36,1	19%	18,1	50%
Luxembourg (1)	0,8	0,3	0,1	18%	0,0	50%
Netherlands (1)	142,8	57,6	11,5	20%	5,8	50%
Portugal (1)	29,2	21,0	4,0	19%	2,0	50%
United Kingdom (2)	650,6	286,6	53,5	19%	26,7	50%
Total (14)	2.920,5	1.402,3	265,1	19%	132,6	50%

Belgium: The Flemish authorities emphasize the improvement of employees' skills rather than the more technical aspects of adjustment to change. The priorities defined by the French-speaking authorities comprise the improvement of the general level of skills and competitiveness of firms, and devising new measures for job creation.

Denmark: The programme concentrates on the introduction of new technologies, new materials and new ways of organizing work, and on new systems of quality management and flexible working arrangements.

Germany: The programme tackles two main subjects: improvement of basic skills and the way these skills can contribute to reinforcing the competitiveness of SMEs. In the new Länder, priority will go to the building industry, distribution, environment protection and training, and to new business start-ups.

Greece: The aim of the programme is to train management personnel in setting up and using shared services, training instructors, encouraging high-quality information for groups of companies, assisting with the development projects of small businesses and with business-type initiatives able to share product development, raw material supplies and training.

⁸ See below: 1.3 Community Initiatives in the three new Member States.

Spain: The programme targets workers who need to up-date their skills or prepare themselves for new or newly-created jobs, newly-recruited workers needing training, workers in jobs for which a quality management scheme has been introduced, workers in danger of losing their jobs or temporarily unemployed, managers and owners of small businesses, and self-employed workers and members of cooperatives.

France: The programme provides for an intensification of the effort to anticipate industrial change at local level, to assist the training of workers in small businesses and to create new forms of work.

Italy: A feature of the Italian programme approach is the responsibility of the regions, not only for selecting projects, but also for implementing ADAPT. The main point is to support a national plan to introduce a modern and efficient further training scheme. The first stage (1994-96) is intended to encourage training within firms, to re-focus public capacity for vocational training, to set up regional monitoring units to assist training groups and the retraining of unskilled workers.

Ireland: The purpose of the programme is to remedy the inadequate level of investment in training in Irish firms, their unsuitable training schemes, the need for multi-purpose and innovative approaches to training, the lack of training in very small firms and the lack of links between firms and teaching and training institutions.

Luxembourg: The programme is expected to improve human resource development schemes for SMEs and provide new data bases and networks giving them better access to and use of information.

Netherlands: The accent is on small firms, which are potential job-creators, with priority to new business start-ups.

Portugal: The programme targets an improvement in the still weak level of basic training and labour skills, modernization of production capacity, the reinforcement of education and vocational training systems, aid for the modernization and adjustment of firms, and consequently job creation.

United Kingdom: The two UK programmes (for Great Britain and Northern Ireland respectively) concentrate on small businesses. They highlight the steady decline in the manpower of large companies, and the increase in the number of jobs in small firms (especially those with fewer than 50 employees), particularly in expanding sectors like services, tourism and culture.

EMPLOYMENT AND HUMAN RESOURCES (1994-99)

EMPLOYMENT and HUMAN RESOURCES (ECU 1 452 million): Through the development of human resources, and an integrated approach, this Initiative is intended to back up the recovery of employment and promote solidarity and equal opportunity on the labour market. It comprises three strands, each with its own budget:

- **NOW** (ECU 361 million) supports the development of innovative and more effective instruments for the training of women and their entry into working life;
- **HORIZON** (ECU 731.1 million) encourages the disabled and other disadvantaged groups to enter working life, as part of the effort to combat exclusion;
- **YOUTHSTART** (ECU 319.3 million) helps young people without qualifications to enter working life.

Each strand is organized around four main types of measure:

- (i) measures to improve the quality of schemes for training, guidance, counselling and employment;
- (ii) training measures, aiming not only at the target groups but also at those who influence the quality of access by those groups to the labour market;
- (iii) measures to aid job creation and new activities;
- (iv) measures to raise the profile of the problems dealt with and the action taken under the **EMPLOYMENT Initiative**.

For EMPLOYMENT, as indeed for ADAPT, there were almost two years of negotiation and preparation between the Commission's original guidelines in February 1994 and the presentation of projects by the Member States at the end of 1995, followed by the launching of measures. The major events of 1995 were the negotiation of the programmes for the new Member States, approved by the Commission on 8 December,⁹ and the first stage in selecting projects for the whole of the Union (programmes for the Twelve, including two in Belgium, two in the UK and one in each of the other Member States having been approved by the end of 1994). Over 2 364 projects were selected altogether: 763 for NOW, 1 133 for Horizon (some 930 projects for the disabled and about 200 for the disadvantaged), and 464 for Youthstart. These are tentative figures, as the information had not been fully confirmed by the national authorities responsible for selection when this report was drafted. Projects are selected on the basis of priorities defined in the programmes of each Member State, which combine the general priorities and objectives of EMPLOYMENT with each country's specific circumstances. They indicate the priority objectives and show how the results of the projects will be fitted into general policy and its implementation.

A major trans-national technical assistance programme was launched in 1995 to assist the Commission and the national and regional authorities in implementing the Initiatives, and especially in developing the trans-national aspects. National support structures for both EMPLOYMENT and ADAPT were set up in all the Member States early in 1995. A technical assistance body at Community level, known as Europs, was appointed from 1 May 1995 following a public call for tenders.¹⁰ These technical assistance structures at national and Community level are now up and running with a full staff.

Programme Monitoring Committees were set up in 1995 in each Member State; most of the Member States have separate committees for EMPLOYMENT and for ADAPT, but some have combined monitoring of the two Initiatives, and others have Monitoring Committees dealing with the main Objective 3 and 4 programmes as well as these Initiatives. Over 50 Monitoring Committee meetings have already been held.

Table 89: Implementation of EMPLOYMENT programmes - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
<i>Programmes adopted in 1994</i>						
Belgium (2)	70,2	32,1	21,7	68%	10,8	50%
Denmark (1)	20,7	10,6	1,6	15%	0,8	50%
Germany (1)	297,5	156,8	23,1	15%	11,6	50%
Greece (1)	83,1	64,4	8,0	12%	4,0	50%
Spain (1)	576,8	386,6	58,6	15%	29,3	50%
France (1)	384,4	146,5	22,3	15%	11,1	50%
Ireland (1)	99,5	76,1	7,6	10%	3,6	47%
Italy (1)	589,1	348,7	51,5	15%	25,7	50%
Luxembourg (1)	0,6	0,3	0,3	100%	0,2	50%
Netherlands (1)	90,9	42,4	4,2	10%	2,1	50%
Portugal (1)	55,6	40,3	5,7	14%	2,8	50%
United Kingdom (2)	314,9	146,5	31,4	21%	15,7	50%
Total (14)	2.583,2	1.451,3	236,0	16%	117,8	50%

Now: NOW mainly concerns authorities and bodies involved in training, employment and the occupational integration of women, i.e. regional or local authorities, organizations promoting equal opportunities, training and information centres, trade unions, private associations and women's organizations. Measures financed under the NOW strand of the EMPLOYMENT Initiative are designed to achieve four objectives:

⁹ See below: 1.3 Community Initiatives in the three new Member States.

¹⁰ See Chapter I.B.2. Innovative measures and technical assistance.

- to reduce horizontal and vertical segregation on the labour market by improving women's access to the sectors with good job prospects and strong growth potential. In the Danish programme, priority is given to combating the growing trend towards marginalization of women on the labour market. In Greece, one of the priority objectives is to encourage participation by women in non-traditional sectors of the economy. The programme of the Flemish authorities in Belgium provides incentives for young women to choose training programmes that are likely to lead to jobs with good prospects. The programme in the United Kingdom gives priority to training methods, concentrating on women's careers within the labour market rather than on their access to it;
- to reconcile working life and family life. The German programme gives priority to reconciling a job with family responsibilities through innovative work organization, child-care and measures to help women come back on to the labour market after a period spent bringing up children;
- to promote enterprise and job creation by women, in particular through financial instruments to support new business start-ups. This is the main thrust of the French programme;
- to raise awareness among firms, trade unions and others with influence. This approach leads the Netherlands programme to promote the presence of women in trade union and professional organizations, while the Portuguese programme aims at raising awareness among public and private bodies of the equal opportunities aspects of a changing society.

Horizon: The purpose of Horizon is to improve the quality of training and create jobs for the disabled and those threatened with social exclusion. In many cases, this twofold aim has led Member States to introduce strategies adapted to the specific needs of these categories of persons.

Horizon measures for the disabled: The programmes of the Member States reflect the disparity of national strategies and priorities. The areas for action can be divided into two:

- development of schemes for training, guidance, counselling and employment, and the organization of further vocational training. In Denmark, priority is given to projects to help disabled persons undertake vocational training (particularly higher education and further training), with the emphasis on the use of new technologies, the adaptation of jobs and improving conditions for general education and vocational training;
- job creation and support for new business start-ups, cooperatives and partnerships between the public and private sectors. The French and Italian programmes, for example, stress the integration of disabled persons into the labour market, through personalized access to employment, with the help of local authorities. Belgium's Flemish programme concentrates on suitable jobs and the use of new technology, and the development of distance working, with special attention to individual approaches to preparatory training, vocational skills and assistance in the early stages of a new job. In Germany, where women were under-represented in the earlier Horizon programme, the programme gives priority to projects meeting the needs of disabled women wishing to enter the labour market. In Greece, a special effort will be made towards trans-national cooperation to establish standards and procedures for distance working for specific tasks.

Horizon measures for the disadvantaged: The EMPLOYMENT programmes include a separate list of priority measures for disadvantaged groups in all the Member States except Finland, Sweden and Luxembourg. As the guidelines of Horizon for the disadvantaged cover a wide range of target groups, the Member States have usually decided not to limit the choice of target categories. Measures planned therefore involve target populations and innovation in methods.

- A number of Member States give clear priority, among target groups, to immigrants, especially in the Netherlands, Denmark and Portugal, while drug addiction is a growing priority in Italy, Spain, the Netherlands and Portugal. Many Member States also give priority to training for instructors, including the training of those responsible for human resources, the organization of courses for

specialists (social workers, career counsellors, etc.) and the drawing up of new career profiles (local development workers, social and educational officers, etc.).

- Some approaches provide a context conducive to innovation and the trans-national exchange of know-how. The idea of structured access to employment is now generally accepted. Emphasis is on a tailor-made approach or, as in Belgium, on setting up structures to give the target groups increasing access to employment. In France and Portugal, acquiring basic skills (literacy and language) is of major importance, while in Germany, Greece and the Netherlands various types of preparatory training are offered, providing guidance and work experience, to improve job-seeking ability (the UK) or the ability to cope in a real work situation (France). It should also be possible to undertake major experimental work in the sphere of job creation. Some Member States have given priority to developing partnership between projects and local employment or to setting up local partnerships between private and public sectors. For example, local firms have been involved in helping ex-prisoners return to working life after training provided through a project. Companies may also be associated in setting up firms in the cooperative, mutual and non-profit sector, or local bodies providing start-up aid. Another popular approach is to prepare disadvantaged groups to work in the sectors providing new employment opportunities. Training programmes are geared in particular to the environment, leisure and tourism, health, and social services. There is also a concern to prepare people for adjustment to new types of jobs, while raising levels of skills. Certain Member States, such as Denmark, offer preparation for flexible working, distance working, job-sharing, etc.

Although trend analyses for target categories show concern linked to the concentration of disadvantage in certain geographical areas, especially in towns and cities, the Member States do not use location as a criterion for priority. However, the method of local partnership is implicitly necessary to organize structured lines of assistance for firms in the cooperative, mutual and non-profit sector, or for micro-business start-ups. It is clear from the first set of projects approved that very many of them are managed by local partnerships.

Youthstart: The Youthstart strand of the EMPLOYMENT Initiative is intended to stimulate the implementation of measures for young people in all the Member States. To attain this objective, Youthstart must provide efficient services to ensure that all young people have access to appropriate training and to the labour market. To this end, the Member States have adopted two approaches:

- innovation with a view to improving vocational training in general, so as to make it more accessible to young people, especially the least skilled, and better adapted to the labour market, with special emphasis on work experience. For example, the French programme tries to strengthen and improve the quality of sandwich courses, by establishing closer links between theoretical training and practical on-the-job training, and to develop the skills of those responsible for training within firms. It is also intended to widen the scope of sandwich courses to the whole of Europe, by offering work experience in other Member States;
- personalized training: Ireland emphasizes pre-training projects, while the Danish programme is intended to develop and test remedial training outside the formal school framework in order to stimulate individual motivation and personal initiative in relation to training. In Greece, the accent is on new teaching methods, training instructors in guidance and support, self-assessment, team-working and methods of communication. The programme of the Flemish authorities in Belgium involves training instructors to identify youngsters with problems at an early stage.

Several programmes hope to deal with the cultural and linguistic barriers facing ethnic minorities and young immigrants in their access to vocational training and their progress in it. The German programme, for example, gives priority to projects such as informing and counselling young immigrants in their mother tongue. Most programmes also highlight improving the quality of guidance and counselling, so as to provide a more coherent and better coordinated service centring on individual needs and abilities. In Denmark, counselling and guidance for young people in the final years of compulsory school attendance is to be improved and extended, concentrating on the interaction between education, training

and the labour market, and on the integration of local support facilities such as joint counselling and guidance centres.

The Youthstart guidelines formally call on the Member States to examine means of helping young people to become self-employed. In Belgium, for example, management training and legal advice are available for young people who wish to start up in business. Greece will concentrate assistance on local employment initiatives developed and managed by young people themselves. The programme for Northern Ireland is intended to tap into young people's ability to create jobs in rural areas with the support of local resources.

The various programmes show a wide range of initiatives intended to reduce the institutional and administrative barriers to an innovative use of Youthstart. Setting up networks between public and private sectors at local and regional level is a priority in Italy, while the Netherlands concentrates efforts on cooperation between education, training and the authorities (police and organizations representing ethnic minorities).

LEADER II (1994-99)

LEADER (ECU 1 447 million) is intended to support rural development projects designed and managed by local partners in country areas, with emphasis on measures that are innovative, have a demonstration value and are transferable. The LEADER Initiative should stimulate close involvement by the local population, associations and communities, which should together define and implement a coherent strategy suitable for the characteristics of the area concerned. This is reflected in the fact that financing under LEADER II is available to only two categories: local action groups (public and private partners jointly devising a development strategy) or other rural collective bodies (local authorities, chambers of agriculture, commerce and industry, cooperatives, etc.) on condition their action fits in with a development strategy at a local level. LEADER II also supports trans-national cooperation projects and encourages exchanges of experience and the transfer of know-how through a European rural development network (an indicative amount of 2.5% is intended to finance the activities of the Community network and the national networks). LEADER II applies in the rural areas covered by Objectives 1, 5(b) and 6 (with ECU 900 million set aside for Objective 1 regions).

The Commission received 102 proposals for programmes for LEADER II from the fifteen Member States (90 from the Twelve). It made sure that the proposals resulted from wide agreement between local operators, as required under the guidelines for LEADER II. Of these proposals, 67 programmes and global grants have been approved (66 for the Twelve), and another 35 are awaiting adoption (comprising 24 from the Twelve, and 11 from the new Member States).

Table 90: LEADER II programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Germany (13)	382,4	169,8	124,6	73%	38,8	31%
Greece (1)	263,6	148,0	22,6	15%	11,3	50%
Spain (17)	1.161,9	354,8	112,1	32%	34,9	31%
France (11)	319,0	122,9	95,6	78%	15,5	16%
Ireland (1)	165,6	67,9	7,5	11%	3,8	50%
Italy (12)	436,0	183,2	28,6	16%	14,0	49%
Luxembourg (1)	4,8	1,0	1,0	100%	0,4	40%
Netherlands (4)	35,2	8,5	8,2	97%	2,5	30%
Portugal (1)	156,8	117,6	6,7	6%	3,6	53%
United Kingdom (5)	160,4	66,2	56,2	85%	4,8	9%
Networking	-	-	3,7	-	2,9	77%
Total (66)	3.085,6	1.239,9	466,8	38%	132,4	28%

Most of these programmes include the three measures provided for in the notice setting out the Commission's guidelines for LEADER II:

- acquiring skills: where the practice of local development is new, this measure provides financing for informing and motivating local people, analysing the area's strong and weak points and drawing up a development strategy;
- rural innovation programmes: this measure provides financing for the development strategy drawn up by local operators for the area concerned;
- trans-national cooperation: this measure helps with joint projects undertaken by local action groups or other potential beneficiaries from more than one Member State.

The operations planned can be divided into three main types:

- reinforcing territorial identity: this includes such operations as the renovation of the architectural heritage (Asturias) and small urban centres (Ireland), promotion of traditional know-how (Portugal, Aragon), the development of local products or the natural heritage (East Anglia, Italy, Luxembourg, Greece, Portugal), or, more broadly, supporting local communities (United Kingdom);
- networking: this relates to the supply of tourist facilities (Burgundy) or associations (Limousin), farmers and distribution companies (Hesse), public services, associating small urban centres and the surrounding countryside (Languedoc-Roussillon), setting up business service centres (Luxembourg);
- support for new forms of activity, which may be based on the use of new communications technologies, such as distance working (Northern Uplands) or reservation systems for rural tourist facilities (Greece, Portugal).

LEADER and the rural environment:

LEADER had to integrate environmental considerations into a sustainable development policy. Economic development must take account of the natural heritage, which is an essential asset of such areas, especially the least-favoured. A number of measures with an impact on the environment at local level are being undertaken in the countryside. One essential factor in keeping the inhabitants in the countryside, or attracting new residents, is to preserve an agreeable living environment. Several of the major categories of funding under LEADER programmes have an environmental impact:

- *ecological management of the countryside: this involves protecting or restoring the natural heritage. In Denmark, the Danish Islands group has supported a "villages in bloom" operation; in Belgium, the Hageland group has organized the ecological improvement and management of natural landscape features (hedge planting, creation of marshes, upkeep of trees, etc.);*
- *waste management through the reduction of pollution, exploitation of waste, or production of energy from biomass. In France, the Buech-Durance group took part in the installation of a mobile treatment plant for household waste. In Ireland, the Cavan and Monaghan group recovers the waste from mushroom production to make compost. In Spain, the Sierra de Béjar-Francia group has perfected a new system for complete purification of oil mill waste, the residue being used as fuel or fertilizer. In Greece, the Thebes group supports operations for the production of biomass energy for heating;*
- *protection of eco-systems: improved management of natural resources, protection for fauna and flora and sensitive natural spaces. Many groups have given priority to planting woodland: Orense and Sierra de Gata in Spain, Tuscany in Italy, etc. In Greece, the Thessaloniki group is helping to improve a biotope for the reproduction of herons; the Mytilene group has begun work on the protection of a fossilized forest;*
- *ecotourism: the natural heritage is a basic factor in the development of tourism in the countryside; but facilities and activities are also needed. In Germany, the group from the Daun region has established a geological discovery route around the volcanos of the Eifel. In Ireland, the Bally Houra group is developing recreational activities in the region's mountains.*

Also important is the development of organic farming, and of measures for training, outreach and counselling. In France, the Haut-Allier group is supporting an information and study centre dealing with the ecology and environment of rivers, and the Est-Magnus group is organising a permanent centre for initiation to environmental studies. In Scotland, the Loch Aber group is taking part in the establishment of a natural heritage observation centre near a bird sanctuary.

Following an invitation to tender, the Commission also selected the body responsible for organization and running of the European Observatory of Rural Innovation and Development, whose role is to identify, classify, validate and facilitate the transfer of innovations introduced in the countryside.

PESCA (1994-99)

PESCA (ECU 257 million) provides financing to complement the structural aid available under CSFs, helping fishermen to retrain and firms in the sector to diversify. The operations planned relate to diversification in the fisheries sector (into tourism and crafts), improvement of occupational skills of fishermen, or upgrading of fisheries products and improvement of distribution channels. *PESCA* mainly applies in areas dependent on fisheries situated in Objective 1, 2 and 5(b) areas, with half the financing being earmarked for Objective 1.

Four *PESCA* programmes (Italy, France, the Netherlands and the United Kingdom) were adopted during 1995, seven programmes having already been adopted by the end of 1994. The late adoption of the programmes, and the somewhat complicated system of management, explain the level of take-up of financing. On the commitments side, 64% of the appropriations entered in the 1995 budget were committed (ECU 28.3 million out of ECU 45 million, divided among France, Italy and the United Kingdom), while only 17% of appropriations provided were paid (ECU 5.3 million out of ECU 31.9 million, divided among the Netherlands, Italy and the United Kingdom).

Table 91 : PESCA programmes adopted in 1995 and 1994 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
<i>Programmes adopted in 1995</i>						
France (1)	81,3	28,3	18,8	66%	0,0	0%
Italy (1)	81,2	34,2	4,4	13%	2,2	50%
Netherlands (1)	34,2	10,8	1,2	11%	0,6	50%
United Kingdom (1)	84,7	37,4	5,1	14%	2,5	50%
<i>Programmes adopted in 1994</i>						
Belgium (1)	4,3	2,0	0,3	17%	0,2	50%
Denmark (1)	48,6	16,4	2,7	17%	1,4	50%
Germany (1)	62,0	23,0	3,8	17%	1,9	50%
Greece (1)	54,6	27,1	4,5	17%	2,3	50%
Spain (1)	95,7	41,5	6,9	17%	3,5	50%
Ireland (1)	12,2	6,7	1,1	17%	0,6	50%
Portugal (1)	47,2	25,6	4,3	17%	2,1	50%
Total (11)	605,9	253,0	53,1	21%	17,2	32%

In most of the Member States, the selection of projects had just started or was about to start at the end of 1995, except in Ireland, where 22 projects had already been approved by the national authorities. In Greece, the authorities decided to appoint an intermediary to manage the programme, because of the great complexity of planned operations due to the involvement of a number of different Funds. In the French overseas departments, where *PESCA* operations are covered by the REGIS programmes, only the programme for Réunion had been adopted by December 1995. The Swedish and Finnish programmes were presented to the Commission towards the end of 1995.¹¹

¹¹ See below: 1.3 Community Initiatives in the three new Member States.

SME (1994-99)

SME (ECU 1 027 million) responds to the need for SMEs to adapt to the constraints of the internal market and the globalization of economies. This Initiative also continues, with adjustments, the earlier Initiatives, STRIDE (strengthening technological potential in less-favoured regions), Prisma (improvement of business services) and TELEMATIQUE (use of advanced telecommunications services). The SMEs Initiative is intended in particular for Objective 1 regions, where 80% of the appropriations will be spent. The measures promoted are intended to improve the system of production and organization of firms, to take better account of environmental considerations, to develop cooperation and networking between SMEs, or to reinforce cooperation between research centres, technology transfer centres, universities and SMEs.

As the SME Initiative is a new Initiative for 1994-99, the proposals for programmes from the Member States were considerably adjusted to ensure that the guidelines were followed. The adjustments related in particular to innovative aspects and internationalization of SMEs, and they increased the time needed for negotiations. Of the 38 programmes presented by the Fifteen, 21 were approved in 1995; the others comprised one in Belgium, six in Germany, one in the United Kingdom, the non-regionalized programmes in Denmark, Spain, Italy and Luxembourg, and four programmes in the three new Member States.

Table 92 : SME programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Belgium (1)	14,2	9,4	7,5	80%	2,2	30%
Germany (9)	356,3	156,8	101,2	65%	30,9	30%
Greece (1)	156,9	83,3	10,5	13%	5,2	50%
France (3)	139,2	58,5	15,4	26%	4,6	30%
Ireland (1)	53,2	28,8	26,5	92%	7,9	30%
Netherlands (1)	26,9	10,3	9,5	92%	2,9	30%
Portugal (1)	235,9	124,0	13,2	11%	6,6	50%
United Kingdom (4)	43,0	20,1	19,7	98%	7,3	37%
Total (21)	1.025,5	491,3	203,5	41%	67,7	33%

Belgium: The programme adopted concerns Wallonia (a programme for Flanders will also be approved). It is designed around two central ideas: strengthening coordination and support networks for SMEs, and strengthening joint services to SMEs.

Accent on networking and services to SMEs:

Wallonia's programme is organized around two main themes:

1. the coordination of support and networking through:

- measures to integrate bodies providing services to SMEs so as to promote exchanges of experience and synergies;
- establishment of coordination centres;

2. joint services to SMEs through:

- setting up a financial forum to study conditions of access to sources of financing;
- technological measures, with a view in particular to coordinating and assessing certain measures for SMEs;
- stimulating SMEs, taking account of the need to seek partners, of environmental constraints, of information technology, and of quality requirements.

Germany: Nine programmes have been adopted to support SMEs in the sectors of industry and services. Five programmes relate to the western Länder (a further five have not yet been approved), and four to the new Länder. It has proved difficult to draw up these programmes for German SMEs, because of difficulties of harmonization and coordination at national level; this has seriously delayed matters. An example of planned projects is management of the environment and of energy sources (Berlin, Structural Funds contribution of ECU 615 000). This involves, first, developing strategies to inform firms of ways

of conserving energy and reducing CO₂ emissions, and secondly, making the "Eco-Audit" instrument available to firms.

Greece: The main objective of the programme is to promote the internationalization of Greek SMEs through a policy of "clusters", and to facilitate their access to the capital market by promoting financial engineering instruments (venture capital, mutual guarantees) and by introducing quality policy (certification, standards and standardization).

France: Three programmes were adopted. Under the two Objective 1 programmes (Corsica and Nord/Pas-de-Calais), investment of ECU 40.9 million will be supported by Community assistance of ECU 9.3 million, to contribute, in Nord/Pas-de-Calais, to intangible investment by SMEs, support for collective measures, and the improvement of the technological environment. The operations to be carried out in Corsica involve setting up innovative new businesses, developing new forms of cooperation and communication between firms to facilitate access to new markets, and developing expertise in economic conversion. The programme for the Objective 2 and 5(b) areas (Community assistance: ECU 49.2 million; total cost: ECU 98.3 million) will enable a guarantee fund to be set up for SMEs with projects for partnership or innovation, contribute to collective modernization and innovation projects following up the STRIDE programme and constitute partnerships between European businesses in various fields.

Ireland: The programme is specifically directed towards SMEs with fewer than 50 employees, or with a turnover under ECU 3.7 million. It concentrates on access to financing and credit, access to public contracts, the adjustment of service companies to the internal market, the dissemination of good practice, and the improvement of know-how and of the business environment.

Netherlands: The programme covers all the Netherlands regions under Objectives 1 and 2, and is intended to improve the competitiveness of SMEs in order to reinforce regional production structures. To this end, it comprises five priorities: the development of systems of production and technological innovation; cooperation between SMEs and research centres; setting up networks of SMEs; job skills; technical assistance and trans-national exchanges.

Portugal: In terms of financing, the Portuguese programme is the biggest SME programme adopted in 1995. It covers the whole of Portugal and includes measures intended, first, to improve competitiveness and to modernize Portuguese SMEs, the basis of the country's productive economy, and secondly, to improve the business environment, in particular through training and financial engineering.

United Kingdom: Four programmes have been approved: Highlands and Islands, Lowland Scotland, Wales, Northern Ireland; the programme for England is yet to be adopted. As an example, the programme for the Highlands and Islands accounts for Structural Fund aid of almost ECU 3 million for SMEs; the geographical features of the region are particularly difficult for small businesses, and the problems arising are very different from those encountered in most European regions. The aim of the programme is thus to counter the risk of isolation from the main economic current of Europe, through assistance with services to SMEs, a high standard of training, and cooperation between firms.

REGIS (1994-99)

REGIS (ECU 600 million) is intended to improve integration into the Community of the most distant regions. It includes some of the measures under the former Poseidom, Poseima and Poseican programmes, and measure from other CIs in the most remote regions, to enable them to take a full part in trans-national cooperation networks. The measures are intended to achieve diversification of economic activity, consolidation of links with the rest of the Union, cooperation between remote regions, natural risk prevention and vocational training.

Three Member States take part in the REGIS Initiative: Portugal, Spain and France. In 1995, Portugal presented a programme for Madeira and the Azores, Spain presented one for the Canary Islands, and France presented four programmes for the overseas departments. The Spanish and Portuguese programmes were approved in 1995, as was France's programme for Réunion; at the end of 1995, therefore, the programmes for Guadeloupe, Martinique and French Guiana were still awaiting approval.

Table 93: REGIS programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Spain (1)	385,5	216,9	28,0	13%	0,0	0%
France (1)	209,2	115,6	8,8	8%	4,4	50%
Portugal (1)	156,8	124,0	22,0	18%	17,6	80%
Total (3)	751,5	456,5	58,8	13%	22,0	37%

Spain: The programme provides for Community financing of ECU 216.9 million.

A programme for the Canary Islands:

The main objectives of the REGIS programme are to diversify economic activity, promote technological development and remedy spatial and economic imbalance through the development of tourism without threatening the environment and the cultural heritage, consolidation of links with the rest of the Community and the other remote regions, and vocational training and employment.

Ten measures are planned: local development (14%); encouragement of tourism (21%); infrastructure to support economic activity (22%); development of the economic fabric (11%); URBAN Las Palmas (4%); URBAN Santa Cruz de Tenerife (4%); regional cooperation (0.3%); SMEs industrial development plan (19%); assessment, monitoring and technical assistance (0.7%). The Structural Funds finance 56% of the programme.

France: The programme for Réunion concentrates on the promotion of economic activity, the development of communications and regional and interregional cooperation, local development, control of the environment and prevention of natural hazards, and training for improved skills and equal opportunities.

Portugal: The purpose of the programme is promotion of a series of priority measures concerning basic infrastructure (Madeira airport, etc.), the development of local potential (e.g. energy production in the Azores), inter-regional cooperation and agricultural promotion.

RECHAR II (1994-97)

RECHAR II (ECU 406 million) still supports conversion in the areas worst affected by the decline of the coal industry, but it gives higher priority to environmental protection, new economic activity and human resources. The planned measures are thus intended to rehabilitate the environment and former mining buildings, promote new activities (especially in SMEs), support economic conversion agencies and regional development bodies, and contribute to training and employment (especially in SMEs).

The Member States have submitted 30 programmes under the RECHAR Initiative. The experience of the preceding programming period (1990-93) was useful during the negotiation and approval of programmes. Consequently, 26 programmes, almost all those submitted, were approved, with only four still to be adopted in 1996 (one in Germany, one in France, one in Austria and the non-regionalized programme in Spain).

Table 94: RECHAR II programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Belgium (2)	58,1	15,7	15,7	100%	7,8	50%
Germany (6)	400,8	128,4	55,9	44%	26,8	48%
Greece (1)	2,0	1,5	1,4	90%	0,7	50%
France (6)	39,4	16,7	15,5	93%	1,8	12%
Italy (2)	34,1	1,7	1,7	100%	0,4	23%
Portugal (1)	1,1	0,9	0,9	100%	0,3	30%
United Kingdom (8)	364,6	163,2	81,6	50%	37,8	46%
Total (26)	900,2	328,0	172,5	53%	75,6	44%

Belgium: The two programmes, for Wallonia and Flanders, concern respectively the Charleroi area (Châtelet) and Limburg. The Châtelet programme comprises measures to restructure water supply networks, which have been damaged by intensive coal mining. These measures continue those already carried out under RECHAR I. The priorities in Limburg are conversion of economic infrastructure, modernization of social structures, and economic and social integration of labour.

Germany: Six programmes were adopted, with only one, that for Brandenburg, still awaiting adoption at the end of the year. Three programmes concern the new Länder, and three the western Länder, that for North Rhine-Westphalia being the largest RECHAR programme in financial terms. The measures in the programmes mainly concern improving the environment, fostering new economic activity and maintaining existing human capital. The programme for North Rhine-Westphalia is intended to diversify sectors of activity and reinforce intermediary economic activity. To strengthen the competitiveness of SMEs, the programme will support the creation of new markets through the development of new procedures and the sale of new products, and the improvement of opportunities for access to the latest technologies. It is hoped that the implementation of this programme in North Rhine-Westphalia will safeguard some 5 400 jobs.

Greece: The main purpose of the RECHAR programme, which covers the industrial area around Kozani and Ptolemaida in northern Greece, is to improve the environment in areas damaged by lignite mining. A further measure will help the occupational conversion of workers who are unemployed or threatened with unemployment.

France: The six programmes approved for France involve Community assistance of about ECU 17 million, including ECU 11 million in Lorraine (districts of Boulay, Forbach and Sarreguemines), intended especially for the promotion of the mining areas concerned. Among the planned operations, it is worth noting the development of industrial tourism through the enhancement of the industrial heritage, in particular further improvement of the Blanzky mining museum (Montceau-les-Mines mining area, in Burgundy). Other mining areas to be promoted are those of Gardane (Bouches-du-Rhône), Albi-Carreaux (Tarn) and Lorraine (recovery of derelict land, urban restructuring, tourism, etc.), while measures in the areas of Alès (Gard) and La Mure (Isère) should create an environment and reception facilities conducive to conversion.

Italy: Two programmes were adopted in 1995: Sardinia and Tuscany. The programme for Sardinia, which provides for investment of ECU 1.6 million, concerns the coal-mining area of Sulcis-Iglesiente, and comprises a single environmental improvement measure for the installation of SMEs. In Tuscany, the mining area concerned is Santa Barbara, and the main feature of the programme is the very close involvement of the private sector, which is contributing almost 95% of the financing (ECU 35.6 million). This programme too comprises a single measure, relating to the diversification of the local small business fabric, through interest-rate subsidies to firms presenting investment projects for technological innovation, energy or environment protection.

Portugal: The programme is intended to finance operations in the Castelo de Paiva area (in the Nord region), which has been adversely affected by the closure of coal mines. Besides aid to provide the

infrastructure needed for the development of replacement activities, the objectives of this programme are to improve the environmental situation and to provide technical assistance for economic activity.

United Kingdom: Eight RECHAR programmes were adopted in 1995. The programmes for Yorkshire and the East Midlands are the largest, accounting for about half the financing, but other coal-mining areas in England and Scotland are also eligible. The other major programmes are those for Wales and for North-East England.

KONVER (1994-97)

KONVER (ECU 506 million) follows on from the Perifra I and II action programmes (support for demonstration projects for conversion from military activity) and from an initial year of implementation in 1993. It is now being implemented on a multi-annual basis, with the aim of supporting economic diversification in areas highly dependent on the defence sector, through conversion of industries related to that sector, and the encouragement of viable commercial activities in all industrial sectors, excluding activities with possible military applications. At least 50% of the financing is earmarked for regions covered by Objectives 1, 2 or 5(b).

Because of the delay in allocating finance among the Member States and drawing up the list of areas eligible under this Initiative,¹² the presentation of programmes by the Member States was also delayed. In 1995, 37 programmes were approved, mostly at the end of December, and eight were still to be adopted by the end of the year (three in Germany, and the non-regionalized programmes in Spain, Italy, Luxembourg, the Netherlands and Sweden). They account for 70% of total funding for this Initiative.

Table 95: KONVER programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Belgium (3)	30,4	11,5	11,5	100%	5,7	50%
Denmark (1)	5,3	2,4	2,4	100%	1,2	50%
Germany (13)	342,3	144,5	130,6	90%	38,7	30%
Greece (1)	20,3	12,9	11,5	89%	5,7	50%
France (17)	244,1	71,0	64,4	91%	32,0	50%
Portugal (1)	10,7	7,9	7,9	100%	3,9	50%
United Kingdom (1)	230,6	101,9	10,0	10%	0,0	0%
Total (37)	883,7	352,1	238,2	68%	87,3	37%

Belgium: The three Belgian regions each have a programme. In Flanders (Bruges, Louvain, Turnhout, Tongeren and Hasselt), the planned measures concern economic promotion and environmental support. In the Brussels-Capital region, a barracks is to be restored and converted for the installation of new economic activities (crafts, small shops, arts centre). In Wallonia, the programme covers part of the areas eligible under Objectives 1, 2 and 5(b), and is intended to encourage small businesses, develop tourist activity after restoring derelict sites and re-skill workers employed in the sector.

Denmark: The programme covers two areas: Karup in the centre of Jutland, and Copenhagen, both of which are outside the areas covered by Objectives. The measures concern services and support for the technological development of SMEs, the promotion of tourism and the environment, and training to re-skill workers.

Germany: With ECU 144.5 million in Structural Fund appropriations adopted in 1995 and 13 programmes, Germany is the largest recipient under the KONVER Initiative. To give an example, under the priority for converting sites, the programme for North Rhine-Westphalia, the main programme in the western Länder, includes the construction of the Cartec technological centre on the site of the former Churchill barracks at Lippstadt. At Rödinghausen, the Birdwood military barracks, which is now empty,

¹² Completed in 1994; see 1994 Annual Report.

will be converted into a shopping area, and in the town of Minden a former army college will be converted into training premises for commercial studies.

Greece: The main purpose of the programme is the conversion of economic activities linked to the armaments industry and the adaptation of commercially viable businesses in all industrial sectors.

France: The 17 French programmes concern 57 travel-to-work areas, 23 of which are outside the areas eligible under Objectives 2 and 5(b). In general, individual programmes receive less than ECU 5 million, although the largest, that for Aquitaine, has available financing of ECU 13.2 million. Vocational training measures account for 9% of Structural Fund financing, while 31% of total investment is for restoring military sites and areas adversely affected by the reduction in military activity, in order to encourage the installation of SMEs. The next aspect is renovation and modernization of social and economic infrastructure (14%). The bulk of the aid (46%) concerns measures for SMEs, with priority for operations to improve the business environment. On the whole, these programmes reinforce the Objective 2 programmes in the same area or a neighbouring area (except those for Île-de-France, Limousin and Aquitaine).

Portugal: The main objectives of the programme are to help the economy of the regions dependent on the defence sector (e.g. the Azores, Alentejo or Lisbon), to contribute to the rehabilitation of military zones with a view to developing new activities and to improve the environment around military training grounds.

United Kingdom: A single programme was adopted, for Great Britain, Northern Ireland and Gibraltar. Almost 50% of the financing is for investment outside areas covered by the Objectives, so as to take account of specific problems due to the decline in the defence industry. Operations will be aimed at diversification of the economic base in the areas covered, concentrating on improving the environment. Another aspect is technology transfer, which should enable the vast system of expertise in the defence sector to be used for diversification and innovation in industrial SMEs. The programme, for which a Monitoring Committee will be established, will be divided into 14 area sub-programmes, each one to be managed by a working party of representatives of ministries, local bodies and the Commission.

RESIDER II (1994-97)

RESIDER II (ECU 520 million) is a continuation of RESIDER I; it supports conversion in steel-producing areas. Like RECHAR II, this Initiative gives priority to environmental protection, new economic activities and human resources, in order to speed up adjustment to radical change in the economic conditions in the areas concerned. The measures planned are of the same type as those under RECHAR II.

In 1995, 27 programmes were submitted by the Member States for the RESIDER II Initiative (including one programme by Austria). Thanks to experience gained between 1990 and 1993, it was possible to approve virtually all the programmes by the end of 1995: 19 programmes were adopted in the course of the year (the programme for Portugal having already been adopted in 1994), which left only eight programmes still to be approved at the end of 1995 (one in Germany, two in France, one in the United Kingdom, and the non-regionalized programmes for Spain, Italy, Luxembourg and Austria).

Table 96: RESIDER II programmes adopted in 1994 and 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Programmes adopted in 1995						
Belgium (2)	52,9	24,4	23,7	97%	5,6	24%
Germany (8)	558,3	164,3	62,5	38%	31,2	50%
Greece (1)	8,9	4,7	4,1	88%	2,1	50%
France (5)	105,8	42,6	38,6	91%	17,5	45%
Netherlands (1)	51,5	18,1	18,1	100%	7,4	41%
United Kingdom (2)	52,5	23,2	23,2	100%	11,6	50%
Programme adopted in 1994						
Portugal (1)	10,8	6,9	6,9	100%	2,9	42%
Total (20)	840,6	284,2	177,1	62%	78,3	44%

Belgium: Two programmes were approved, for the areas of Charleroi and Liège, both of which have been seriously affected by the decline of the steel industry (unemployment running at over 20% in Charleroi in 1994, and over 10 000 jobs lost in Liège between 1978 and 1993). Both programmes include a measure for environmental improvement and/or site rehabilitation. Measures are also planned for diversification of the economic fabric, creation of a business start-up fund for new or restructured firms, aid for the provision of reception infrastructure, amenities and access roads to business parks for craft and service firms, better equipped research centres and promotion of technological innovation.

Germany: Eight programmes were adopted, with only one, that for Brandenburg, still awaiting adoption in 1996. One of the main priorities is the reclamation of derelict industrial sites and their conversion to new economic purposes. The aid planned will make available new land for industrial and commercial firms, and also integrate areas of industrial and commercial activity into town planning while improving the environment. For example, the Land of North Rhine-Westphalia is carrying out general urban renovation, through the *Internationale Bauausstellung-IBA-"Emscher Park"*, of a particularly run-down area of the Ruhr, in line with very strict environmental and urban development standards (Structural Fund financing of ECU 25.9 million). The programme should prevent the loss of a total of 6 500 jobs.

Greece: The programme covers three areas, in the vicinities of Thessaloniki, Volos and Athens; its main purpose is to repair damage to the environment and to redeploy economic activity in the steel-producing areas. It also provides for a measure for the retraining of workers who are unemployed or threatened by unemployment.

France: Five programmes were approved, and two, those for Nord-Pas de Calais and for Normandy, were still awaiting approval at the end of 1995. The programmes adopted concentrate over 70% of the available financing in the departments of Meurthe-et-Moselle and Moselle, and three districts in Meuse (Etain, Spincourt and Verdun-Est), in the region of Lorraine. The main objective is industrial conversion of these areas to a dynamic process of job-creation and improved living environment. The programmes provide for measures to develop public amenities, such as setting up a meeting and training centre for industry in premises formerly used for steel production (Le Creusot), or transforming a former steel works into an exhibition park (Ugine). Another priority is to enhance environmental and urban attractiveness, through such measures as treatment of pit water (Lorraine) or setting up a "centre of excellence" for technical expertise and know-how (Lorraine). Support for the creation and development of new businesses by improving amenities and joint services is also available through a number of measures such as the provision of logistic amenities for harbour and on-shore activities (Fos-sur-Mer), or the reclamation of derelict industrial land for new activities to develop technological networks and technology transfer (Picardy).

Netherlands: There is a programme for IJmond, an area affected by the decline in steel and other industries, especially fisheries. Its main purpose is to broaden the economic base of the region and it should lead to the creation of 2 000 permanent jobs. The measures relate to cleaning up industrial sites and developing new sites and installations, developing logistic infrastructure (port facilities), business innovation (aid plans for SMEs, risk capital, start-up aids, small business networks), training and the

labour market (guidance, monitoring centres, transfer of expertise), and an action plan to encourage tourism.

Portugal: The RESIDER programme for Portugal was adopted in 1994, the first programme adopted under this Initiative. Its objectives are to speed up economic conversion in the region of Setúbal, particularly hard hit by restructuring in the steel industry, to help unemployed workers and those threatened with unemployment back on to the labour market and to promote the creation and development of new economic activities with good job-creating potential, alongside the development of human and material resources. By the end of 1995, 69% of public expenditure programmed for 1994-95 had actually been incurred.

United Kingdom: The programmes for Wales and for Western Scotland were adopted in 1995; the programme for England was still awaiting adoption. The two programmes supplement the other Community programmes in these regions, and the Objective 2 SPD for Western Scotland.

RETEX (1994-97)

RETEX (ECU 522 million) was launched in 1992 to support economic diversification in areas heavily dependent on textiles and clothing; in 1994, it was extended to 1997, taking in new areas that had become eligible under Objectives 1, 2 and 5(b). The measures supported involve such things as counselling and non-productive equipment to improve firms' expertise, support for local groups of firms and cooperation measures, and staff training and business services.

The increase in financing for RETEX from 1994 for Objective 1, 2 and 5(b) areas was accompanied by major adjustments to most of the programmes adopted in 1993. New programmes have also been submitted. In 1995, 21 RETEX programmes were presented to the Commission, seven new programmes were approved, and five existing programmes were amended. Altogether, therefore, 12 programmes were adopted or amended in 1995. The total of 18 programmes adopted for RETEX represent 98% of the total amount allocated to the Initiative for the period 1994-97.

Table 97: Situation of RETEX programmes in 1995 - EUR 12 (ECU million)

Programmes adopted in 1995	Assistance for 1994-97 (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)		
Germany	53,2	13,1	25%	6,6	50%		
Saxony	41,9	3,7	9%	1,8	50%		
Thuringia	9,6	8,2	86%	4,1	50%		
Lower Saxony	1,8	1,2	67%	0,6	50%		
Belgium - Wallonia	3,0	3,0	100%	1,5	50%		
Netherlands - Twente	1,0	1,0	100%	0,5	50%		
United Kingdom	36,6	30,0	82%	14,1	47%		
Northern Ireland	4,2	3,8	89%	1,9	50%		
Great Britain	32,4	26,2	81%	12,2	47%		
Programmes adopted in 1993 and amended in 1995	Assistance 1993 (1993 prices)	Assistance 1994-97	Assistance 1993-97 (1)	Commitments 1993-95 (2)	% (2)/(1)	Payments 1993-95 (3)	% (3)/(2)
Germany - Bavaria	1,3	7,6	8,8	8,8	100%	1,0	11%
France	4,0	24,9	28,9	7,0	24%	3,4	49%
Italy	12,1	66,9	79,0	12,1	15%	6,0	50%
Objective 1 areas	7,9	31,5	39,4	7,9	20%	3,9	50%
Objective 2 and 5(b) areas	4,2	35,5	39,6	4,2	10%	2,1	50%
Greece	12,1	75,4	87,5	11,8	13%	9,1	78%
Programmes adopted in 1993	Assistance 1993 (1993 prices)	Assistance 1994-97 (1993 prices)	Assistance 1993-97 (1993 prices) (1)	Commitments 1993-95 (2)	% (2)/(1)	Payments 1993-95 (3)	% (3)/(2)
Germany	0,7	3,1	3,7	0,9	25%	0,6	59%
North Rhine-Westphalia	0,2	1,4	1,6	0,2	11%	0,1	50%
Baden-Wuerttemberg	0,2	0,6	0,8	0,2	28%	0,1	50%
Hesse	0,3	1,1	1,4	0,5	49%	0,4	65%
Spain	18,1	72,3	90,4	38,5	43%	34,2	89%
Ireland	2,3	9,1	11,4	6,9	61%	4,1	59%
Portugal	30,0	159,0	189,0	111,4	59%	63,1	57%

Belgium: The RETEX programme adopted in 1995 concerns Wallonia (Hainaut); a second programme is planned for Flanders. The two main priorities are diversification of activity for SMEs through the development of locally-generated potential (assistance and information provided by a new economic development team, recruitment of management staff, recourse to external consultants to enhance openness to markets) and the improvement of skills (training in new technologies, internal and external mobility and collaboration between training centres and businesses).

Germany: Four RETEX programmes, for Bavaria, Baden-Württemberg, North Rhine-Westphalia and Hesse, were adopted in 1993. The programme for Bavaria was granted extra financing in 1995 for the period 1995-97. A decision to increase financing was also expected to be taken in 1996 for Baden-Württemberg, but not for Hesse or North Rhine-Westphalia. In 1995, three new programmes were approved for the period 1994-97: Lower Saxony, Thuringia and Saxony. Altogether, there are thus seven RETEX programmes in progress in Germany, with Structural Fund financing totalling ECU 63.8 million from 1994 to 1997.

Spain: The RETEX programme, which covers the period 1993-97, was adopted in 1993. It concerns parts of the areas covered by Objectives 1, 2 and 5(b) in eleven regions. Additional Community financing of ECU 800 000 is to be granted for the period 1994-97.

Diversification of regions dependent on the textile and clothing sector in Spain:

The RETEX programme in Spain covers areas in eleven regions: Andalusia, Aragon, Castile-Leon, Castile-La Mancha, Catalonia, Extremadura, Galicia, Rioja, Madrid, Murcia and Valencia; its distinguishing feature is the level of partnership achieved (measures within the competence of regional and local authorities represent 59% of Community financing). It comprises five sub-programmes:

- "business competitiveness" (41%), on a multi-regional scale, implemented by the Industry Ministry in the framework of measures for adjustment to international competition and diversification of areas dependent on the textiles and clothing sector;
- "improvement of the industrial fabric" (54%), on a regional or local scale, aiming at the constitution of development and consultancy teams and groups of firms, consultancy and diagnostic reports, modernization plans and the dissemination of new production methods;
- "access by businesses to risk capital and loans" (4%), also on a regional or local scale;
- "vocational training" (1%) on a regional or local scale;
- monitoring and assessment

France: The RETEX programme for 1994-97 is a programme adopted in 1993, amended to considerably extend the area covered, from 21 employment areas in 1993 to 53 in 1994-97, and to channel more finance into diversification projects, while maintaining a maximum of 30% of Structural Fund financing to assist firms in the textile sector.

Ireland: The programme, adopted in 1993, covers the whole period from 1993 to 1997. It is specifically designed to deal with a certain number of structural weaknesses in the Irish textile industry.

Italy: Two programmes, one for the Objective 1 Italian regions and the other for the Objectives 2 and 5(b) areas, were adopted in 1995. They amend the two programmes that began in 1993 by changing the content of several regional measures and the annual breakdown of Community assistance. A special feature of both programmes is the participation of the private sector, which accounts for almost 30% in the Objective 1 regions and 52% in the Objective 2 and 5(b) areas.

Netherlands: The programme, adopted in 1995, covers the period 1994-97 and concerns the region of Twente. The aim is to reinforce the competitiveness of SMEs in the region both within and outside the

textiles and clothing sector; consequently, the programme has a single priority: to introduce innovative business organization, with special attention to quality management, environmental management, working conditions and strategic management.

Portugal: The programme, which was adopted in 1993, is the largest RETEX programme in financial terms. It is intended to diversify the production structure in regions affected by restructuring in the textile sector, and to modernize the sector in regions where it is highly concentrated. By the end of 1995, 51% of the programmed public expenditure had actually been incurred.

United Kingdom: Two programmes were approved in 1995, for Northern Ireland and for Great Britain. The programme for Great Britain covers nine areas eligible under Objectives 1, 2 and 5(b), in some of which the programme will be supplemented by specific regional strategies. Measures are concentrated on diversification of the economic base of the regions through the introduction of new technologies and new products. A training and re-skilling programme has been set up to facilitate the move towards self-employment and new business start-ups. Special measures for the environment are also planned, for example liquid waste treatment projects in Yorkshire and Humberside and in the East Midlands are expected to improve the image of those areas.

URBAN (1994-99)

URBAN (ECU 651 million) is intended to help solve the crisis in a number of urban areas, by supporting measures for economic and social revitalization through the launching of new economic activities; measures for the renewal of social, health and safety infrastructure and facilities; ensuring employment for local people; and improvement of the environment in connection with these measures. The projects must have a demonstration effect for other urban areas, and they should be part of longer-term urban integration strategies. Two thirds of the financing is earmarked for Objective 1 regions, the remaining third for Objective 2 areas.

The Member States put forward some 130 towns and cities for assistance under the URBAN Initiative, of which 86 were chosen. Some programmes were presented by national authorities, and cover several towns and cities in the Member State. Consequently, there are only 43 programmes, 18 of which had been approved by the end of 1995. By the end of the year, there were thus 24 programmes still to be adopted, comprising one in Belgium, two in Germany, the eight French programmes, the Irish and the Italian programmes, which are not regionalized, nine UK programmes and two programmes in the new Member States.

Urban and the urban environment:

The URBAN Initiative is intended to benefit neighbourhoods facing particularly difficult environmental conditions. This may be reflected, for example, in derelict or contaminated sites, a lack of green spaces and basic infrastructure, or lack of mobility on the part of the local population. The environmental and sustainable development aspects of URBAN's integrated approach are clear. The Initiative clearly declared the environment to be one of the keys to dealing with problems in the areas covered. Many of the measures in the URBAN integrated programmes are therefore geared to improving infrastructure and the environment, for example, renovation of buildings to adapt them to new economic and social activities, reclamation of public open spaces, particularly green spaces, energy conservation, or the supply of cultural or recreational services that respect the living environment. Under the new guidelines to improve the URBAN Initiative, using part of the reserve available for the Community Initiatives,¹³ the problem of the urban environment will receive much greater attention.

¹³ See above I.1: Introduction - Proposal for the allocation of the reserve in 1995.

Table 98: URBAN programmes adopted in 1995 - EUR 12 (ECU million)

Member State (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Belgium (2)	26,6	8,2	8,2	100%	4,1	50%
Denmark (1)	3,0	1,5	1,3	88%	0,4	30%
Germany (8)	270,1	86,4	79,0	91%	23,2	29%
Greece (1)	67,2	45,2	4,5	10%	1,7	38%
Spain (1)	248,7	162,6	22,8	14%	11,4	50%
Luxembourg (1)	1,0	0,5	0,5	100%	0,0	8%
Netherlands (2)	87,9	9,3	7,9	85%	2,4	30%
Portugal (1)	62,0	44,3	9,2	21%	4,6	50%
United Kingdom (1)	24,5	17,0	17,0	100%	6,9	40%
Total (18)	791,0	375,0	150,5	40%	54,7	36%

Belgium: Two programmes were adopted, with that for Brussels still awaiting approval. The area of Antwerp covered by the programme is the north-eastern section of the 19th century neighbourhood around the main railway station. The programme aims at new job creation, better security, training, education and town planning. The programme for Charleroi covers the Foucault quarter, where the educational level is low, housing is dilapidated, unemployment is high, and crime and drugs are a problem. The measures are intended to enhance the attractiveness of the neighbourhood (by establishing a permanent conference centre, and an exhibition stand to present the city and its products), to encourage development in a new sector by setting up a comic-strip institute, to benefit the whole neighbourhood, in particular by improving traffic conditions for both vehicles and pedestrians, and to change the social standing of the neighbourhood through a series of measures part-financed by the ESF and carried out in partnership with the Charleroi CPAS (public social welfare centre) and the MIREC (regional mission for employment and integration).

Denmark: The programme concerns the town of Aalborg (suburb of Thistedvej) in northern Jutland, an area eligible under Objective 2. The town is facing a high level of unemployment, traffic problems and inadequate social and cultural services. The programme will concentrate on a single project, a sustainable urban development centre, intended to modernize the Thistedvej suburb by encouraging sustainable and financially stable industrial growth and by encouraging the local inhabitants.

Germany: Eight programmes were adopted: Berlin, Brandenburg, Rostock, Magdeburg, Chemnitz, Erfurt, Bremen and Duisburg; six are in the new Länder and two in the western Länder. A third programme for Saarland was to be adopted in 1996. In the framework of the programme for Duisburg-Marxloh, for example, a *Stadtteilwirtschaft* development project will be drawn up, along with aid and outreach measures to safeguard the potential of the area and encourage new business start-ups. The prime objective is to stop the out-migration of small firms and to identify opportunities for setting up new innovative businesses.

Greece: The programme covers six projects: Drapetsona-Keratsini and Peristeri in Attiki, Nea-Ionia in Volos, Patras (south-east), Thessaloniki (east) and Syros (Ermoupolis), each of which constitutes a sub-programme. These are all demonstration projects for other urban areas, involving innovative measures within a long-term urban integration strategy. The objective in each case is to launch new local economic activity, which should in return encourage the measures, both social (jobs for local people, sanitation infrastructure) and urban (infrastructure and environmental measures related to economic activity) required to improve living conditions for the areas and people concerned.

Spain: In terms of financing, the Spanish programme is the largest programme adopted under the URBAN Initiative in 1995. It covers 17 neighbourhood projects in cities with a population of over 100 000 (see table below), which relate to economic and social revitalization, renovation of buildings, and the improvement of infrastructure, including environmental infrastructure. The projects also attempt to include innovative measures to deal with social exclusion and crime. Associations of citizens will participate in implementing the programme, and technical assistance will concentrate on the exchange of experience within Spain and throughout Europe. Day-to-day management of the programme will be the

responsibility of the local and regional authorities, in close cooperation with the Ministry of Finance, which has overall responsibility for the programme.

Table 99: URBAN - Detailed financing of the programme in Spain (ECU million)

	Total cost	Struct. Funds	ERDF	ESF
<i>Objective 1 regions</i>				
Cádiz	14,3	10,0	7,0	3,0
Málaga	14,3	10,0	10,0	0,0
Huelva	14,4	10,0	8,0	2,0
Seville	14,3	10,0	9,1	0,9
Badajoz	14,3	10,0	7,6	2,4
Cartagena	14,3	10,0	9,0	1,0
Valencia	14,3	10,0	10,0	-
Toledo	14,3	10,0	8,0	2,0
Valladolid	14,3	10,0	10,0	-
Salamanca	14,3	10,0	9,9	0,1
Langreo	14,3	10,0	8,8	1,2
La Coruña	14,3	10,0	9,1	0,9
Vigo	14,3	10,0	8,1	1,9
<i>Objective 2 areas</i>				
Sabadell	13,4	6,7	6,1	0,6
Badalona	6,6	3,3	2,3	1,0
Baracaldo	20,0	10,0	9,4	0,6
<i>not covered by an Objective</i>				
Madrid	20,0	10,0	10,0	-
<i>Total towns and cities</i>	<i>245,8</i>	<i>160,0</i>	<i>142,3</i>	<i>17,7</i>
Assessment, management	2,9	2,6	2,6	0,0
TOTAL	248,7	162,6	144,9	17,7

Netherlands: Two programmes were adopted in 1995. The URBAN programme for the Hague is intended to benefit the Schilderswijk quarter, which was built in the second half of the nineteenth century and covers 149 hectares. Its purpose is to strengthen the local economy, create new job opportunities for the local inhabitants and improve safety. The URBAN programme for Amsterdam covers Amsterdam-Bijlmermeer, an area of 7 km² in Amsterdam Zuidoost. The purpose of the programme is to give the area a boost through measures for territorial innovation and socio-economic and administrative renewal.

Portugal: The URBAN programme for Portugal was established nationally rather than for individual cities; it provides for four projects in the Lisbon area and two in the Oporto area. Measures include not only small infrastructure projects but also a set of measures to stimulate local initiatives and involve the community. It cannot be expected to have a major impact on creating and safeguarding jobs, but it should contribute to considerably improving the living environment. Some of the measures will have a high profile, such as that in the Casal Ventoso neighbourhood of Lisbon.

United Kingdom: Only the programme for Northern Ireland was adopted in 1995, nine other projects having also been presented by the UK authorities with applications for Structural Fund assistance of almost ECU 80 million. At the end of 1995, the Commission was awaiting revised programmes. The Northern Ireland programme relates to Belfast and Londonderry. In both cases, the Catholic and Protestant areas concerned will combine their efforts to launch a process of renewal. In Belfast the emphasis is on job creation for parents, especially mothers, and on helping young unemployed people get back to work. In Londonderry, urban reclamation and economic recovery projects on the initiative of the local community will be granted financial assistance and help with training measures.

INTERREG II (1994-99)

INTERREG II (ECU 2 939 million) has two strands corresponding to the INTERREG I and REGEN Initiatives: cross-border cooperation and aid to areas on the Union's internal and external borders (ECU 2.4 billion, 75% of which is for Objective 1 regions); and the completion of energy networks to link them up to wider European networks (ECU 500 million). For the borders with the countries of central and eastern Europe, a cross-border cooperation programme between those countries and the Community Member States was adopted in 1994 in the framework of the Phare programme.

Of 62 INTERREG II programmes presented by the fifteen Member States, a total of 34 were approved, three under the REGEN strand and 31 under cross-border cooperation. This corresponds to about 77% of the total amount presented. The programmes approved in 1995 are the largest in financial terms. The forms of cross-border cooperation have progressed since the first programming period, in 1990-93, and the Commission has financed some measures developed by the Association of European Border Regions. In September, a practical guide to the organization of cross-border cooperation was published.

REGEN strand:**Table 100: INTERREG/REGEN programmes adopted in 1995 - EUR 12 (ECU million)**

INTERREG/REGEN	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
Spain/Portugal	548,2	220,0	61,9	28%	43,5	70%
Greece/Italy (electricity)	189,4	75,8	4,3	6%	2,1	50%
Greece Completion of energy networks	450,0	180,0	45,0	25%	4,5	10%
Total	1.187,6	475,8	111,2	23%	50,2	45%

REGEN Spain and Portugal: The objective of the programme is to finance the last stage of work on the system to receive and transport natural gas to Portugal and to interconnect systems for the transport of natural gas in Spain and Portugal. These projects are part of the development of trans-European energy networks with a view to diversifying energy supplies in the two Member States, which will have a favourable impact on the environment and improve the competitiveness of the economies concerned. By the end of 1995, 42% of the public expenditure planned for this programme for 1994-95 will have been incurred.

REGEN Greece and Italy (electricity): This programme completes the interconnection of the Italian and Greek electricity supply networks and continues the achievements of the REGEN programme of the earlier period. Financing is entirely allocated to Objective 1 regions.

A project within the context of the completion of the internal market:

The INTERREG/REGEN programme between Italy and Greece to interconnect the electricity networks of the two countries provides for total investment of ECU 204 million and Community financing (ERDF) of ECU 75.8 million (with ECU 189.4 million covered by the programme). It involves:

- the construction of two stations for conversion between alternating and direct current;
- installing an overhead direct current cable to connect the two stations;
- laying a 160 km cable on the sea-bed to transport 600 MW between Porto Badisco (Italy) and Aetos (Greece).

This programme thus contributes not only to cross-border cooperation between Greece and Italy, but also to the completion of the internal market, especially for energy and reduction of dependence on oil, as well as to the Community's environmental policy (reduction of SO₂ and CO₂).

REGEN Greece: "completion of energy networks": This programme concerns the completion of work on reception and transport facilities for the introduction of natural gas into Greece; it follows on from the

measures financed under REGEN between 1989 and 1993. The project as a whole was covered by ERDF financing as a "natural gas" major project under the first Greek CSF between 1989 and 1993. The programme relates to the main high-pressure pipeline bringing Russian gas from the Bulgarian frontier to Athens, the main high-pressure branches, and work on the reception, processing and transport by pipeline of Algerian liquefied gas (LNG).

Table 101: INTERREG II cross-border cooperation programmes adopted in 1995 - EUR 12 (ECU million)

	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
<i>Between Member States</i>						
Belgium/Netherlands: Euregio Scheldemond	22,8	11,1	9,8	88%	2,9	30%
Belgium/Netherlands: Middengebied	66,3	32,4	29,2	90%	8,8	30%
Germany/Netherlands/Belgium: Euregio Meuse-Rhin	71,9	35,7	33,5	94%	10,0	30%
Denmark/Germany: Fyns Amt/KERN	3,6	1,8	1,4	80%	0,4	30%
Denmark/Germany: S. Jutland/Planungsraum V	22,2	11,1	8,3	74%	2,5	30%
Denmark/Germany: Storstrom/Ostholstein/Lubeck	10,4	5,2	4,1	79%	1,2	30%
Germany/France: Rhineland-Palatinate/Saarland/Lorraine	46,5	23,3	22,3	96%	6,7	30%
France/Germany: PAMINA	22,1	11,1	10,1	91%	3,0	30%
Germany/Luxembourg: Euregio	30,9	8,0	8,0	100%	2,4	30%
Germany/Netherlands: Ems-Dollard	62,7	22,5	22,5	100%	6,7	30%
Germany/Netherlands: Euregio	53,6	22,0	22,0	100%	6,6	30%
Germany/Netherlands: Euregio Rhine-Meuse-North	12,8	6,4	6,4	100%	1,9	30%
Germany/Netherlands: Euregio Rhine-Waal	23,1	11,5	11,5	100%	3,5	30%
Ireland/United Kingdom: Northern Ireland	261,7	157,0	26,9	17%	13,4	50%
Ireland/United Kingdom: Wales	142,8	84,1	10,9	13%	5,5	50%
Spain/Portugal	755,3	552,0	75,0	14%	44,6	59%
<i>Between Member States and non-member countries</i>						
Denmark/Baltic Sea	4,6	2,0	1,8	90%	0,5	30%
Germany/Czech Republic: Bavaria	42,2	16,8	16,8	100%	5,4	32%
Germany/Poland: Brandenburg	120,0	72,0	10,1	14%	5,0	50%
Germany/Poland: Mecklenburg-Western Pomerania	84,1	63,1	8,0	13%	4,0	50%
Germany/Poland/Czech Republic: Saxony	215,7	146,5	16,6	11%	8,3	50%
Greece/Albania/Bulgaria	459,4	277,0	28,1	10%	14,0	50%
Germany/France/Switzerland: Oberrhein-Mitte-Süd	49,9	24,6	23,4	95%	7,0	30%
Germany/Switzerland: Lake Constance	9,7	4,9	4,9	100%	2,4	50%
France/Switzerland: Franche-Comté	14,2	7,1	7,1	100%	2,2	31%
France/Switzerland: Rhône-Alpes	11,6	5,4	0,6	11%	0,2	30%
United Kingdom/Morocco: Gibraltar	1,7	0,7	0,5	66%	0,0	0%
Total	2.621,9	1.615,0	419,6	26%	169,4	40%

Cross-border cooperation strand

A large proportion of the programmes adopted in 1995 were part of the cross-border cooperation strand of INTERREG II. Altogether, 59 were presented and 31 adopted, leaving 27 still to be adopted at the end of the year, including ten from the new Member States. The introduction of INTERREG II and the enlargement of the European Union to three new Member States has considerably enhanced the importance of cross-border cooperation. In particular, on the eastern borders of the Union, the Commission, the Member States and the countries of central and eastern Europe involved in joint "cross-border" measures under INTERREG II and the Phare programme have introduced joint mechanisms and instruments to improve their cooperation.

The programmes adopted in 1995 between the Member States

Between Belgium and the Netherlands: Two programmes were adopted with a total Structural Fund contribution of ECU 43.5 million (total investment: ECU 89.1 million). The two programmes concern respectively the Scheldemond Euregio (Zeeland (NL)/ East Flanders and part of West Flanders (B)) and the Middengebied area (Antwerp, Limburg and part of Louvain (B)/ North-Brabant and Limburg (NL)). As well as reinforcing cross-border cooperation, each programme has a development objective: the first aims at stimulating sustainable, high-quality social and economic development and the second at strengthening the economic base of the border area.

Between Belgium, the Netherlands and Germany: The regions concerned by a programme for the Meuse-Rhine Euregio are partly eligible under Objectives 2 and 5(b). This programme is coordinated by the Meuse-Rhine Euregio, a body established under Netherlands law with long experience of cross-

border cooperation, by the governments of the Länder and the federal authorities on the German side, and by national ministries in the Netherlands and Belgium. The programme is organized around five priorities: economic and technological development and innovation (28%), environment, nature and sites (27%), regional planning (15%), socio-cultural integration (15%) and development of skills and the labour market (11%); technical assistance accounts for the remaining 5%.

Between Denmark and Germany: There are three programmes in receipt of Structural Fund financing totalling ECU 18.1 million (total cost: ECU 36.2 million). The programmes cover three regions with different geographical features: the Planungsraum V (Nordfriesland, Schleswig-Flensburg, Flensburg) and Sønderjyllands Amt, the only land border between Germany and Denmark, for which the Community had financed several successful cross-border projects in recent years; the Ostholstein/Lübeck area and Storstrøms Amt, a maritime region encountering structural difficulties, which was already eligible under INTERREG I; and the so-called KERN (Kiel, Eckernförde, Rendsburg, Neumünster) and Fyns Amt, which is now eligible under INTERREG for the first time. The strategies for these three programmes are slightly different, first because cross-border structures are well-established in some cases but fairly new in others, and secondly because the border concerned is a land border in some cases, and a sea crossing in others. Among other things, the measures aim at the development of SMEs, and research and development and training; the first two programmes are also intended to help reconcile the needs of the environment with energy consumption, and the last two provide for the development of tourism.

Between France and Germany: Two programmes have been adopted, with total assistance of ECU 34.3 million. The programme for Saarland, Lorraine and the Palatinate, in cooperation with the INTERREG programme between Germany and Luxembourg, provides for the construction of a "Euro-Management Centre", which will offer European seminars to businessmen interested in the European Market. In 1991-93, a joint Franco-German financial institution, the *Saarländische Investitionskreditbank* (SIKB), was set up on the basis of an agreement between the three regions and France, and this agreement has been renewed for the present period. The other programme concerns the regions of southern Palatinate, Mittlerer Oberrhein and northern Alsace (PAMINA); it is intended to intensify integration over this area through measures for economic development, regional planning, development of natural resources and the environment, social cohesion, and culture and training. For the first time, the ESF is contributing to the financing of measures, under the last two headings.

Between Luxembourg and Germany: There is a programme for areas that are partly eligible under Objectives 2 or 5(b). Joint management and financial resources for the projects was introduced under INTERREG I and continued under this programme. Measures relate to protection of the environment (32%), economic and technological development and innovation (19%), and tourism (19%).

Between the Netherlands and Germany: Four programmes were adopted, for a total of ECU 62.4 million. The Ems-Dollard programme complements the Objective 2 or Objective 5(b) SPDs in the regions. While the INTERREG I programme concentrated on tourism, the present programme aims at improving business competitiveness and attracting new investment, especially in infrastructure (35%), tourism (29%) and economic development (15%). The other three programmes, Euregio, Euregio Rhine-Waal and Euregio Rhine-northern Meuse, concern areas partly eligible under Objectives 2 or 5(b). They provide for a limited series of measures: economic and technological development and innovation (35%), the development of skills and the labour market (17%), regional planning (14%) and socio-cultural integration (13%). Each of the programmes is managed independently. They were drawn up by the Euregios, with ten years' experience of cross-border collaboration, the governments of the Länder and the federal authorities on the German side, and the national ministries on the Netherlands side.

Between Ireland and the United Kingdom: Two programmes were approved in 1995, involving total Structural Fund financing of ECU 241 million. The first concerns cooperation between Ireland and Northern Ireland, and follows on from an INTERREG I programme; it will concentrate more than its predecessor on locally-generated cross-border projects and small infrastructure of direct benefit to the area. The other programme concerns areas not previously eligible under INTERREG, the east coast of

Ireland and the areas of Gwynedd and Dyfed in Wales. It is aimed at the maritime development of these areas, with special attention to ports and access to ports (especially in Ireland), and also their general economic development, supporting only joint projects relating to the economic and commercial field, tourism and culture and human resources.

Ad hoc cooperation structures between Ireland and the United Kingdom:

Each INTERREG programme provides for the establishment of *ad hoc* cooperation structures. A responsible authority has been designated for the Ireland-Northern Ireland programme, to raise the programme's profile and act as a link between local groups, central authorities in the two Member States, and authorities responsible for other Structural Fund programmes in the area. Similarly, for the Ireland-Wales programme, a local coordination team (comprising two coordinators for Wales and representatives of the three regional authorities concerned in Ireland) was set up to encourage partnerships and economic development projects.

Between Portugal and Spain: The INTERREG II programme includes measures to remedy the specific difficulties of the border region, due to its relative isolation from the national economies and the rest of the European Union. The strategy concentrates on locally-generated cross-border development, and the reinforcement of economic and environmental infrastructure. The projects considered are also intended to promote balanced economic and social development on both sides of the border, to keep people from leaving, to achieve cross-border regional planning and to support the setting up of cross-border cooperation arrangements. At the end of 1995, 38% of the public expenditure programmed had actually been incurred in 1994-95.

Programmes adopted in 1995 with non-member countries

With the Baltic countries: A programme was adopted between Denmark and the regions of the Baltic sea, with the aim of continuing to develop cooperation between the county of Bornholm (Denmark) and other Baltic regions.

INTERREG cooperation on the Baltic sea:

The programme adopted in November 1995 supports cross-border cooperation between the county of Bornholm (eligible under Objective 5(b)) and the Baltic regions, mainly in Poland and the Baltic States. The measures are aimed at:

- developing SMEs through the activities of a commercial and industrial consultancy body;
- establishing cross-border structures, involving working parties and conferences to encourage both bilateral and multilateral cooperation;
- ensuring cooperation in the field of communications and media, in order to develop new activities at the Baltic Media Centre in Bornholm;
- providing the vocational training needed to establish and develop cooperation.

With the countries of central and eastern Europe : Four programmes involving German regions were adopted in 1995, with Structural Fund financing totalling ECU 298.3 million. These programmes are coordinated with Phare operations. There are two programmes for the German-Polish border (Mecklenburg-Western Pomerania/Poland and Brandenburg/Poland), one that involves three countries (the German Land of Saxony, Poland and the Czech Republic), and one for the border between Bavaria and the Czech Republic. The first three are intended to reduce the structural weaknesses specific to the border regions of Poland and the Czech Republic. Appropriations are concentrated on infrastructure and the environment, on economic development (including the development of tourism) and agricultural development, on human resources and on technical assistance. Many projects got under way in 1995. The programme involving Bavaria and the Czech Republic concentrates on socio-economic development, especially tourism and economic cooperation (44%), transport, infrastructure and protection of the environment (34%), human resources (12%), and regional planning and technical

assistance (10%). The Monitoring Committee includes representatives of the Czech Republic, which means that for the first time, representatives of a central European country are closely involved in implementing a programme in a shared area. It is interesting to note that the programme was designed as a function both of the cross-border cooperation strand of Phare for the Czech Republic, and of the INTERREG II programme in Saxony, Poland and the Czech Republic. This made it possible to define a standard line from Pomerania to Passau for the composition of monitoring and steering committees.

A programme linking Greece and Albania with Bulgaria was adopted under the protocols on cross-border collaboration agreed with the Albanian and Bulgarian authorities, also financed under Phare.¹⁴ The measures in this programme concern not only transport, telecommunications and energy infrastructure, which are essential to link these non-member countries to trans-European networks (e.g. the Via Egnatia), but also industry, tourism, the environment, agriculture, local development and human resources. The programme also includes cooperation (exchange of experience on education, management of water resources, etc.) with Cyprus and some countries of the Middle East (Egypt, Israel, etc.).

With Switzerland: Four programmes were adopted, involving France, Germany and Austria, with a Community contribution totalling ECU 41.9 million. The programme for the Oberrhein-Mitte-Süd, between France, Germany and Switzerland, concentrates, as it did in the first stage of INTERREG, on cooperation on questions relating to the economy, the environment, training and tourism. Moreover, it will include measures to encourage collaboration in the fields of vocational training and health. The Monitoring Committee decided, at one of its early meetings, to establish a new information and consultancy bureau at the border, at Breisach/Neuf Brisach (to supplement the two existing information bureaux, one in the north and the other in the south). The purpose of these bureaux is to inform and advise private and public bodies and individuals about the neighbouring country. Between Germany and Switzerland, the Hochrhein-Bodensee programme launched under INTERREG I has now been extended, following enlargement, to an Austrian border region, the Voralberg, thus forming a new Alpenrhein-Bodensee-Hochrhein programme with an internal and an external component. In 1995, only the German side of the programme was adopted, for an amount of ECU 4.9 million. Two programmes were adopted between France and Switzerland, one involving the French region of Franche-Comté and the other the region of Rhône-Alpes.

With Morocco: The programme with Gibraltar is additional and complementary to Objective 2 operations in Gibraltar. The measures under this programme - infrastructure, cooperation studies and pilot projects, cooperation in the fields of vocational education and training - are intended to add value to cooperation between businesses in Gibraltar and those in Morocco, which is expected to have a multiplier effect on cross-border trade in the medium term. The Monitoring Committee for the programme, on which the Moroccan Government will have observer status, will be responsible for supervising provisions for the selection of individual projects.

PEACE (1994-97)

On 28 July, the Commission approved the PEACE Initiative for peace and reconciliation, involving Northern Ireland and the border counties of Ireland. In the spring of 1995, three major conferences were held for local consultations with interested parties and people with experience of restoring dialogue and mutual understanding, which facilitated rapid adoption of the programme. Structural Fund participation in the programme amounts to ECU 300 million out of a total cost of about ECU 416 million between 1995 and 1997, with supplementary aid to be decided later for 1998-99. The whole of Northern Ireland and the six border counties of Ireland are eligible for assistance under this programme.

¹⁴ The aid approved in 1995 (ECU 277 million) should be supplemented in 1996 by EAGGF assistance (ECU 32.8 million).

Table 101 bis: PEACE programme (ECU million)

PEACE	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
ERDF	-	148,3	18,7	13%	8,6	46%
ESF	-	127,8	11,0	9%	5,5	50%
EAGGF	-	22,4	1,3	6%	0,6	50%
FIFG	-	1,5	0,1	9%	0,07	50%
Total	415,9	300,0	31,1	10%	14,8	48%
Northern Ireland	-	240,0	-	-	-	-
Ireland	-	60,0	-	-	-	-

The aim of the programme is to help consolidate the cease-fire in Northern Ireland by providing those involved in local economic and social life with the resources needed to transform these developments into a lasting peace. The objective is to promote the social integration of people on the margins of economic and social life, and to restore economic growth in the areas that have suffered most from the conflict. This involves seven sub-programmes: the regeneration of urban and rural sites; employment; cross-border cooperation; combating social exclusion; the promotion of productive investment and industrial development; establishing partnerships, and technical assistance. In order to involve as many people as possible in the decision and implementation process, the distribution of resources is very decentralized, with 43% being distributed by non-governmental agencies (trusts and cooperatives), including one cross-border organization, which will have a major role in selecting projects and allocating funds. Moreover, 15% of resources are under the responsibility of 26 newly created district partnerships, which must include elected representatives of district councils, representatives of local or voluntary bodies, and representatives of the private and other sectors, including local statutory agencies.

The main achievement of 1995 was to set up these new structures. The contracts between the Commission and the eight intermediaries were signed in December, and a political stumbling block to the establishment of district partnerships was eliminated. Moreover, the necessary coordination between the various financing bodies and the authorities was set up. All this made for rapid progress towards the first grants, the green light for district partnerships, and a major information and promotion campaign.

1.3. Community Initiatives in the three new Member States

In April 1995, the Commission adopted a communication on the implementation of the Community Initiatives in the three new Member States, setting out an indicative allocation of appropriations between Initiatives and Member States.

Table 102: Community Initiatives in the new Member States - Indicative allocation of appropriations 1995-99 (ECU million)

	Austria	Finland	Sweden	Total
ADAPT	11,6	19,7	11,3	42,5
EMPLOYMENT	23,0	29,2	20,7	72,9
LEADER	23,3	24,7	14,2	62,1
PESCA	-	3,0	3,5	6,5
Industrial change	18,2	10,8	20,0	49,1
- of which: RECHAR	1,8	-	-	1,8
- of which: RESIDER	5,1	-	-	5,1
- of which: RETEX	2,6	-	-	2,6
- of which: KONVER	-	-	3,3	3,3
- of which: SMEs	8,7	10,8	16,8	36,3
URBAN	9,8	3,9	3,4	17,0
INTERREG	42,7	43,7	39,5	125,9
Reserve	17,5	18,4	15,3	51,3
TOTAL	146,1	153,4	127,8	427,2

Each of the new Member States will participate in a different way in the Community Initiatives. Austria will not take part in KONVER, PESCA or REGIS; Finland will not take part in RECHAR, RESIDER, RETEX, KONVER or REGIS; Sweden will not take part in RECHAR, RESIDER, RETEX or REGIS. The three new Member States also differ as to progress with approval of their programmes. Of its 15 programmes presented (half of them under LEADER), Austria has had four adopted; Finland has had two out of eight adopted, and Sweden two out of seven.

Table 103: Community Initiatives in the new Member States - Programmes adopted in 1995 (ECU million)

Community Initiatives (No of CIPs)	Total cost	S.F. assistance (1)	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% of (3)/(2)
ADAPT						
Austria (1)	25,8	11,6	11,6	100%	5,8	50%
Finland (1)	42,9	19,7	19,7	100%	8,6	44%
Sweden (1)	21,7	11,3	11,3	100%	5,6	50%
Total	90,4	42,5	42,5	100%	20,0	47%
EMPLOYMENT						
Austria (1)	49,4	23,0	23,0	100%	11,5	50%
Finland (1)	66,3	29,2	29,2	100%	14,6	50%
Sweden (1)	39,9	20,7	20,7	100%	10,3	50%
Total	155,5	72,9	72,9	100%	36,4	50%
LEADER						
Austria (1)	6,5	2,6	2,0	78%	0,3	16%
URBAN						
Austria (1)	31,9	9,8	6,8	70%	3,4	50%
INTERREG						
Austria/Hungary	28,2	11,0	8,8	80%	2,6	30%
Austria/Czech Rep.	12,1	4,5	3,9	88%	1,2	30%
Austria/Slovakia	16,0	5,5	4,9	88%	1,5	30%
Austria/Slovenia	22,6	9,0	5,9	65%	1,8	30%
Total	78,9	30,0	23,5	78%	7,0	30%

ADAPT

The three programmes, one for each of the three new Member States, were prepared with the Commission in the second half of the year and adopted in December, which enabled the promoters in these Member States to play a full part in the ADAPT Initiative from the outset. For example, Finland has concentrated on aid to increase productivity and employment. The accent will be on the internationalization of firms (especially SMEs), the promotion of distance and flexible working, improved programming of training, distance learning, promoting the introduction of new technologies into firms, and the creation of data bases for employment services. The priority under the Austrian programme will be to establish local networks associating SMEs and public and private training bodies. Sweden's programme aims at finding new means and structures to enable employees and their firms to anticipate the changes facing them. As in Austria, the emphasis is on joint work by complementary bodies (firms, research centres, local agencies, etc.), on taking account of the specific needs of women in the working world, and on the potential of information technologies.

EMPLOYMENT

The programmes of the three new Member States under the EMPLOYMENT Initiative were adopted in 1995. Each national programme describes specific priorities for each strand of the Initiative. Under the Horizon strand for the disabled, the Austrian programme will support the introduction of flexible training schemes (training instructors in the use of multimedia aids, distance learning, computer-assisted learning); while one of the priorities under the Swedish programme will be to devise models for the integration of measures for counselling, training, employment and working in the firm, so as to organise a continuous chain of ability and experience which can be transformed into jobs. Under the Horizon strand for the disadvantaged, neither Sweden nor Finland has opted for a specific target population,

although Sweden gives clear priority to immigrants while Finland proposes various forms of preparatory training on guidance or working experience. Finland gives priority to developing partnership between projects and local employment, while Austria stresses employment programmes combined with support services to improve self-confidence in the target groups.

Under the NOW strand, Sweden has provided for a wide range of measures including new business start-up incentives for women and incentives to choose careers in areas perceived as "masculine". Finland shares this priority, where the accent is also placed, as in Austria, on reconciling work and family life, e.g. through flexible working hours and high-quality child-care services.

Under the Youthstart strand, all three Member States emphasize a varied series of measures to respond to the range of difficulties encountered by young people. The priorities relate both to training and to experience within firms. The Austrian and Swedish programmes aim to open ways into work that take account of young people's problems on the training and on the social fronts, encouraging cooperation between all those involved at local level. The Finnish programme highlights, among other things, opportunities for practical experience within the "young people's workshops" that already exist in Finland. It pays special attention to young people with "multiple disadvantages", while the Swedish programme refers in particular to young immigrants as one of the priority target groups.

LEADER

Only one LEADER programme (the Austrian programme for Burgenland) was approved in 1995 for the new Member States, out of the total of twelve that were presented (eight for Austria, two for Finland, two for Sweden). The programme for Burgenland was approved by the Commission on 21 December, and was to have been followed by the seven other programmes for Austria. Projects selected should be innovative, have demonstration value and be transferable. Stress is placed on motivating the local population.

PESCA

The PESCA programmes for the new Member States (i.e. for Sweden and Finland, since Austria is not taking part in PESCA) could not be adopted in 1995, but progress was made with preparations and it was planned to adopt them early in 1996.

URBAN

Austria, with only one programme under the URBAN Initiative, is the only new Member State to have had an URBAN programme adopted. On 17 July the Austrian authorities presented a proposal for a programme for the city of Vienna, which was adopted by the Commission on 21 December. The programme concerns an inner-city area with a population of 130 000. It will finance an integrated package of economic, social and infrastructure measures. The programme is based on quantified objectives, comprising the creation of 400 new jobs, renovation and refurbishing of 7 000 to 10 000 m² of business premises and the training or retraining of 3 000 people.

INTERREG II

Austria is the only one of the three new Member States to have had programmes adopted in 1995 under INTERREG II. About one third of total resources available for Community Initiatives in Austria is for INTERREG. Austria has a long border with Germany and Italy, but also with four central European countries, and, like the Community, it attaches great importance to these new external borders. It has therefore decided to concentrate the major share of INTERREG II resources (ECU 30 million) on the four programmes concerning external borders. Proposals for these four programmes were presented on 17 July and adopted by the Commission on 21 December.

The main aim is to work in conjunction with Phare to help the common borders of the new framework of Europe to adapt, encouraging bilateral cooperation at local and regional level through the creation of cooperation networks. Almost 60% of total financing under these four programmes is to be spent on improving cooperation and economic development. Other priorities are technical infrastructure, human resources, protection of the environment and cross-border studies. INTERREG II programmes are of major strategic importance with a view to the preparation of the future enlargement of the Union. Even if available resources are fairly modest, the measures in receipt of financing are an expression of the commitment of all partners concerned to improve cooperation and cross-border contacts.

Community Initiatives and the environment in Austria:

All the Community Initiative Programmes adopted for Austria in 1995 include direct or indirect environmental measures.

LEADER: *The preservation and enhancement of the environment is one of the priorities in the programme for Burgenland; in the south of Burgenland, it is planned to set up a centre for marketing organic products.*

URBAN: *There are no explicitly environmental measures in the programme, but many of them have a strong "environmental orientation": in the priority "requalification and job creation", one of the main projects to be funded is the redevelopment of a derelict building block to house a business centre for companies involved in solar energy (training will be provided in solar technology and other environmental techniques); the "urbion" priority is directly aimed at improving the physical environment in the area (renovation of Stadtbahnbögen, improving public spaces, including green areas). The environmental component of the programme could probably be estimated at at least one quarter of the total EU budget available (or at around ECU 2.5 million of Structural Fund resources).*

INTERREG: *All the programmes contain explicit measures for environmental protection. The reason is twofold: the special geographical situation caused by the former "Iron Curtain" left nature almost untouched in large parts of the border regions; environmental pollution in the neighbouring countries is a serious threat for the development of new economic activities, in particular of soft tourism, for which expectations are high in the border regions. The measures are the following:*

- *INTERREG Austria-Slovenia: cooperation in cross-border nature preservation and environmental programmes (studies, surveys and pilot measures e.g. to modernize Alpine huts ecologically, protect water reserves and prevent flooding); water saving and hydraulic engineering; cross-border nature protection and nature parks.*
- *INTERREG Austria-Czech Republic: environment and energy, including environmental know-how transfer and counselling, use of renewable energy; tourism will be developed in the form of soft tourism, including provision to increase understanding of nature and the environmental context; agricultural measures include the restoration of damaged forests.*
- *INTERREG Austria-Slovak Republic: the priority "environment" includes measures for technical environmental protection, environmental and energy counselling, and nature protection.*
- *INTERREG Austria-Hungary: the priority "environment and nature" supports the enlargement and creation of cross-border national parks.*

1.4. Summary by Member State - EUR 12¹⁵

Table 104: Community Initiatives - Summary of financial allocations by Member State 1994-99 (before allocation of the reserve, after adjustment - 1994 prices)

Member State	INTERREG*	ADAPT	(ECU million)										TOTAL
			Employment	LEADER	PESCA	SME	REGIS	RECHAR	KONVER	RESIDER	RETEX	URBAN	
B	82	31	32	8	2	12	0	16	11	24	4	11	234
DK	18	30	11	8	16	3	0	0	2	0	0	2	89
D	402	229	157	174	23	183	0	159	219	191	68	97	1.902
EL	595	30	64	146	27	82	0	2	13	5	75	45	1.083
E	565	256	387	350	42	248	214	34	23	72	75	160	2.425
F	246	250	147	187	28	58	262	33	70	62	25	55	1.421
IRL	160	21	76	67	7	28	0	0	0	0	9	16	384
I	347	190	349	282	34	188	0	2	45	84	67	115	1.703
L	4	0	0	1	0	0	0	0	0	12	0	1	19
N	72	58	42	8	13	10	0	0	12	18	1	9	242
P	340	21	40	116	26	122	124	1	8	7	162	44	1.010
UK	109	287	147	65	37	67	0	161	101	45	36	97	1.152
Networking	0	0	0	34	5	25	0	0	0	0	0	0	64
TOTAL	2.939	1.402	1.452	1.447	257	1.027	600	406	506	520	522	651	11.729

*Including Peace

BELGIUM

Belgium is participating in all the Community Initiatives except REGIS, with a total of 16 national programmes approved in 1994 and 1995, and three INTERREG Programmes. At the end of 1995, there was still one programme awaiting approval for each of the following Initiatives: URBAN, RETEX, SMEs, INTERREG (with France) and LEADER.

DENMARK

Between 1994 and 1995, five programmes were adopted at national level in Denmark, as well as four INTERREG programmes. Three programmes were awaiting approval: those under the SMEs Initiative, LEADER and an INTERREG programme with Sweden. This means that Denmark will be taking part in seven Community Initiatives: URBAN, KONVER, EMPLOYMENT, ADAPT, SMEs, PESCA, LEADER and INTERREG.

GERMANY

Most of the programmes were approved by the Commission in the course of 1995. It was sometimes difficult to approve these programmes, since the measures were not described in sufficient detail (in particular, there was not enough information about how they complemented Objective 2 programmes) and the indicators for assessing them were somewhat vague. Altogether, 67 programmes for implementation at national level were adopted, for all the Community Initiatives except REGIS, plus 17 INTERREG programmes. By the end of 1995, there were still 19 programmes awaiting approval, for the LEADER, URBAN, RECHAR, RESIDER, RETEX, SME and KONVER Initiatives. In the new Länder, entirely eligible under Objective 1, eight Community Initiatives - KONVER, RESIDER, RECHAR, RETEX, SME, URBAN, LEADER and INTERREG - are being implemented according to regionalized arrangements, mainly using ERDF appropriations. They involve 38 programmes and Structural Fund financing of ECU 817 million (80% from the ERDF). In 1995, 31 of the 38 programmes were adopted (28 national programmes and 3 INTERREG programmes). The remaining seven concern Brandenburg (5), Saxony-Anhalt (1) and Saxony (1).

As a rule, payments could be made under programmes for 1991-94 until the end of 1995, and it is worth recalling that a substantial number of programmes from the first programming period were still being financed in 1995. In the western Länder, the situation varies quite widely from one Initiative to another, some programmes having been completed in 1995, while payment deadlines have been extended for

¹⁵ For a more detailed presentation of the Community Initiatives in each Member State, see Annex 3, Table 2.

others. On the whole, the volume of payments for these programmes is fairly limited. For INTERREG I, the payment period expired at the end of 1995, but an extension was granted for three programmes (to 31 December 1996 for Pamina and Oberrhein-Mitte-Süd, and to 30 June 1996 for Germany/Switzerland/Austria/ex-Czechoslovakia). Payments under the STRIDE Initiative were fairly modest, at ECU 117 000, but results were considerable in terms of improved potential for research, technology and innovation in the regions concerned, and thus in terms of wider use of modern technology. One of the two programmes under RECHAR I, that for North Rhine-Westphalia, was completed in 1995 (an application for payment of the balance of ECU 23.1 million was made in February). Altogether North Rhine-Westphalia will have received ECU 54.1 million from the ERDF for this programme. The RECHAR I programme for Saarland was still under way, with a balance still to be paid of ECU 1.4 million (out of total assistance of ECU 7.5 million). The RESIDER I programme for North Rhine-Westphalia was also completed in 1995. The balance paid in 1995 amounted to ECU 15.7 million and the total ERDF contribution was ECU 31.1 million.

There was more of a delay for KONVER I programmes, due to their having been approved only at the end of 1993 so that commitments were postponed until 30 June 1994. Consequently, after long and difficult programming procedures, the deadline for payments was extended to 31 December 1995 for ten programmes¹⁶ and to 1996 for a further six.¹⁷ Some interesting projects were carried out in Germany involving the conversion of military buildings and sites to mainly economic use, which is one of KONVER's main priorities. In Rhineland-Palatinate, for example, part of the former Zweibrücken air base has been converted into a civil airport, with the remainder being transformed into a centre for industry and crafts. A municipal grouping was set up to deal with conversion work on the aerodrome; the runway has been kept in service, and several training services for air traffic careers have been introduced alongside the industry and crafts centre.

GREECE

Greece participates in all the Initiatives with the exception of REGIS; all the programmes (one for each Initiative) were adopted in 1995, with the exception of those for EMPLOYMENT and PESCA, which were adopted in 1994. Ten programmes are therefore in the course of implementation at national level, alongside three INTERREG programmes (two for REGEN and one for cross-border cooperation).

SPAIN

Spain is taking part in all the Community Initiatives for the period 1994-99. Each operation is implemented through a single programme at national level, except LEADER (17 programmes, including ten in Objective 1 regions). Three programmes were approved in 1993-94, for the RETEX, PESCA and EMPLOYMENT Initiatives, and 22 in 1995, comprising two INTERREG programmes (one for cross-border cooperation and one for REGEN), one each for URBAN, ADAPT and REGIS, and 17 LEADER programmes. Altogether, this makes 23 programmes implemented nationally, and two INTERREG programmes. Six programmes were still awaiting a decision (INTERREG Spain-France, INTERREG Spain-Morocco, RECHAR, RESIDER, SME and KONVER) and were under consideration at the end of 1995.

FRANCE

The French authorities presented 85 proposals for programmes under all the Initiatives in 1994 and 1995, all but five regionalized (the exceptions being programmes under EMPLOYMENT, ADAPT, RETEX, SME Objectives 2 and 5(b) and PESCA). Of these 85 proposals, the Commission had already approved the programme under the EMPLOYMENT Initiative in 1994, and 51 programmes were

¹⁶ Hamburg, Saarland, Baden-Württemberg, Berlin, Bremen, North Rhine-Westphalia, Brandenburg, Saxony, Saxony-Anhalt, Thuringia.

¹⁷ Rhineland-Palatinate, Bavaria, Lower Saxony, Schleswig-Holstein, Hesse, Mecklenburg-Western Pomerania.

adopted in 1995 (46 at national level), with 33 still awaiting a decision, for most of which the procedure was in the final stages by the end of the year. The 51 programmes comprise five under INTERREG, six under RECHAR II, five under RESIDER, the amendment of the RETEX programme, three under the SME Initiative, one under REGIS, all the KONVER programmes, the PESCA programme, the ADAPT programme and 11 programmes under LEADER.

IRELAND

All but one of Ireland's programmes were approved in 1995, the exception being URBAN (with a planned Structural Fund contribution of ECU 15.8 million). The programmes approved in 1995 involve the SME, ADAPT and LEADER Initiatives, the RETEX programme having been adopted in 1993 and the EMPLOYMENT and PESCA programmes in 1994, along with the PEACE programme and the two INTERREG programmes involving Ireland. Ireland does not take part in RECHAR, RESIDER, KONVER or REGIS.

ITALY

Eighteen programmes were adopted in 1995 for Italy, the programme under the EMPLOYMENT Initiative having been adopted in 1994. The programmes adopted involve RECHAR, RETEX (amendments to the programme adopted in 1993), ADAPT, LEADER and PESCA; programmes under URBAN, RESIDER, SME and KONVER are scheduled for adoption in 1996. Alongside the national programmes, there are two INTERREG programmes under the REGEN strand, also adopted in 1995. Italy takes part in all the Community Initiatives except REGIS.

LUXEMBOURG

Only three programmes were adopted for Luxembourg in 1995 (under URBAN, ADAPT and LEADER) but a programme under the EMPLOYMENT Initiative was approved in 1994. There were three programmes still awaiting approval, those under RESIDER, SME and KONVER. Luxembourg is also involved in an INTERREG programme, but does not take part in the RECHAR, RETEX, REGIS or PESCA Initiatives.

NETHERLANDS

Eleven programmes in the Netherlands were adopted in 1995, under all the Initiatives except EMPLOYMENT (programme adopted in 1994), RECHAR and REGIS (in which the Netherlands does not take part). There are seven INTERREG programmes involving the Netherlands. By the end of 1995, only the KONVER programme was still awaiting approval.

PORTUGAL

Portugal takes part in all the Initiatives, and all the programmes have now been adopted: RETEX in 1993, RESIDER, EMPLOYMENT and PESCA in 1994, and the rest in 1995. Altogether, 11 programmes are being implemented at national level, one for each Initiative, plus two INTERREG programmes, one under REGEN and the other under cross-border cooperation.

UNITED KINGDOM

The United Kingdom takes part in all the Community Initiatives except REGIS, and also participate in the PEACE programme for Northern Ireland. Altogether, 28 national programmes were approved in 1995, two programmes under the EMPLOYMENT Initiative having been adopted in 1994. Moreover, three INTERREG programmes were adopted in 1995. A further 11 programmes were presented, one for RESIDER, one for the SME Initiative, and nine for the URBAN Initiative, with projects that were later amended after negotiations between the UK authorities and the Commission. By the end of 1995, progress had been made towards their adoption. All the regionalized programmes for Northern Ireland

(which is eligible under Objective 1) were adopted in 1995; they comprise programmes under PEACE, RETEX, SME, EMPLOYMENT, ADAPT and LEADER. Northern Ireland also benefits from KONVER and PESCA programmes for the United Kingdom as a whole.

Arrangements have already been introduced for the implementation of some of the Initiatives in the United Kingdom. In certain cases, the management committees have adopted new procedures such as the approval of projects in groups. There is a distinction to be made here between programmes for which an *ad hoc* Monitoring Committee has been set up (national Monitoring Committees for KONVER, RETEX, EMPLOYMENT, ADAPT, PESCA), and the programmes for which a specific Monitoring Committee was not needed, since the SPD Monitoring Committees (Objectives 1 or 2) were also responsible for monitoring Community Initiatives. The RECHAR programmes are in the second category; since each programme follows on from a priority under the SPD for these regions, the corresponding Monitoring Committees have the general task of supervising the implementation of the various Community programmes in the region concerned, including Community Initiative programmes. Actual implementation on the ground is the responsibility of the RECHAR management committees, which reflect local partnership in the mining areas. Similarly, for RESIDER, a partnership structure like that for the RECHAR programmes has been introduced, with stress on involving local communities and bodies. In Western Scotland, for example (Lanarkshire), the strategy was designed in partnership between groups managing the programme, which include the Lanarkshire Development Agency, local authorities, the Strathclyde regional council, the East Kilbride Development Corporation, Scottish Enterprise National and the Scottish Office.

2. Innovative measures and technical assistance

Each of the Structural Funds and the FIFG may finance measures on its own initiative concerning studies, pilot schemes or technical assistance. A ceiling is imposed on the maximum amounts for financing such measures for each Fund: 1.5% of the ERDF's annual budget, 1% for the EAGGF, 0.5% for the ESF and 2% for the FIFG¹⁸.

2.1. Innovative measures and technical assistance under Articles 7 and 10 of the ERDF Regulation

Innovative measures under Article 10 of the ERDF Regulation

Article 10 of the ERDF Regulation provides for the financing, in particular, of innovative studies and pilot schemes to promote economic and social development. Priorities for this type of measure were defined and rationalized in 1994¹⁹, and a total of ECU 395 million was allocated for 1995-99. Measures were launched in 1995.

Table 105: Innovative measures (Article 10 of the ERDF Regulation) - priorities for assistance, 1995-99 (ECU million)

<i>Priorities</i>	
Inter-regional cooperation	180,0
- within the Union	110,0
- with non-member countries	70,0
Innovative regional development measures	90,0
- promotion of technological innovation	
- information society	
- culture and economic development	
- new employment areas (particularly local jobs)	
Physical planning	45,0
Urban pilot projects	80,0
Total	395,0

The Commission has opted for three main priorities in its approach to innovative measures under Article 10 of the ERDF Regulation for the new period:

- improving the transparency of project selection through systematic use of calls for proposals;
- closer collaboration between those responsible at the political level, the different levels of local authorities and the economic and social partners;
- greater involvement of the Member States in the monitoring and assessment of pilot projects so that their innovative character can influence the operational programming of the regional policies.

During the autumn of 1995 the Commission published a series of calls for proposals with a view to implementing measures financed under Article 10. These calls for proposals, concerning the priorities listed above, cover five domains: the information society, technology transfer, new employment areas, economic development networks in the cultural area and urban pilot projects.

Innovative measures in regional development: The calls for proposals under Article 10 in the fields of the information society and technology transfers were prepared by two sets of pilot projects. The first,

¹⁸ For the principles and the changes made by the 1993 amendments to the Regulations, see the 1994 Annual Report.

¹⁹ See the 1994 Annual Report.

jointly financed by the ERDF and the ESF²⁰, is a programme of pilot schemes, with financing of ECU 20 million, to prepare regional strategies for the development of the information society in six regions (Nord-Pas de Calais, Saxony, North-West England, Central Greece-Macedonia, Piedmont and Valencia). The chief objective is to make the concept of the information society a reality in the everyday life of the regions through demonstration services and innovative applications, strongly encouraging the participation of users and disseminating good practice, particularly in less-favoured regions. Following this series of calls for proposals, it is planned to select some 150 pilot projects in 1996. The second series consists of eight pilot projects launched as regional technology plans, concerning regional innovation strategies in Lorraine, Saxony, Wales, Limburg, Norte (Portugal), Abruzzi, Central Greece-Macedonia and Castile-León and with a budget of ECU 15 million. These regional innovation strategies will seek the best methods for promoting cooperation between SMEs, research institutes and public authorities with a view to assessing the local technological requirements of firms and the skills and potential existing locally for improving a region's capacity for innovation.

Regional planning and the sustainable integrated development of coastal areas

The "Europe 2000+" report and the Report on implementation of the Fifth European Community Programme of policy and action in relation to the environment - "Towards Sustainability"²¹ reveal the threats to the environment and the sustainable development of the Community's coastal areas. On 31 October 1995, in order to propose ways of acting in the spirit of integrated development and preservation of national resources, the Commission adopted a communication on the integrated management of coastal zones²² reviewing the situation in these areas, reiterating the reasons for Community action and laying the foundations for a demonstration programme. This programme fits into the context of the Fifth programme of action in relation to the environment and the preparation of a European approach to spatial planning and has two objectives:

- *to demonstrate the conditions for the sustainable development of coastal zones in all their diversity, giving special attention to innovative models and mechanisms for collaboration between the different levels of responsibility and to structures facilitating coordination between the different sectoral policies;*
- *to stimulate debate between those mainly involved in the development of these areas in order to facilitate the emergence of a consensus at the different levels of decision-making.*

The selection of demonstration projects is planned for 1996 and great importance will be attached to disseminating the lessons learned from the programme, particularly for the least favoured regions. ERDF financing could be arranged in two ways: through Article 10 of the ERDF Regulation, under the regional development section; or through the new strand of the Community Initiative Interreg II C²³, since the integrated management of coastal areas could be an important aspect of programmes for trans-national cooperation between the coastal Member States.

Urban pilot projects: As in the case of innovative local development measures, in 1995 the Commission launched the new programme for urban pilot projects for 1995-99, under which 25-30 projects will be financed in the Member States. The call for proposals was published in November 1995 and was presented in December at Directoria (see below). The closing date for submission of proposals was April 1996. It should be noted that the possible themes proposed in the call for proposals included environmental improvement, giving as examples the creation of green spaces, the treatment of waste, recycling and use of renewable sources of energy. Also, 32 projects from the 1989-93 programming period were still running in 1995, with the Commission continuing to provide technical assistance and monitoring. Some of these projects should be wound up at the end of the year, while others will need to be extended because of unexpected difficulties (flooding, archaeological finds, changes in legislation, etc.). However, all the projects are now in the last phase of implementation and most should be completed in 1996.

²⁰ See below, 2.2 Innovative measures and technical assistance under Article 6 of the ESF Regulation.

²¹ COM(95) 624 final of 10 January 1996.

²² COM(95) 511.

²³ See Chapter I.B.1 Community Initiatives.

Economic cooperation measures: In December 1995 the Commission organized the Directoria event in Brussels, in which more than 500 delegations from local and regional authorities in the European Union participated. The objective was to enable those involved in economic development and inter-regional cooperation to identify partners with whom to set up pilot projects. This event was a follow-up to an initial Directoria encounter held in March 1995, at which the Community programmes specifically concerning local authorities were presented.

In addition, as in previous years, two Europartenariat events were organized in 1995 and financed under Article 10²⁴. This measure for SMEs was supplemented by the launch in 1995 of 14 new European Business Innovation Centres (BICs) in the eligible areas, including the new Member States, giving SMEs easier access to all the advisory services needed for their establishment and development. The Commission also launched a pilot experiment concerning four monitoring and management centres at large construction sites (Belgium, France, Greece and Portugal) to promote local development and capitalize on economic spin-offs at local level.

Technical assistance under Article 7 of the ERDF Regulation

Under Article 7 of this Regulation the ERDF may finance preparatory, appraisal, monitoring and evaluation measures, as well as studies and information measures concerning Community regional action. In 1995 expenditure on accompanying measures carried out on the Commission's initiative under Article 7 of the ERDF Regulation was greater than in 1994, at ECU 14 million in commitments (0.11% of the ERDF budget) as against ECU 12 million in 1994 (also 0.11% of the ERDF budget).

Table 106: Measures financed under Article 7 of the ERDF Regulation in 1995 - commitments (ECU million)

	ERDF	%
Preparation and monitoring	1,0	7%
Assessment	3,0	21%
Regional studies	1,3	9%
Conferences, symposia, seminars	0,4	3%
Information and publicity	4,9	35%
Technical assistance and equipment	3,4	24%
Total	14,0	100%

The assessment exercises (21%) launched during 1995 concern Structural Fund assistance implemented during the 1989-93 programming period and certain Community Initiatives. The regional studies (9%) added some useful knowledge to understanding of the regional question and will be used in particular as the basis for preparing the first three-yearly report on economic and social cohesion. The various conferences and symposia part-financed (3%) included the conference organized with the Council of Europe in Prague on European integration and regional planning in greater Europe. The various publicity measures and the creation of an information and communication strategy (35%) enabled the Commission to continue its efforts to improve the visibility of Community regional policy²⁵. As in previous years, most of the measures benefited several or all Member States.

2.2. Innovative measures and technical assistance under Article 6 of the ESF Regulation

Article 6 of this Regulation permits the ESF to finance different types of innovative measure, technical assistance and pilot and demonstration projects in the field of vocational training and the development of employment as well as the monitoring and evaluation of measures it has part-financed.

There were two parallel innovative operations in 1995: the launch of the projects selected in 1994 and the selection of the projects to be financed in 1995. In March 1995 32 projects from the 1994 call for

²⁴ See Chapter II.D.4. Structural Funds and SMEs.

²⁵ See Chapter III.D. Information and communication, dissemination of good practice.

proposals were approved for the twelve Member States. The projects cover three main themes: seeking a model of growth which generates more employment; improving the operation of the labour market and strengthening training systems. The vast majority of projects concern strengthening training systems and range from the establishment of mobile local training centres (Greece) to partnerships to improve employment for the disabled. The total cost of these projects for the Twelve amounts to ECU 32 million, with the ESF contributing ECU 18 million (56%). The first payments (50% of the ESF commitment) were made in August 1995.

Calls for proposals for 1995 were issued in May and June 1995. By October, the closing date for submission of proposals, the Commission had received 169 proposals. These were assessed by external experts selected from candidates put forward by the Member States and the Commission's internal assessors. After assessment, a provisional list of 61 projects was drawn up. The total budget estimate totals ECU 62 million, with an ESF contribution of ECU 27 million.

Among the innovative regional development measures financed under Article 10 of the ERDF Regulation, the measure to integrate the concept of the information society into the regional development policies of the least-favoured areas is jointly financed under Article 6 of the ESF Regulation and Article 10 of the ERDF Regulation.²⁶ Total available funding for this measure will therefore amount to ECU 20 million (ECU 15 million from the ERDF and ECU 5 million from the ESF), with two sections: the preparation of regional strategies for the information society (comprising aspects linked to employment and human resources) and the launch of multiregional applications with an innovative effect and demonstration value in the less-favoured regions. The ESF will focus on networks running projects related to employment, training and management of the labour market. Applications could thus concern distance education using information and communications technology or using these technologies more effectively to link institutions and other parties involved in the local labour market on the one hand and job seekers on the other hand. The projects will be launched during the second half of 1996.

Most of the technical assistance measures are included in the programmes financed under the different Objectives or Community Initiatives. Appropriations for the Commission's initiative are used to help it to carry out its activities, and particularly to implement the Community Initiatives Employment and Adapt, for which an external support structure called *Europs*, managed by a firm under contract, was set up in May 1995. This structure was selected on the basis of an invitation to tender and has an annual budget of ECU 5 573 000. Its main role in 1995 was to help the Commission select programme proposals. The chief mission of *Europs* is to analyse the contents of the Employment and Adapt CIPs and to help prepare and circulate information on these Initiatives. In addition, an intermediary support structure specialized in public relations and communication was selected following a tendering procedure to run information and communication measures concerning the ESF.

Table 107: Measures financed under Article 6 of the ESF Regulation in 1995 (ECU million)

	Commitments	%	Payments
Innovative measures, studies	18,0	69%	9,0
Technical assistance	8,0	31%	9,9
TOTAL	26,0	100%	18,9

²⁶ See above, 2.1 Innovative measures under Article 10 of the ERDF Regulation - Innovative measures in regional development.

2.3. Innovative measures and technical assistance under Article 8 of the EAGGF Regulation.

Under Article 8 of its Regulation, the EAGGF may finance:

- preparatory and monitoring measures, technical assistance and general studies. Technical assistance may be implemented on the initiative of the Commission or a competent national or regional authority. Studies may be proposed only by the Commission, in accordance with the priority requirements of its departments;
- pilot projects for adjusting agricultural structures and promoting rural development. Pilot projects concern the small-scale application in real conditions of promising research results;
- demonstration projects to show the real possibilities of systems, methods and techniques of production and management which are in accordance with the objectives of the common agricultural policy. Demonstration projects are applied at almost full scale and must be based on results which have already been validated at research level;
- measures needed for the circulation of experience and results of the work on rural development and improving agricultural structures.

Summary of measures financed between 1989 and 1995

Since previous Annual Reports have made no mention of measures implemented under Article 8 of the EAGGF Regulation since 1989, it was decided to include them at this point because some of the first-generation projects were continued in 1995 and second-generation projects were launched.

Table 108: Measures financed under Article 8 of the EAGGF Regulation, 1989-95 (ECU million)

	Number of projects	EAGGF	%
Technical assistance, assessment, studies	51	19,2	26%
Pilot and demonstration projects	78	51,6	71%
Dissemination	8	1,8	2%
Total	137	72,6	100%

Assessment, monitoring, technical assistance and studies: Between 1989 and 1995, six projects concerned prior appraisal and seven *ex post* evaluation of specific Regulations. Most of the technical assistance measures (19 projects) concerned assistance in the implementation and monitoring of Community Regulations. Lastly, 19 general studies were launched on the Commission's initiative.

Pilot and demonstration projects were implemented in the context of various sectors of agriculture and rural society. Most of the projects concerning diversification in farming and product development focused on non-food products (development of forestry, rural tourism and regional planning), but also included the promotion of high-quality regional products.

Agri-environmental pilot projects:

EAGGF pilot and demonstration projects are an excellent vehicle for testing different methods of reconciling agricultural production with sustainable rural development and environmental protection. Measures financed in 1989-95 included the demonstration of more environmentally friendly techniques and the setting up of pilot farms to demonstrate the viability of farming systems taking account of environmental concerns and management of the countryside.

Dissemination measures mainly concerned the financing of booklets and the organization of seminars to circulate information on the Community's rural development policy and on the knowledge and results of experience in improving agricultural structures.

1995: a year of transition for EAGGF pilot and demonstration projects

In order to ensure more widespread circulation of information about the pilot and demonstration projects financed under Article 8 of the EAGGF Regulation, a call for proposals was published in October 1994 (closing date for presentation of projects: 31 March 1995) relating to four priority areas: non-food products, agri-environmental aspects, forestry and rural development. 583 proposals were received and assessed by independent experts and the Commission's departments during 1995. The selected projects will be financed under the 1996 budget. It should be noted that this call for proposals concerned only pilot and demonstration projects. Assessment, technical assistance, monitoring and dissemination measures and studies (projects presented on the initiative of the Commission or national, regional or local authorities) are financed outside this procedure (six projects and technical assistance measures in 1995).

2.4. Innovative measures and technical assistance under Article 4 of the FIFG Regulation

Like the other Structural Funds, the FIFG may finance studies, pilot projects and demonstration projects, the provision of services and technical assistance, information campaigns, etc. on the basis of Article 4 of its Regulation. In 1995 a total of ECU 2 050 000 was spent on measures of this type.

Table 109: Measures financed under Article 4 of the FIFG Regulation in 1995 (ECU million)

	FIFG	%
Studies	1,5	71%
Publications	0,0	2%
Technical assistance	0,6	27%
Total	2,1	100%

Thirteen studies were launched following a call for proposals, mainly collecting data for biological purposes or dealing with the links between fisheries and the environment, socio-economic aspects, fisheries technology, the quality of water for the production of bivalve molluscs and quality certification for fisheries products. Appropriations for technical assistance went towards updating and demonstrating the Community register of fishing vessels, preparing the MGP IV (multiannual guidance programme for the adjustment of fishing effort, 1997-2000) and launching the Infosys system for computerizing the monitoring and assessment of structural measures financed by the FIFG. Lastly, publications financed under Article 4 include the report on Aquaculture and the Environment, and information booklets on structural measures for fisheries and aquaculture, which were distributed in each Member State.

CHAPTER II**BUDGET IMPLEMENTATION,****CHECKS AND FINANCIAL MANAGEMENT,****COORDINATION OF THE VARIOUS FINANCIAL INSTRUMENTS,****COMPLEMENTARITY WITH THE OTHER COMMUNITY POLICIES**

A. BUDGETARY IMPLEMENTATION OF THE STRUCTURAL FUNDS

The financial year was marked by adoption of a supplementary and amending budget to make available the appropriations in the reserve for the three new Member States and introduce specific budget headings for CSFs/SPDs under Objective 6. This supplementary and amending budget provided the ERDF with ECU 261 million in commitment appropriations and ECU 130 million in payment appropriations, an increase of 2% on the original total.

1. Budget implementation in 1995

1.1. General implementation in 1995

The aim of this section is to look at implementation of the 1995 budget as a whole, that is, of appropriations for 1994-99 and those for previous periods. However, it distinguishes between implementation of appropriations newly entered in the 1995 budget and that of appropriations carried over to the 1995 budget from the previous year.

Table 110: Origin and implementation of commitment appropriations in 1995 (ECU-million)

	CSF ERDF	CSF ESF	CSF EAGGF	CSF FIFG	Community Initiatives	Transitional measures	TOTAL
Initial budget	10.592,70	6.443,80	3.315,80	438,95	2.144,00	242,00	23.177,25
Transfer of appropriations	-129,70	-54,80	-192,80	0,05	378,00	0,00	0,75
Supplementary and amending budget	221,41	317,11	251,10	12,28	80,20	8,90	891,00
Total appropriations 1995	10.684,41	6.706,11	3.374,10	451,28	2.602,20	250,90	24.069,00
Appropriations reconstituted	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Appropriations carried over	0,00	4,63	0,00	0,00	313,58	20,90	339,11 (1)
Appropriations available	10.684,41	6.710,74	3.374,10	451,28	2.915,78	271,80	24.408,11 (2)
Implementation	10.566,05	5.125,25	3.348,33	451,23	2.666,65	111,92	22.269,43
Rate of implementation	99%	76%	99%	100%	91%	41%	91%
Appropriations not implemented	118,36	1.585,49	25,77	0,05	249,13	159,88	2.138,68
Appropriations carried over early 1996	0,00	4,32	0,00	0,00	20,41	45,88	70,63
Decommitments without reconstitutions							5,44
Appropriations reentered in the budget for subsequent years	118,06	1.584,79	25,58	0,22	228,71	115,42	2.072,78
Decommitments	283,75	99,28	28,66	48,49	31,34	42,03	533,56

(1) including ECU 7.5 million blocked at 31 March 1995.

(2) ECU 24 400.6 million after deduction of the ECU 7.5 million blocked.

Table 111: Implementation of appropriations in 1995 (excluding carry-overs from 1994 to 1995 and appropriations made available again - ECU million)

Budget headings	Appropriations available (A)		Utilization of appropriations (B)		Appropriations carried over to 1996 (C)		Appropriations not implemented	
	Commitments	Payments	Commitments	Payments	Commitments	Payments	Commitments	Payments
Objective 1	15 190,88	12.550,17	14.517,77	11 877,54	0,00	116,00	673,11	556,62
Objective 2	1.978,20	2.252,60	1 734,74	1 091,05	0,00	20,50	243,46	1.141,05
Objective 3	2 013,51	1.756,76	1 606,59	1 474,72	4,32	73,00	402,59	209,03
Objective 4	365,39	188,20	94,50	54,11	0,00	0,00	270,89	134,08
Objective 5(a) agriculture (excluding Objectives 1 & 5(b))	296,76	402,03	282,60	316,64	0,00	44,50	14,16	100,89
Objective 5(a) agriculture (in Objective 5(b))	384,72	295,50	373,31	288,26	0,00	12,39	11,41	-5,15
Objective 5(a) fisheries	178,97	134,60	178,97	91,63	0,00	0,00	0,00	42,97
Objective 5(b)	680,80	948,00	571,86	437,85	0,00	0,00	108,94	511,05
Objective 6	125,92	76,24	125,92	62,96	0,00	0,00	0,00	13,28
Transitional and innovative measures	250,90	376,65	93,90	183,87	38,74	10,00	118,26	182,78
Community Initiatives	2 602,20	2 107,15	2.357,71	1 320,06	20,41	184,36	224,08	602,73
Anti-fraud	0,75	0,77	0,06	0,13	0,00	0,00	0,69	0,64
Former GDR	-	52,00	0,00	16,01	0,00	113,00	0,00	-77,07
TOTAL	24.069,00	21.201,55	21.937,92	17.214,84	63,47	573,81	2.067,61	3.412,90

Taking all the assistance and all the Funds together, during 1995 the Commission committed ECU 21 938 million and paid ECU 17 215 million from the 1995 appropriations. In addition, ECU 331.6 million was committed from appropriations carried over from the previous year. These figures should be compared with the ECU 24 069 million available for commitment appropriations (ECU 24 408 million including carryovers) and the ECU 21 202 million available for payment appropriations.

In all, ECU 2 131 million in commitment appropriations (ECU 2 139 million including carryovers) and ECU 3 987 million in payment appropriations remained unused. Of these appropriations, ECU 63.5 million in commitment appropriations and ECU 573.8 million in payment appropriations were carried over to the 1996 budget and ECU 2 072 million in commitment appropriations will be entered in budgets for later years.

Table 112: Implementation of appropriations in 1995 by budget heading (excluding carry-overs and appropriations made available again)

	Number	Heading	Commitments	Payments
CSF				
EAGGF	B2-100	CSF		
	B2-1000	Objective 1	2.395.179.999	1.694.819.384
	B2-1001	Objective 5(a) (excluding 1 and 5(b) areas)	282.599.220	316.643.872
	B2-1002	Objective 5(a) (in 5(b) areas)	373.305.787	288.255.362
	B2-1003	Objective 5(b)	249.500.000	207.015.401
	B2-1004	Objective 6	47.740.000	23.870.000
	B2-1010	Anti-fraud	10.000	7.500
	Total EAGGF			3.348.335.006
FIFG	B2-110	CSF		
	B2-1100	Objective 1	270.833.000	155.710.334
	B2-1101	Objective 5(a)	178.967.000	91.628.181
	B2-1102	Objective 6	1.430.000	715.000
	B2-1110	Anti-fraud	-	-
Total FIFG			451.230.000	248.053.514
ERDF	B2-120	CSF		
	B2-1200	Objective 1	8.960.795.036	7.377.713.350
	B2-1201	Objective 2	1.332.611.700	815.617.460
	B2-1202	Objective 5(b)	228.388.044	156.122.460
	B2-1203	Objective 6	44.260.000	22.130.000
	B2-1210	Anti-fraud	30.000	37.106
Total ERDF			10.566.084.780	8.373.620.376
ESF	B2-130	CSF		
	B2-1300	Objective 1	2.890.964.235	2.647.301.618
	B2-1301	Objective 2	402.127.449	275.434.338
	B2-1302	Objective 3	1.606.593.025	1.474.721.111
	B2-1303	Objective 4	94.500.000	54.111.428
	B2-1304	Objective 5(b)	93.970.958	74.715.824
	B2-1305	Objective 6	32.490.000	16.245.000
	B2-131	Anti-fraud	19.000	81.000
Total ESF			5.120.664.667	4.542.610.319
COMMUNITY INITIATIVES				
PESCA	B21400	Pesca (restructuring the fisheries sector)		
	B21400	ESF	964.000	482.000
	B21400	FIFG	20.760.036	1.564.518
	B21400	ERDF	6.552.899	3.276.449
	Total Pesca			28.276.935
INTERREG	B2141	Inter-regional cooperation		
	B21410	ESF	4.745.000	2.372.500
	B21410	EAGGF	7.010.000	4.030.200
	B21410	FIFG	-	-
	B21410	ERDF	334.460.500	218.259.850
Total INTERREG			346.215.500	224.662.550

	Number	Heading	Commitments	Payments
PEACE	B21412	ESF	10.963.000	5.481.500
	B21412	EAGGF	1.271.000	635.500
	B21412	FIFG	137.000	68.500
	B21412	ERDF	15.014.000	7.507.000
	Total PEACE			27.385.000
NOW	B2142	Employment and the development of human resources		
	B21420	ESF	26.728.815	13.364.407
	B21420	ERDF	1.626.298	713.149
	Total NOW			28.355.113
HORIZON	B21421	ESF	51.908.658	25.954.329
	B21421	ERDF	3.110.964	1.455.482
	Total HORIZON			55.019.622
YOUTH START	B21422	ESF	22.813.724	11.406.861
	B21422	ERDF	1.463.454	731.727
	Total YOUTHSTART			24.277.178
ADAPT	B21423	ESF	297.622.306	147.600.000
	B21423	ERDF	10.041.768	5.020.884
	Total ADAPT			307.664.074
RECHAR	B2143	Industrial restructuring		
	B21430	ESF	23.002.000	11.501.000
	B21430	ERDF	148.660.161	63.672.168
	Total RECHAR			171.662.161
RESIDER	B21431	ESF	11.258.000	5.629.000
	B21431	ERDF	143.470.500	71.390.850
	Total RESIDER			154.728.500
KONVER	B21432	ESF	10.654.000	5.327.000
	B21432	ERDF	227.568.000	82.004.885
	Total KONVER			238.222.000
RETEX	B21433	ESF	2.047.000	1.023.500
	B21433	ERDF	162.776.410	74.335.571
	Total RETEX			164.823.410
REGIS	B2144	REGIS II (most remote regions)		
	B21440	EAGGF	-	-
	B21440	FIFG	-	-
	B21440	ERDF	36.777.000	22.020.400
	Total REGIS			36.777.000
URBAN	B2145	URBAN (rural areas)		
	B21450	ESF	14.285.177	7.142.588
	B21450	ERDF	121.611.382	46.574.610
	Total URBAN			135.896.559
LEADER	B2146	LEADER II (rural development)		
	B21460	ESF	2.965.637	2.882.818
	B21460	EAGGF	221.085.705	67.106.871
	B21460	ERDF	217.026.189	62.719.602
	Total LEADER			441.077.531
SME	B2147	SME Initiative		
	B21470	ESF	13.937.000	6.968.500
	B21470	ERDF	183.390.000	60.739.701
	Total PME			197.327.000
Community Initiatives		ESF	493.894.317	247.136.003
		EAGGF	229.366.705	71.772.571
		FIFG	20.897.036	1.633.018
		ERDF	1.613.549.525	720.422.327
	Total Community Initiatives			2.357.707.583

	Number	Heading	Commitments	Payments
OTHER ASSISTANCE				
EARLIER MEASURES (*)	B2148	ESF	0	51.654.647
	B2148	EAGGF	0	19.827.041
	B2148	ERDF	0	207.616.049
	B2148	Reserve	0	0
	Total Earlier measures (*)			0
Transitional and innovative measures	B2-180	EAGGF	10.867.167	42.062.926
	B2-181	FIFG	13.371.419	12.772.210
	B2-182	ERDF	30.980.969	82.322.392
	B2-183	ESF	38.677.505	46.709.165
	Total Transitional and innovative measures			93.897.060
Former GDR	B21900	ESF	0	0
	B21900	EAGGF	0	14.938.560
	B21900	FIFG	0	1.073.579
	B21900	ERDF	0	0
	B21900	Reserve	0	0
Total Former GDR			0	16.012.139

(*) Payments for 1989-93

Table 113: Commitments in 1995 (excluding carry-overs and appropriations made available again - ECU million)

	TOTAL	CSF							Total CSF	Transitional measures	Community Initiatives	%
		Obj. 1	Obj. 2	Obj. 3	Obj. 4	Obj. 5(a)	Obj. 5(b)	Obj. 6				
Total available	24.068,25 (1)	15 190,88	1.978,20	2 013,51	365,39	860,45	680,80	125,92	21 215,15 (1)	250,90	2.602,20	-
Total implemented	21.937,86 (2)	14.517,77	1.734,74	1.606,59	94,50	834,87	571,86	125,92	19.486,26 (2)	93,90	2.357,71	100%
%	91,15%	96%	88%	80%	26%	97%	84%	100%	92%	37%	91%	-
ERDF	12.210,59 (2)	8 960,80	1.332,61	-	-	-	228,39	44,26	10 566,05 (2)	30,98	1 613,55	56%
ESF	5.653,22 (2)	2 890,96	402,13	1 606,59	94,50	-	93,97	32,49	5 120,65 (2)	38,68	493,89	26%
EAGGF	3.588,56 (2)	2 395,18	-	-	-	655,91	249,50	47,74	3 348,33 (2)	10,87	229,37	16%
FIFG	485,50	270,83	-	-	-	178,97	-	1,43	451,23	13,37	20,90	2%
%	100%	66%	8%	7%	0%	4%	3%	1%	89%	0%	11%	-

(1) Not including ECU 750 000 available for anti-fraud measures

(2) Not including ECU 59 000 committed for anti-fraud measures (ERDF: ECU 30 000, ESF: ECU 19 000, EAGGF: ECU 10 000)

In terms of programming, 1995 saw the adoption of the Community Initiative programmes, programmes for the new Member States and a few programmes still to be adopted for the various Objectives. However, these new commitments did not account for the bulk of budget implementation in 1995, which was rather the reflection of the implementation of the national initiative assistance programmes (CSFs/SPDs) decided on in 1994. The fact that implementation was spread over two years explains the failure to use all the commitment appropriations, with 91% (ECU 21 938 million) of the appropriations available used in the current programming period. The preparation and adoption of the programming documents towards the end of 1994 had an impact on budget implementation in 1995, since the requirement that 40% of the annual instalment for the previous year has to be used before the next annual instalment can be committed generates a degree of inertia, with lack of implementation in 1994 acting as a drag on 1995. This inertia is amplified by the system of SPDs under which, while it is true that the first annual instalment can be committed more quickly, the amounts in question are greater than those in CSF operational programmes so that a higher level of implementation has to be achieved before the next instalment can be committed.

Implementation varies considerably from one Objective to another. Only Objective 6 was fully implemented, through the adoption of a very small number of programmes. Over 95% of the appropriations for Objectives 1 and 5(a) were committed and Objectives 2 and 5(b) were around the 85% mark. Only Objectives 3 and 4 encountered substantial difficulties in implementing the commitment appropriations (80% and 26% respectively). However, in general terms these were largely

offset by the fact that Objective 1, for which the rate of commitment in 1995 was fairly satisfactory with ECU 673 million out of ECU 15 190 million remaining unused, by itself accounts for two thirds of commitments for 1995, with the share taken by the other Objectives ranging from 0.4% (Objective 4) to 8% (Objective 2).

Turning to other assistance, total commitment appropriations for the Community Initiatives (excluding appropriations carried over and made available again) totalled ECU 2 358 million, leaving ECU 244.5 million (9% of the appropriations available in 1995) unused. This made up to a considerable extent for the delay in 1994, as can be seen from the proportion of commitments for 1995 represented by the Community Initiatives (almost 11%).

Table 114: Payments in 1995 (excluding carry-overs and appropriations made available again - ECU million)

	TOTAL	CSF							Total CSF	Transitional measures	Community Initiatives	%
		Obj. 1	Obj. 2	Obj. 3	Obj. 4	Obj. 5(a)	Obj. 5(b)	Obj. 6				
Total available	20.678,79 (1)	12.550,17	2.252,60	1.756,76	188,20	892,13	948,90	76,24	18 664,99 (1)	376,65	1.585,15	
Total implemented	16.919,60 (2)	11.877,54	1.091,05	1.474,72	54,11	696,53	437,85	62,96	15.694,77 (2)	183,87	1.040,96	100%
%	81,82%	95%	48%	84%	29%	78%	46%	83%	84%	49%	66%	
ERDF	9.176,33 (2)	7 379,71	815,62	-	-	-	156,12	22,13	8 373,58 (2)	82,32	720,42	54%
ESF	4.836,37 (2)	2.647,30	275,43	1.474,72	54,11	-	74,72	16,25	4 542,53 (2)	46,71	247,14	29%
EAGGF	2.644,44 (2)	1.694,82	-	-	-	604,90	207,02	23,87	2 530,60 (2)	42,06	71,77	16%
FIFG	262,46	155,71	-	-	-	91,63	-	0,72	248,05	12,77	1,63	2%
	100%	70%	6%	9%	0%	4%	3%	0%	93%	1%	6%	

(1) Excluding ECU 765 000 for anti-fraud measures and ECU 522 million in the reserve for earlier measures

(2) Excluding ECU 126 000 for anti-fraud measures (ERDF: ECU 37 000, ESF: ECU 81 000, EAGGF: ECU 8 000), ECU 279 098 000 in the reserve for earlier measures and ECU 16 012 000 for the former GDR.

Payment appropriations implemented in 1995 totalled ECU 16 920 million, 82% of the ECU 20 679 million available. Appropriations unused therefore totalled ECU 3 759 million. This means that implementation of programmes is still fairly poor in view of the fact that they had only been adopted over the period end-1994 to 1995. It should be stressed that Community payments reflect the implementation of programmes at national level since, when the programme has been adopted, the corresponding annual instalment committed and the first advance paid, the Commission cannot make a second payment until the Member State can certify that expenditure amounting to at least half the first advance has actually been incurred by the final beneficiaries. In the case of programmes adopted in mid-1995 or at the end of the year it was therefore difficult to make the payments originally entered in the budget.

Rates of payment vary much more between the various Objectives than do rates of commitment. Only in the case of Objective 1 did the rate of implementation of available appropriations approach 95%. Those for the other Objectives either hovered around 80% (Objectives 3, 5(a) and 6) or fell below 50% (Objectives 2 and 5(b)) or even 30% (Objective 4). Once again, the fact that Objective 1 accounts for 70% of all payment appropriations explains the overall rate of implementation of 82%. Implementation of payment appropriations for the Community Initiatives (66%) reflects the fact that 1995 was the year when the programmes were approved and actual implementation had not yet begun fully.

The above paragraphs refer to the implementation of appropriations for the second programming period entered in the 1995 budget for the first time, that is, excluding appropriations carried over and made available again. However, appropriations carried over and made available again from 1994 to 1995¹ represent only a limited proportion of total budget implementation (ECU 339.1 million). They comprise

¹ Usually, commitment or payment appropriations not implemented at the end of the financial year for which they have been entered are cancelled. However, a decision to carry them over, to the next financial year only, may be taken in the following cases: for commitment appropriations, when they relate to commitments which are going to be made before 31 March of the following year; for payment appropriations, when the appropriations authorized are exhausted. Furthermore, commitments not used in a particular year are normally decommitted, which means they are cancelled. However, commitment appropriations may be made available again in order to carry out the programme originally planned.

ECU 4.6 million for the ESF under Objective 2 (fully implemented) and, more importantly, ECU 313.6 million for the Community Initiatives (ERDF: ECU 268.9 million; ESF: ECU 18.3 million; EAGGF: ECU 20.6 million; FIFG: ECU 1.2 million) with ECU 20.9 million (ESF: ECU 18 million) for innovative and transitional measures. In total, during 1995 ECU 331.6 million out of a total of ECU 339.1 million (98%) was committed from appropriations carried over or made available again.

A considerable volume of payments was also made for assistance decided on before 1994, i.e. corresponding to the first programming period (1989-93) or even earlier. These totalled ECU 1 835 million, of which ECU 1 551 million corresponds to commitments for 1989-93. These are payments still being made normally for the completion of assistance under the first period. It should be noted that, while commitments for that assistance had to be made before the end of 1993 (unless the programmes were extended), the Member States normally had two years (up to 31 December 1995) to make payments to the final beneficiaries and a further six months (up to 30 June 1996) to send certificates of expenditure to the Commission. The Commission's payments in 1995 reflect the closure of programmes from the first programming period.

Table 115: Payments in 1995 in respect of assistance prior to the second programming period (including carry-overs and appropriations made available again - ECU million)

	OBJECTIVE 1					OBJECTIVE 2			OBJ. 3	OBJECTIVE 5(a)			
	ERDF	ESF	EAGGF	Fisheries	Total	ERDF	ESF	Total	ESF	EAGGF	Fisheries	Total	
< 1994	750,81	279,99	(1)	75,50	1,086,30 (2)	224,25	21,00	245,25	198,11	(1)	8,50	8,50 (2)	
1989-1993	549,09	278,00	133,40	15,88	976,37	224,25	20,53	244,78	198,11		49,5	8,05	57,55
B	-	-	-	-	-	15,41	3,39	18,80	16,89	4,2	0,07	4,27	
DK	-	-	-	-	-	0,44	0,29	0,73	17,36	0,0	0,10	0,10	
D	0,00	5,20 (3)	30,00 (3)	1,10 (3)	36,30	80,65	5,21	85,86	27,22	5,9	1,27	7,17	
EL	34,84	0,00	25,90	0,92	61,65	-	-	-	-	-	-	-	
E	80,05	90,88	41,80	6,83	219,55	17,85	0,15	18,01	14,11	1,1	1,80	2,90	
F	50,83	13,14	13,40	0,00	77,37	23,25	11,01	34,26	0,00	20,7	0,00	20,70	
IRL	0,03	0,27	9,50	4,71	14,50	-	-	-	-	-	-	-	
I	242,74	91,49	8,60	0,75	343,58	14,73	0,49	15,21	83,84	11,6	0,00	11,60	
L	-	-	-	-	-	5,19	0,00	5,19	0,00	0,1	0,00	0,10	
N	-	-	-	-	-	9,19	0,00	9,19	0,00	2,8	1,28	4,08	
P	139,73	77,03	2,30	1,25	220,31	-	-	-	-	-	-	-	
UK	0,86	0,00	1,90	0,34	3,10	57,53	0,00	57,53	38,70	3,1	3,53	6,63	

	OBJECTIVE 5(b)				TOTAL (4)				
	ERDF	ESF	EAGGF	Total	ERDF	ESF	EAGGF	Fisheries	Total
< 1994	20,86	17,32	(1)	38,17 (2)	975,92	516,42	221,70	82,92	1,835,13
1989-1993	20,86	17,31	36,10	74,27	794,19	513,96	219,00	23,93	1,351,09
B	1,05	0,96	2,80	4,81	16,47	21,23	7,00	0,07	44,77
DK	0,21	0,00	0,00	0,21	0,65	17,65	0,00	0,10	18,40
D	0,45	10,70	3,60	14,76	81,11	48,33	39,50	2,37	171,31
EL	-	-	-	-	34,84	0,00	25,90	0,92	61,65
E	0,28	1,26	2,20	3,73	98,18	106,39	45,10	8,63	258,31
F	2,93	3,78	17,80	24,51	77,01	27,93	51,90	0,00	156,84
IRL	-	-	-	-	0,03	0,27	9,50	4,71	14,50
I	12,46	0,62	8,10	21,18	269,93	176,43	28,30	0,75	475,41
L	0,00	0,00	0,00	0,00	5,19	0,00	0,10	0,00	5,29
N	0,90	0,00	1,60	2,50	10,10	0,00	4,40	1,28	15,78
P	-	-	-	-	139,73	77,03	2,30	1,25	220,31
UK	2,57	0,00	0,00	2,57	60,96	38,70	5,00	3,87	108,52

(1) It is not possible to break down by Objective EAGGF payments in respect of commitments before 1989.

(2) Excluding EAGGF payments (see above)

(3) Former GDR (heading B2-1900)

(4) No payment was made under Objective 4

Table 116: Appropriations outstanding at 31 December 1995 (ECU million)

	Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(a)	Obj.5(b)	Obj.6	Total Objectives	Community Initiatives	Transit measures	Former GDR	Anti-fraud	TOTAL end 1995	%
Total outstanding commitments end 1995	13,776,36	2,694,83	1,484,88	174,95	974,19	923,10	62,96	20,091,27	2,704,65	377,58	254,32	0,05	23,427,87	100%
ERDF	8 723,20	2 202,91	-	-	-	377,22	22,13	11 325,46						
ESF	2 631,38	491,92	1 484,88	174,95	-	143,44	16,25	4 942,83						
EAGGF	1 828,05	-	-	-	784,73	402,44	23,87	3 039,09						
FIFG	591,72	-	-	-	189,46	-	0,72	783,90						
1995 commitments outstanding	7,539,44	1,092,77	635,63	68,22	617,29	332,00	62,96	10,348,31	1,608,77	51,46	0,00	0,02	12,008,56	51%
ERDF	4 682,46	838,39	-	-	-	136,31	22,13	5 679,29						
ESF	1 345,99	254,38	635,63	68,22	-	50,85	16,25	2 371,31						
EAGGF	1 262,87	-	-	-	491,83	144,84	23,87	1 923,41						
FIFG	248,12	-	-	-	125,46	-	0,72	374,29						
1994 commitments outstanding	2,021,43	828,96	313,84	106,74	192,49	118,89	-	3,582,34	120,22	86,69	0,00	0,03	3,789,28	16%
ERDF	1 415,48	718,46	-	-	-	90,00	-	2 223,93						
ESF	367,73	110,51	313,84	106,74	-	28,89	-	927,70						
EAGGF	174,78	-	-	-	151,81	-	-	326,58						
FIFG	63,45	-	-	-	40,68	-	-	104,13						
Commitments from before 1994 outstanding	4,215,49	773,10	535,41	0,00	164,41	472,22	-	6,160,63	975,66	239,42	254,32	0,00	7,630,03	33%
ERDF	2 625,26	646,06	-	-	-	150,91	-	3 422,24						
ESF	917,67	127,03	535,41	0,00	-	63,70	-	1 643,82						
EAGGF	390,40	-	-	-	141,09	257,61	-	789,10						
FIFG	282,16	-	-	-	23,32	0,00	-	305,48						

The increase in commitment appropriations available arising both from the Edinburgh undertakings and carryovers from 1994, and the failure to use all the payment appropriations has an immediate impact on the payment appropriations outstanding at the end of the year. The rate of settlement in 1995 was 46%, as compared with 54% in 1994, which means that total appropriations outstanding rose from ECU 15 000 million in 1993 to ECU 23 428 million in 1995. However, the increase was due to a lower rate of settlement during the current year (1995, but this is also true for 1994) rather than a slowdown in the settlement of appropriations committed in previous years. At the end of 1995, when the programmes were being closed, outstanding appropriations relating to the first programming period amounted to one third. As a result of the closure in 1995 of a very large number of programmes from the first period, the rate of settlement of appropriations committed in previous years has increased. Taking all Objectives and Funds together, payments have been made in respect of 85% of the appropriations committed in 1992 and 1993.

The shares of each Fund in the total appropriations outstanding at the end of 1995 are as follows: ERDF: 56%; ESF: 25%; EAGGF: 15%; FIFG 4%. These figures are fairly similar to those for 1994 (ERDF: 56%; ESF: 27%; EAGGF: 13%; FIFG 4%). They differ, however, from those for the first programming period in that the share of the ERDF has fallen considerably (from 68% in 1989 and 56% in 1993) while that of the EAGGF has increased (from 11% in 1989 and 13% in 1993). The share of the ESF rose between 1989 and 1995 but fell between 1993 and 1995 (20% in 1989, 27% in 1993); this was also true of appropriations for fisheries (0.5% in 1989, 5% in 1993).

1.2. Implementation of each Fund in 1995 in the context of 1994-99

The aim of this section is to look at the implementation of appropriations for 1994-99 excluding implementation for previous years. It therefore includes appropriations not implemented in 1994 and carried over to the 1995 budget.

The share of each Fund in the total implementation of the Structural Funds varies slightly depending on the type of appropriations even though the proportions remain the same (see Tables 113 and 114). The share of the ERDF is about 55% but is slightly higher in the case of commitment appropriations (55.7%) and slightly lower for payment appropriations (54.2%). The position with regard to the EAGGF is similar: its share in the work of the Structural Funds is about 16%, 16.4% for commitment appropriations and 15.6% for payment appropriations. The same is true of the FIFG (2.2% for commitment appropriations, 1.5% for payment appropriations). By contrast, the ESF has proved more dynamic in implementing payments (28.6% of the Funds as a whole) than commitments (25.8% of the Funds as a whole).

Table 117: Implementation in 1995 for the period 1994-99 (including carry-overs and appropriations made available again - ECU million)

	Available 1995 (1) (a)	Commitments 1995								Total (2) (b)
		Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(a)A	Obj.5(a)F	Obj.5(b)	Obj.6	
Total	21.219,78	14.513,10	1.739,37	1.567,90	94,50	655,07	177,02	571,86	125,92	19.444,74
% (2)/(1)										92%
B		8,97	4,63	33,39	-	30,23	-	9,16	-	86,38
DK		-	6,00	41,00	5,00	16,73	23,28	3,36	-	95,37
D		2.022,55	38,01	48,22	-	165,14	12,46	135,77	-	2.422,15
EL		2.653,04	-	-	-	-	-	-	-	2.653,04
E		4.778,90	659,21	206,97	62,70	21,09	19,90	88,58	-	5.837,35
F		222,47	313,09	396,80	-	252,08	31,62	110,46	-	1.326,52
IRL		954,21	-	-	-	-	-	-	-	954,21
IT		2.228,63	-	-	-	-	22,37	31,50	-	2.282,50
L		-	-	3,29	0,27	5,47	0,89	-	-	9,92
N		17,20	9,15	143,83	-	4,88	1,40	7,31	-	183,77
AT		28,80	54,15	64,06	11,70	61,50	2,00	78,33	-	300,54
P		1.379,72	-	-	-	-	-	-	-	1.379,72
FI		-	31,10	60,33	14,83	61,42	23,00	32,81	81,00	304,49
SE		-	105,78	73,00	-	13,73	40,00	-	44,92	277,43
UK		218,60	518,25	497,00	-	22,80	0,11	74,59	-	1.331,35

	Available 1995 (1) (c)	Payments 1995								Total (2) (d)
		Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(a)A	Obj.5(a)F	Obj.5(b)	Obj.6	
Total	18.932,14	10.794,61	885,91	1.349,82	54,11	554,63	81,02	363,41	62,96	14.146,47
% (2)/(1)										75%
B		29,57	11,75	42,33	-	12,74	1,29	4,58	-	102,26
DK		-	8,35	39,04	2,50	16,49	18,63	2,45	-	87,46
D		1.251,97	32,52	104,48	-	160,90	9,93	71,21	-	1.631,01
EL		1.705,79	-	-	-	-	-	-	-	1.705,79
E		3.779,30	447,96	169,65	38,13	27,64	-	81,69	-	4.544,37
F		140,37	145,06	312,88	-	242,14	25,31	76,57	-	942,33
IRL		856,47	-	-	-	-	-	-	-	856,47
IT		1.176,13	-	-	-	-	-	15,75	-	1.191,88
L		-	-	4,00	0,21	2,01	-	0,21	-	6,43
N		9,56	12,30	142,57	-	1,96	2,33	9,45	-	178,17
AT		14,40	21,42	32,03	5,85	30,75	0,20	39,16	-	143,81
P		1.667,23	-	-	-	-	-	-	-	1.667,23
FI		-	15,55	30,17	7,42	30,71	6,90	15,94	40,50	147,19
SE		-	38,06	36,50	-	6,86	12,00	-	22,46	115,88
UK		163,81	152,96	436,17	-	22,43	4,43	46,39	-	826,18

(a) Not including ECU 750 000 in appropriations available for anti-fraud measures.

(b) Not including ECU 59 000 in commitment appropriations for anti-fraud measures.

(c) Not including ECU 765 000 in appropriations available for anti-fraud measures and a reserve of ECU 522 million for prior measures.

(d) Not including ECU 126 000 in payment appropriations for anti-fraud measures, a reserve of ECU 279 098 000 for prior measures and ECU 16 012 000 for the former GDR.

ERDF

Table 118: ERDF implementation in 1995 for the period 1994-99 (including carry-overs and appropriations made available again - ECU million)

	Commitments 1995						%	Payments 1995				
	Available (1)	Obj.1	Obj.2	Obj.5(b)	Obj.6	Total (2)		(2)/(1)	Obj.1	Obj.2	Obj.5(b)	Obj.6
Obj.1	9.021,26	8.960,80	-	-	-	8.960,80	99%	6.651,15	-	-	-	6.651,15
Obj.2	1.332,64	-	1.332,61	-	-	1.332,61	100%	-	611,01	-	-	611,01
Obj.5(b)	285,95	-	-	228,39	-	228,39	80%	-	-	135,13	-	135,13
Obj.6	44,26	-	-	-	44,26	44,26	100%	-	-	-	22,13	22,13
Total (*)	10.684,11					10.566,06	99%					7.419,42
B		1,97	0,00	4,82	-	6,79		20,77	9,43	2,41	-	32,61
DK		-	6,00	3,36	-	9,36		-	8,35	2,45	-	10,80
D		921,90	20,33	49,48	-	991,71		452,44	15,63	15,54	-	483,61
EL		1.812,99	-	-	-	1.812,99		1.131,50	-	-	-	1.131,50
E		3.202,10	545,10	25,22	-	3.772,42		2.517,66	395,86	26,00	-	2.939,51
F		96,22	261,90	45,02	-	403,14		37,65	98,97	27,77	-	164,38
IRL		498,13	-	-	-	498,13		391,45	-	-	-	391,45
I		1.558,98	0,00	12,41	-	1.571,39		878,35	0,00	6,20	-	884,55
L		-	0,00	0,00	-	0,00		-	0,00	0,21	-	0,21
N		10,00	0,09	1,94	-	12,03		4,29	7,77	7,40	-	19,46
AT		19,96	38,91	33,34	-	92,21		9,98	13,80	16,67	-	40,45
P		709,83	-	-	-	709,83		1.123,93	-	-	-	1.123,93
FI		-	24,80	16,03	22,40	63,23		-	12,40	7,78	11,20	31,38
SE		-	83,22	0,00	21,86	105,08		-	26,78	0,00	10,93	37,71
UK		128,71	352,26	36,78	-	517,75		83,14	22,03	22,68	-	127,85

(*) Not including ECU 300 000 in available appropriations ECU 30 000 in commitments and ECU 37 000 in payments for anti-fraud measures.

Total implementation of ERDF appropriations in 1995 amounted to ECU 12 211 million in commitments and ECU 9 176 million in payments (see Tables 113 and 114). For the CSFs/SPDs (budget heading B2-120), it amounted to ECU 10 566 million in commitment appropriations and ECU 8 374 million in payment appropriations, rates of implementation of 99% and 87% of the total allocations (after adoption of the supplementary and amending budget and transfers of appropriations). Some of these payment appropriations relate to periods prior to 1994. Payments for 1994-99 alone amounted to ECU 7 419 million. The operations concerning the CSFs/SPDs accounted for 87% of the commitment appropriations and 91% of the payment appropriations in the ERDF.

A significant proportion of the commitments in 1995 arose directly from the adoption of new forms of assistance, mainly in Italy and the three new Member States. However, by the end of 1995 virtually all the assistance planned for Objectives 1, 2 and 6 had been adopted. Implementation of Objective 1 had made good progress, as reflected by a high capacity to absorb commitment appropriations (over 99% of the available appropriations). The initial allocation of commitment appropriations (including the supplementary budget) to the heading for the ERDF (B2-1200) was boosted by a further ECU 627 million from ERDF allocations available in the headings for other Objectives (2, 5(b) and 6). In contrast, the original allocations for the ERDF under the other Objectives proved excessive. Hence, besides the transfer for Objective 1 mentioned above, a transfer of ECU 130 million was made from Objective 2 to the Leader Initiative as part of the annual general transfer process.

In the case of payment appropriations, Objective 1 accounted for ECU 6 651 million during the period 1994-99; there too, the implementation rate was 99% of the appropriations available. However, the lower capacity for absorption of payment appropriations of Objectives 2 and 5(b) and the lack of alternative outlets meant that ECU 1 253 remained unused at the end of the year.

In the case of the Community Initiatives, implementation of ERDF appropriations (budget heading B2-14), including appropriations carried over and made available again, amounted to ECU 1 882 million in commitments and ECU 928 million in payments, 96% and 70% respectively of the total allocations after the supplementary and amending budget and transfers. Taking appropriations for 1995 alone (excluding appropriations carried over and made available again), the Community Initiatives represented ECU 1 614 million in commitments (13% of the activity of the ERDF) and ECU 720.4 million in payments (8%).

All the commitment appropriations in the ERDF allocations for regional Initiatives (Interreg, Peace, Regis, the industrial conversion Initiatives, Urban, SMEs) were implemented and, with a few exceptions, all the commitments reflected the adoption of new programmes. A large volume of these commitments arose from assistance for which a single commitment was made (programmes for which assistance amounted to less than the prescribed limit of ECU 40 million). This significantly increased the capacity to absorb commitment appropriations and resulted in an increase in the ERDF allocation of ECU 552 million, partly through the annual general transfer which released appropriations from the headings for the CSFs/SPDs but, mainly through transfers within the Community Initiatives chapter from allocations to the ESF. In the case of the Employment and Adapt Initiatives, it should be noted that ERDF participation in these programmes was lower than expected when the budget was drawn up so that ERDF allocations in both commitment and payment appropriations proved excessive.

The initial allocation of payment appropriations for the Community Initiatives in 1995 was too high because very few programmes were adopted in 1994 so that commitment appropriations were underused in that year. This meant that only part of the commitment appropriations for 1994 could be used and this had an effect on the payment appropriations for 1995.

Implementation of transitional measures and ERDF innovative measures in 1995 (budget heading B2-1820) amounted to ECU 31 million in commitment appropriations and ECU 82.3 million in payment appropriations, 23% and 40% respectively of the original allocation (after the amending budget and transfers). This budget heading finances measures adopted by the Commission under Articles 7 and 10 of the ERDF Regulation and Article 16 of the Coordination Regulation. To ensure the greatest possible transparency in the adoption of these measures, the Commission decided in 1995 to apply a specific procedure.² However, late adoption of the procedure meant that the calls for projects had to be held over to 1996 and so the appropriations for those measures could not be used in 1995.

ESF

Table 119: ESF implementation in 1995 for the period 1994-99 (including carry-overs and appropriations made available again - ECU million)

	Commitments 1995							%	Payments 1995							
	Available (1)	Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(b)	Obj.6		Total (2)	(2)/(1)	Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(b)	Obj.6
Obj.1	3503,61	2 886,29	-	-	-	-	-	2.886,29	82%	2.470,76	-	-	-	-	-	2.470,76
Obj.2	650,19	-	406,76	-	-	-	-	406,76	63%	-	274,90	-	-	-	-	274,90
Obj.3	2013,51	-	-	1 567,90	-	-	-	1.567,90	78%	-	-	1 349,82	-	-	-	1.349,82
Obj.4	365,39	-	-	-	94,50	-	-	94,50	26%	-	-	-	54,11	-	-	54,11
Obj.5(b)	145,35	-	-	-	-	93,97	-	93,97	65%	-	-	-	-	57,40	-	57,40
Obj.6	32,49	-	-	-	-	-	32,49	32,49	100%	-	-	-	-	-	16,25	16,25
Total (*)	6710,54	-	-	-	-	-	-	5.081,91	76%	-	-	-	-	-	-	4.223,24
B	0,00	4,63	33,39	0,00	1,55	-	-	39,57		7,41	2,32	42,33	0,00	0,77	-	52,83
DK	0,00	0,00	41,00	5,00	0,00	-	-	46,00		-	0,00	39,04	2,50	0,00	-	41,54
D	606,05	17,68	48,22	0,00	5,10	-	-	677,05		476,56	16,89	104,48	0,00	4,26	-	602,19
EL	368,56	-	-	-	-	-	-	368,56		253,46	-	-	-	-	-	253,46
E	837,75	114,11	206,97	62,70	5,30	-	-	1 226,83		765,90	52,10	169,65	38,13	3,21	-	1 028,99
F	115,64	51,19	396,80	0,00	29,73	-	-	593,36		95,74	46,09	312,88	0,00	18,21	-	472,92
IRL	295,13	-	-	-	-	-	-	295,13		293,97	-	-	-	-	-	293,97
I	223,39	0,00	0,00	0,00	3,27	-	-	226,66		80,79	0,00	0,00	0,00	1,64	-	82,43
L	-	0,00	3,29	0,27	0,00	-	-	3,56		-	0,00	4,00	0,21	0,00	-	4,21
N	5,00	9,06	143,83	0,00	0,92	-	-	158,81		3,46	4,53	142,57	0,00	0,46	-	151,02
AT	5,04	15,24	64,06	11,70	13,68	-	-	109,72		2,52	7,62	32,03	5,85	6,84	-	54,86
P	370,86	-	-	-	-	-	-	370,86		437,67	-	-	-	-	-	437,67
FI	-	6,30	60,33	14,83	5,18	21,10	-	107,74		-	3,15	30,17	7,42	2,59	10,55	53,88
SE	-	22,56	73,00	0,00	0,00	11,39	-	106,95		-	11,28	36,50	0,00	0,00	5,70	53,48
UK	58,87	165,99	497,00	-	29,24	-	-	751,10		53,27	130,93	436,17	-	19,42	-	639,79

(*) Not including ECU 200 000 in available appropriations, ECU 19 000 in commitments and ECU 83 000 in payments for anti-fraud measures

During 1995 the ESF implemented ECU 5 653 million in commitment appropriations and ECU 4 836 million in payment appropriations (see Tables 113 and 114). In the case of commitment appropriations, this represents a rate of 76% of the total available of ECU 6 710 million. The CSFs/SPDs for 1994-99 (budget heading B2-130) contain ECU 5 082 million in commitment appropriations (90% of the ESF's commitments in 1995). Of the total committed, ECU 4.6 million corresponds to commitments carried over from 1994 to 1995, all of which were implemented. This substantial under-implementation,

² See Chapter I.B.2 Innovative measures and technical assistance.

which varies depending on the Objective and the Member State, may be explained by the following factors:

- under-implementation of the instalment of commitments for 1995 (ECU 1 448 million) was caused primarily by delays in taking a large number of decisions and hence in implementation with consequent reprogramming to later years. In some cases, the situation was also aggravated by local problems of coordinating assistance from different Funds to multi-fund programmes;
- taking all the Objectives together, the total 1995 instalments of the original financing plans, which constitute what the ESF should have implemented without any reprogramming, amounted to ECU 6 529 million. This meant that the ECU 6 710 million entered in the 1995 budget represented a surplus of some ECU 181 million.

Under-implementation was particularly marked in Italy (28% of commitments for the 1995 instalment were implemented), Belgium (35%) and Germany (66%). These rates vary considerably from one Objective to another: only 24% of the 1995 instalment of appropriations for Objective 4 was committed in that year while the rate for Objective 1 was 86%, for Objective 3 76%, for Objective 2 74% and for Objective 5(b) 57% despite the fact that a single instalment for certain SPDs and OPs adopted in 1995 under Objectives 2 and 5(b) was committed. Only in the case of Objective 6 were the appropriations fully committed.

ECU 4 223 million in payment appropriations was committed in respect of 1994-99 (94% of total ESF payments). The overall implementation rate for the CSFs/SPDs, including payments for periods before 1994, was 81% of the appropriations available. ECU 1 117 million was not implemented.

The Community Initiatives (B2-140) contained ECU 493.9 million in ESF commitments (9% of the total) and ECU 247.1 million in payment appropriations (5%). The rate of implementation was 82% for commitment appropriations and 46% for payment appropriations. Here too, the situation varied depending on the Initiative. Among the "human resources" Initiatives, commitment appropriations for Adapt were fully implemented and payment appropriations implemented at 86% because all the programmes were adopted in 1995. In the case of Employment, only 80% of the commitment appropriations available and 32% of the payment appropriations were used, leaving ECU 26 million unused at the end of 1995. The main reason was that five programme decisions were carried over to 1996. For the other Initiatives in which the ESF was involved, the rate of implementation was only 56% for commitment appropriations and 33% for payment appropriations. The reasons are as follows:

- there are some 300 Community Initiative programmes; the ESF participates in 230 of them. With such a large number of programmes, some holdups in management and monitoring are inevitable;
- these problems are aggravated by the fact that, despite the Commission's efforts, the programmes were adopted at the end of 1995 (it proved very difficult to plan activities);
- unlike the other two Funds, the ESF Regulation requires the Member States to submit applications for assistance electronically. The departments responsible for the ESF in the Member States were informed of this late or proved reluctant to accept this requirement.

In the case of the innovative measures under Article 6 of the ESF Regulation (ECU 38.7 million, or 0.6% of total commitments), all the ECU 18 million in commitment appropriations carried over from 1994 was implemented. However, it was impossible to take the decisions required on 61 projects representing a total of ECU 26.8 million by the end of 1995 so this amount had to be carried over to 1996.

EAGGF

Table 120: EAGGF implementation in 1995 for the period 1994-99 (including carry-overs and appropriations made available again - ECU million)

	Commitments 1995						%	Payments 1995				
	Available (1)	Obj.1	Obj.5(a)	Obj.5(b)	Obj.6	Total (2)		(2)/(1)	Obj.1	Obj.5(a)	Obj.5(b)	Obj.6
Obj.1	2395,18	2.395,18	-	-	-	2.395,18	100%	1.591,42	-	-	-	1.591,42
Obj.5(a)	681,48	-	655,07	-	-	655,07	96%	-	554,63	-	-	554,63
Obj.5(b)	249,50	-	-	249,50	-	249,50	100%	-	-	170,89	-	170,89
Obj.6	47,74	-	-	-	47,74	47,74	100%	-	-	-	23,87	23,87
Total (*)	3373,90	-	-	-	-	3.347,49	99%	-	-	-	-	2.340,81
B		7,00	30,23	2,79	-	40,02		1,39	12,74	1,40	-	15,53
DK		-	16,73	0,00	-	16,73		-	16,49	0,00	-	16,49
D		482,60	165,13	81,19	-	728,92		314,87	160,90	51,41	-	527,18
EL		452,19	-	-	-	452,19		315,50	-	-	-	315,50
E		571,12	21,10	58,06	-	650,28		454,79	27,64	52,48	-	534,91
F		9,50	252,08	35,70	-	297,28		6,12	242,14	30,59	-	278,85
JRL		154,76	-	-	-	154,76		167,06	-	-	-	167,06
I		411,69	0,00	15,83	-	427,52		216,99	0,00	7,91	-	224,90
L		-	5,47	0,00	-	5,47		-	2,01	0,00	-	2,01
N		0,00	4,89	4,45	-	9,34		0,53	1,96	1,59	-	4,08
AT		3,80	61,50	31,30	-	96,60		1,90	30,75	15,65	-	48,30
P		275,10	-	-	-	275,10		86,53	-	-	-	86,53
FI		-	61,42	11,60	36,80	109,82		-	30,71	5,56	18,40	54,67
SE		-	13,72	0,00	10,94	24,66		-	6,86	0,00	5,47	12,33
UK		27,42	22,80	8,57	-	58,79		25,75	22,43	4,29	-	52,47

(*) Not including ECU 200 000 in available appropriations, ECU 10 000 in commitments and ECU 8 000 in payments for anti-fraud measures.

Commitment appropriations under the EAGGF Guidance Section implemented in 1995 amounted to ECU 3 589 million and payment appropriations to ECU 2 644 million (see Tables 113 and 114) - the implementation rates were 97% and 83% of the appropriations available. During 1995 ECU 183 million in commitment appropriations was transferred from the EAGGF to the other Funds. This concerned primarily the Community Initiatives, which had needs arising from programmes approved during the year but not known when appropriations were entered in the budget. Only a small amount (ECU 32.5 million) of payment appropriations was transferred from the EAGGF to the other Funds. Of the appropriations implemented in 1995, those for the CSFs/SPDs (B2-100) amounted to ECU 3 347 million for commitments (93% of the total for the EAGGF) and to ECU 2 530 million for payments (96%), 99% of these appropriations was committed.

Implementation left ECU 94.9 million unused. This amount concerns:

- Objective 5(a), with ECU 25.6 million (4% of the appropriations available) not used because of late approval of two marketing programmes for Austria and Italy;
- the Community Initiatives, with ECU 49 million unused including ECU 29.8 million (16% of the available appropriations) for Leader, where the rate of implementation is the consequence of certain Member States preferring to use the system of commitments in annual instalments rather than a single commitment of the whole amount although the appropriations available had been calculated on the basis of single instalments for all the Member States. In the case of the other Initiatives with which the EAGGF is concerned, appropriations allocated outstripped needs in the financing plans and, in any case, there was a delay in adopting the programmes;
- transitional measures (ECU 20.3 million or 65% of the appropriations available unused). Commitments for measures under Article 8 of the EAGGF Regulation were virtually zero (ECU 600 000 compared with forecasts of over ECU 20 million) because of delays in the prior appraisal of projects.

The rate of implementation of payment appropriations (83%, leaving ECU 553 million unused) was due to the low level of implementation of programmes in the first period, which were not closed as planned. This was true of Objective 5(b) (ECU 36.1 million paid or 16% of the ECU 228 million outstanding at the beginning of 1995) and of programmes for marketing and processing under Objective 5(a) (ECU

94 million paid or 22% of the ECU 431 million outstanding at the beginning of 1995). Because of this situation, the Commission approved an extension to the deadline for payments for these programmes.

Implementation of the EAGGF varied considerably from one Objective to another. Objective 1 is still the most important (72% of commitments under the CSFs/SPDs and 68% of payments) and overall it demonstrates a certain dynamism in the absorption of appropriations (all but two of the programmes under the CSFs were adopted in 1995), although the situation varied from one Member State to another. During 1995, the Objective 1 CSFs set the pace for implementation of EAGGF appropriations since certain Member States (Greece, Spain and Germany) submitted applications to commit the 1996 instalments, which meant that part of the unused appropriations for Objectives 5(a) and 5(b) could be committed. Implementation therefore amounted to ECU 2 395 million as against ECU 2 250 million programmed for the year.

As stated above, the Objectives with the lowest rates of implementation were Objectives 5(a) and 5(b). This was due to the fact that most of the programmes were approved in November and December 1994 and so the remainder were approved in 1995 (by the end of that year all but two programmes had been approved in the twelve Member States). This meant that the Member States could not apply for commitments and payments in respect of the 1995 instalment.

In the case of Objective 5(a), commitment appropriations amounted to ECU 655.1 million, 62% of the ECU 1 057 million in the budget. However, this rate should be seen in context since the appropriations available were calculated on the assumption that part of the EAGGF reimbursements for expenditure by the Member States in 1993 (the former programming period) would be made in 1995. In fact, all these reimbursements were made in 1994 and implementation of the 1995 budget therefore concerned only commitments for the new period. This means that implementation amounting to ECU 655.9 million should be compared with the ECU 958 million programmed for the 1995 instalment of the new programmes. This raises the rate of implementation to 68%.

This ECU 655.9 million comprises commitments under "indirect programming" (mainly Regulation (EEC) No 2328/91), which accounted for ECU 578 million, and commitments for marketing and processing measures (Regulation (EEC) No 866/90), which amounted to ECU 78 million. In the first case, appropriations for the three new Member States totalled ECU 129.7 million (22%) and those for the twelve to ECU 448.3 million (78%), or 75% of the ECU 594 million available for the twelve in 1995. The reason for this was that implementation in 1994 was lower than programmed in Spain, France, Italy and the Netherlands. Of the ECU 78 million in commitments for marketing and processing measures, only ECU 8.4 million (11%) related to commitments from the 1995 instalment (including ECU 6.9 million for Finland), while the remainder comprised commitments from the 1994 instalments for the new period which had not been approved in 1994 but were approved at the beginning of 1995.

The position with regard to the appropriations for Objective 5(b) is similar, with implementation of ECU 249.5 million (49%) of the ECU 507.5 million originally entered. Of this amount, only ECU 170 million (68%) related to commitments programmed for 1995 and ECU 42.9 million (25%) of this amount went to Austria and Finland. The remaining ECU 79.5 million committed in 1995 related to instalments programmed for 1994 and committed at the beginning of 1995 following delays in approving the programmes. The only Member States which committed the 1995 instalments were Spain, Germany (Bavaria, Hesse, Lower Saxony, Rhineland-Palatinate and Schleswig-Holstein), France (a very small number of programmes: Auvergne, Burgundy, Limousin) and the Netherlands (Friesland and Zeeland).

Implementation varies considerably from one Member State to another. Consumption of commitments was highest in Germany (ECU 728.9 million) followed by Spain (ECU 650.3 million) while in terms of payments the order was reversed (Germany: ECU 527.2 million; Spain: 534.9 million). It would, however, be premature to draw conclusions because 1994 and 1995 were years when programmes were approved at different rates depending on the Objectives and the Member States. Nevertheless, it is important to stress that the time lost in certain Member States (France for Objectives 1 and 5(b), Italy and the United Kingdom for Objective 5(b)) may well prove hard to make up in later years. A large

number of programmes for the new Member States were approved and appropriations committed in 1995 totalled ECU 231.1 million. Hence all the SPDs for Objectives 1 and 6 and all the "indirect programming" under Objective 5(a) were approved and committed while under Regulation (EEC) No 866/90 only appropriations for Finland were committed in 1995 and under Objective 5(b) commitments were made for Austria and Finland.

A large number of programmes were approved under the Leader Community Initiative; these amounted to ECU 236 million in commitments (ECU 221 million excluding appropriations carried over and made available again).

FIFG

Table 121: FIFG implementation in 1995 for the period 1994-99 (including carry-overs and appropriations made available again - ECU million)

*	Commitments 1995				%	Payments 1995				
	Available (1)	Obj.1	Obj.5(a)	Obj.6		Total (2)	(2)/(1)	Obj.1	Obj.5(a)	Obj.6
Obj.1	270,83	270,83	-	-	270,83	100%	81,27	-	-	81,27
Obj.5(a)	178,97	-	177,02	-	177,02	99%	-	81,02	-	81,02
Obj.6	1,43	-	-	1,43	1,43	100%	-	-	0,72	0,72
Total (*)	451,23	-	-	-	449,28	100%	-	-	-	163,01
B	0,00	0,00	-	-	0,00	-	0,00	1,29	-	1,29
DK	-	23,28	-	-	23,28	-	-	18,63	-	18,63
D	12,00	12,46	-	-	24,46	-	8,10	9,93	-	18,03
EL	19,30	-	-	-	19,30	-	5,34	-	-	5,34
E	167,93	19,90	-	-	187,83	-	40,96	0,00	-	40,96
F	1,11	31,62	-	-	32,73	-	0,87	25,31	-	26,18
IRL	6,19	-	-	-	6,19	-	4,00	-	-	4,00
I	34,57	22,37	-	-	56,94	-	0,00	0,00	-	0,00
L	-	0,89	-	-	0,89	-	-	0,00	-	0,00
N	2,20	1,40	-	-	3,60	-	1,28	2,33	-	3,61
AT	-	2,00	-	-	2,00	-	-	0,20	-	0,20
P	23,93	-	-	-	23,93	-	19,09	-	-	19,09
FI	-	23,00	0,70	-	23,70	-	-	6,90	0,35	7,25
SE	-	40,00	0,73	-	40,73	-	-	12,00	0,37	12,37
UK	3,60	0,11	-	-	3,71	-	1,64	4,43	-	6,07

(*) Not including ECU 50 000 in appropriations available for anti-fraud measures.

1995 was the second year of programming for the FIFG, except in the three new Member States. In order to monitor carefully the actual implementation of programmes on the spot, the Commission adopted Regulation (EC) No 1796/95 of 25 July 1995 laying down detailed rules for the implementation of assistance granted by the FIFG. All the commitment appropriations entered in the budget were used and some commitments had to be held over to the 1996 budget. Total commitments for the FIFG amounted to ECU 485.5 million (see Table 113), including ECU 449.3 under the CSFs/SPDs (93% of the work of the FIFG). Payments in 1995 amounted to ECU 262.5 million, including ECU 163 million for the CSFs/SPDs for 1994-99, 94% of FIFG payments.

In the case of the Pesca Initiative, 1995 was the second year of programming for the seven programmes adopted at the end of 1994 and the first for the others (Netherlands, France, Italy, United Kingdom). In 1995 ECU 28.2 million of the ECU 45 million in the budget was committed. The appropriations not implemented in 1995 concerned the ERDF and the ESF while those for the FIFG were committed in full (ECU 20.7 million). Only ECU 5.3 million out of ECU 31.9 million in payment appropriations was paid out (ECU 600 000 to the Netherlands, ECU 2.2 million to Italy and ECU 2.5 million to the United Kingdom). Late adoption of the programmes and complex management mechanisms may explain the low level of consumption of Pesca appropriations compared with the previous period. A solution should be found to these problems in 1996. The shortfall of ECU 24 million in commitment appropriations will have to be recovered in the budgets for 1997-99.

To simplify management, the three Objective 5(a) FIFG programmes for the new Member States were committed in a single instalment. Decisions for two other programmes were amended to permit

commitment in a single instalment. Six programmes had to be reprogrammed to take account of delays in implementing 1994. These concerned Italy (Objectives 1 and 5(a)), the United Kingdom (Objective 5(a)) and the Netherlands (Objective 5(a)). The Objective 1 programme in Germany was reprogrammed because appropriations were used more quickly than had originally been expected.

2. Implementation of programming for 1994-99

2.1. Implementation 1994-95

Table 122: Implementation in 1994-95 for the period 1994-99 (including carry-overs and appropriations made available again in 1995 - ECU million)

	Available 1994-95 (1) (a)	Commitments 1994-95									Total (2)(b)
		Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(a)A	Obj.5(a)F	Obj.5(b)	Obj.6		
Total	40.266,37	27.268,56	3.796,91	3.357,11	363,63	1.387,32	313,45	1.181,25	125,92	37.794,15	94%
B		107,00	62,16	97,76	4,63	53,03	4,08	9,16	-	337,82	
DK		-	30,29	85,00	6,00	38,67	46,59	9,79	-	216,34	
D		3.892,08	286,85	307,77	29,61	322,72	24,87	261,74	-	5.125,65	
EL		4.572,22	-	-	-	-	-	-	-	4.572,22	
E		8.317,41	659,21	426,59	118,10	77,41	39,83	162,09	-	9.800,64	
F		497,67	904,59	778,40	95,39	518,73	63,27	373,18	-	3.231,03	
IRL		1.709,66	-	-	-	-	-	-	-	1.709,66	
IT		3.024,80	299,95	200,47	60,61	117,47	44,77	107,00	-	3.855,07	
L		-	7,97	6,46	0,53	12,22	1,10	0,84	-	29,12	
N		37,20	105,02	282,27	22,23	25,27	9,16	25,61	-	506,76	
AT		28,80	54,15	64,06	11,70	61,50	2,00	78,33	-	300,54	
P		4.549,40	-	-	-	-	-	-	-	4.549,40	
FI		-	31,10	60,33	14,83	61,42	23,00	32,81	81,00	304,49	
SE		-	105,78	73,00	-	13,72	40,00	-	44,92	277,42	
UK		532,32	1.250,05	975,00	-	85,16	14,78	120,70	-	2.978,01	

	Available 1994-95 (1) (c)	Payments 1994-95									Total (2) (d)
		Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(a)A	Obj.5(a)F	Obj.5(b)	Obj.6		
Total	35.529,48	17.754,80	1.877,84	2.407,64	188,68	730,60	149,28	661,85	62,96	23.833,64	67%
B		79,77	29,31	74,51	2,32	16,51	3,33	4,58	-	210,34	
DK		-	19,99	74,24	3,00	19,19	30,29	5,66	-	152,37	
D		2.470,05	156,94	234,26	14,81	209,82	16,13	134,20	-	3.236,20	
EL		2.791,66	-	-	-	-	-	-	-	2.791,66	
E		5.549,60	447,96	244,54	65,83	55,81	9,97	118,44	-	6.492,14	
F		279,66	423,29	503,68	47,70	242,97	41,13	207,93	-	1.746,36	
IRL		1.399,16	-	-	-	-	-	-	-	1.399,16	
IT		1.555,47	149,97	100,23	30,31	58,73	11,20	53,50	-	1.959,41	
L		-	3,99	5,59	0,34	5,37	0,11	0,42	-	15,81	
N		19,63	52,51	253,32	11,12	12,15	6,21	12,56	-	367,50	
AT		14,40	21,42	32,03	5,85	30,75	0,20	39,16	-	143,81	
P		3.264,05	-	-	-	-	-	-	-	3.264,05	
FI		-	15,55	30,17	7,42	30,71	6,90	15,94	40,50	147,19	
SE		-	38,06	36,50	-	6,86	12,00	-	22,46	115,88	
UK		331,36	518,85	818,57	-	41,73	11,82	69,45	-	1.791,78	

(a) Not including ECU 1 500 000 in appropriations available for anti-fraud measures and ECU 44 232 000 under heading B2-1000 (Structural actions directly linked to markets policy) not allocated by Objective in 1994.

(b) Not including ECU 174 000 in commitment appropriations for anti-fraud measures, and for Objective 5(a) for agriculture, ECU 43,65 million under heading B2-1000 and ECU 356,6 million of reimbursements under reg.(EEC) No 2328/91 (in 1994 only).

(c) Not including ECU 990 000 in appropriations available for anti-fraud measures, ECU 61 million under heading B2-1000 not allocated by Objective in 1994 and a reserve of ECU 522 million for prior measures.

(d) Not including ECU 126 000 in appropriations available for anti-fraud measures, a reserve of ECU 279,098 million for prior measures, ECU 16,012 million for the former GDR, and for Objective 5(a), ECU 43,65 million under heading B2-1000 and ECU 417,02 million of reimbursements under reg.(EEC) No 2328/91 (in 1994 only).

For the Funds as a whole, budgetary implementation of commitment appropriations for the new programming period stood at 90% in 1994 and 91% in 1995, which means ECU 2 billion was not implemented in 1994 and ECU 2.1 billion in 1995. However, for the two years 1994 and 1995, the rate of implementation of the appropriations available for the CSFs/SPDs alone under the various Objectives was 94%. If these first two years are compared with the period 1989-93, the results are less good. However, implementation of appropriations was very good between 1989 and 1993 with rates of over 99% in 1989 and 1991 to 1993 (although only 93.7% in 1990).

In 1994 commitments of appropriations for the CSFs/SPDs stood at virtually 99% for all funds with only the ESF using no more than 95% of its allocation (ECU 272 million unused). The main reason why appropriations remained unused was the delay in adopting the Community Initiatives in 1994 when only 12% of appropriations was committed. This left ECU 1 697 million unused of which ECU 339.1 million was carried over and ECU 311.6 million implemented in 1995.

The rate of implementation of payment appropriations was 75% in 1994 with ECU 4.8 million unused. 1995 therefore represented an improvement with a rate of implementation of 82% and ECU 3 759 million unused. This corresponds to the beginning of effective implementation of the programmes in 1995.

2.2. Implementation of each Fund in 1994-95 in the context of 1994-99

ERDF

Table 123: ERDF implementation in 1994-95 for the period 1994-99 (including carry-overs and appropriations made available again in 1995 - ECU million)

	Commitments 1994-95				Total (2)	%	Payments 1994-95				
	Available (1)	Obj.1	Obj.2	Obj.5(b)			Obj.6	Obj.1	Obj.2	Obj.5(b)	Obj.6
Obj.1	16,766,42	16,705,60	-	-	16,705,60	100%	10,626,76	-	-	-	10,626,76
Obj.2	2,932,64	-	2,931,52	-	2,931,52	100%	-	1,375,72	-	-	1,375,72
Obj.5(b)	581,95	-	-	485,60	485,60	83%	-	-	257,48	-	257,48
Obj.6	44,26	-	-	-	44,26	100%	-	-	-	22,13	22,13
Total (*)	20,325,27	-	-	-	20,166,97	99%	-	-	-	-	12,282,09
B	-	67,93	49,12	4,82	121,87	-	53,75	24,39	2,41	-	80,55
DK	-	-	24,84	5,93	30,77	-	-	17,77	3,74	-	21,51
D	1,844,97	198,05	99,04	-	2,142,06	-	1,027,06	104,49	40,32	-	1,171,87
EL	3,151,22	-	-	-	3,151,22	-	1,847,77	-	-	-	1,847,77
E	5,367,19	545,10	44,65	-	5,956,94	-	3,582,35	395,86	35,72	-	4,013,93
F	236,69	751,68	157,11	-	1,145,48	-	107,89	326,44	83,81	-	518,14
IRL	748,60	-	-	-	748,60	-	568,45	-	-	-	568,45
I	2,018,14	239,29	43,86	-	2,301,29	-	1,087,57	119,65	21,93	-	1,229,15
L	-	-	6,03	0,43	6,46	-	-	3,01	0,21	-	3,22
N	24,30	66,95	14,02	-	105,27	-	11,44	33,48	7,40	-	52,32
AT	19,96	38,91	33,34	-	92,21	-	9,98	13,80	16,67	-	40,45
P	2,925,37	-	-	-	2,925,37	-	2,161,09	-	-	-	2,161,09
FI	-	24,80	16,03	22,40	63,23	-	-	12,40	7,78	11,20	31,38
SE	-	83,22	0,00	21,86	105,08	-	-	26,78	0,00	10,93	37,71
UK	301,24	903,52	66,36	-	1,271,13	-	169,41	297,66	37,48	-	504,55

(*) Not including ECU 600 000 in available appropriations, ECU 45 000 in commitments and ECU 37 000 in payments for anti-fraud measures.

In the case of the ERDF, progress in commitments under the CSFs/SPDs at the end of 1995 shows a slight backlog of 1.3% (ECU 265 million) compared with the instalments for 1994 and 1995 shown in the financing tables. However, this is due to a variety of situations. Generally, for the ERDF Objective 1 shows commitments running ahead of the financing plans by ECU 526 million (3%), to the greatest degree in Greece, Spain, Ireland and Portugal, where extra implementation totalled ECU 1 071 million. By contrast, under-implementation in Belgium, Germany, France, Italy and the United Kingdom amounted to a total of ECU 1 178 million.

Overall, Objective 2 showed ERDF commitments lagging behind the financing plans by ECU 650 million (18%). The main reason was that most assistance was adopted at the end of 1994 and during 1995. This rate of adoption did not permit programmes to advance sufficiently for the second instalments to be committed. A number of operations were the subject of a single commitment, in accordance with Article 20(3) of the Coordination Regulation, which helped improve slightly the utilization of commitment appropriations. Lags in implementation, totalling ECU 709 million, affected mainly Belgium, Germany, France, Italy, the Netherlands and the United Kingdom while only Austria, Luxembourg and Sweden outstripped their plans since single commitments were made there.

In the case of Objective 5(b), ERDF commitments fell 39% (ECU 305 million) short of the financing plans. The reason was similar to that affecting Objective 2. Most Member States were affected, but mainly France, Italy and the United Kingdom, where under-implementation totalled ECU 244 million. The Member States where programme implementation proceeded satisfactorily were Spain and Denmark. Operations in Austria and Finland were adopted in 1995.

Operations under Objective 6 were adopted in 1995. Commitments for the first instalments were made as programmed.

In the case of the Community Initiative programmes, very few of which were adopted in 1994, budgetary implementation for the ERDF reflects their progress in 1994 and 1995. There was a general delay in implementing all the regional Initiatives which resulted in a total shortfall as compared with expectations of ECU 833 million (32%). Since financial implementation of these Initiatives is directly linked to the adoption of the programmes, utilization of commitment appropriations was strongly affected by the number of new programmes which were the subject of a single commitment. This means that no firm conclusion about progress in the financial implementation of the Community Initiatives can be drawn from implementation of commitment appropriations.

ESF

Table 124: ESF implementation in 1994-95 for the period 1994-99 (including carry-overs and appropriations made available again in 1995 - ECU million)

	Commitments 1994-95							%	Payments 1994-1995							
	Available (1)	Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(b)	Obj.6		Total (2)	(2)/(1)	Obj.1	Obj.2	Obj.3	Obj.4	Obj.5(b)	Obj.6
Obj.1	6572,80	5 780,37	-	-	-	-	-	5 780,37	88%	4 084,30	-	-	-	-	-	4 084,30
Obj.2	1 187,19	-	865,39	-	-	-	-	865,39	73%	-	502,13	-	-	-	-	502,13
Obj.3	3 822,31	-	-	3 357,11	-	-	-	3 357,11	88%	-	-	2 407,64	-	-	-	2 407,64
Obj.4	634,59	-	-	-	363,63	-	-	363,63	57%	-	-	-	188,68	-	-	188,68
Obj.5(b)	256,95	-	-	-	-	180,31	-	180,31	70%	-	-	-	-	100,57	-	100,57
Obj.6	32,49	-	-	-	-	-	32,49	32,49	100%	-	-	-	-	-	16,25	16,25
Total (*)	12 506,33							10 579,31	85%							7 299,57
B	24,70	13,04	97,76	4,63	1,55	-	-	141,68		19,76	4,93	74,51	2,32	0,77	-	102,29
DK	-	5,45	85,00	6,00	1,29	-	-	97,74		-	2,23	74,24	3,00	0,64	-	80,11
D	1 166,51	88,80	307,77	29,61	27,46	-	-	1 620,15		852,73	52,45	234,26	14,81	15,44	-	1 169,69
EL	684,71	-	-	-	-	-	-	684,71		411,53	-	-	-	-	-	411,53
E	1 666,10	114,11	426,59	118,10	13,29	-	-	2 338,18		1 166,94	52,10	244,54	65,83	7,21	-	1 536,62
F	1 855,46	152,71	778,40	95,39	64,71	-	-	1 276,67		130,65	96,85	503,68	47,70	35,70	-	814,58
FR	619,31	-	-	-	-	-	-	619,31		539,76	-	-	-	-	-	539,76
I	462,35	60,66	200,47	60,61	14,35	-	-	798,44		200,27	30,33	100,23	30,31	7,18	-	368,32
IRL	-	1,94	5,46	0,53	0,11	-	-	9,04		-	0,97	5,59	0,34	0,05	-	6,95
N	8,20	38,07	282,27	22,23	2,22	-	-	352,99		5,06	19,03	253,32	11,12	1,11	-	289,64
AT	5,04	15,24	64,06	11,70	13,68	-	-	109,72		2,52	7,62	32,03	5,85	6,84	-	54,86
P	795,89	-	-	-	-	-	-	795,89		650,18	-	-	-	-	-	650,18
FI	-	6,30	60,33	14,83	5,18	21,10	-	107,74		-	3,15	30,17	7,42	2,59	10,55	53,88
SE	-	22,56	73,00	0,00	0,00	11,39	-	106,95		-	11,28	36,50	0,00	0,00	5,70	53,48
UK	162,11	346,53	975,00	-	36,47	-	-	1 520,11		104,89	221,20	818,57	-	23,04	-	1 167,70

(*) Not including ECU 400 000 in available appropriations, ECU 119 000 in commitments and ECU 81 000 in payments for anti-fraud measures.

The general situation relating to implementation in 1994 and 1995 shows better results than those for 1995 alone. The rate of implementation of commitment appropriations was 85% taking all the Objectives together, which demonstrates the multi-annual nature of the programmes.

The situations of the various Objectives and Member States do not differ substantially from those in 1995. Apart from Objective 6, which was fully implemented, utilization was highest for Objective 1, whether in terms of available appropriations (83%), the 1995 instalment (86%) or the 1994-95 instalment (91%). However, this conceals substantial backlogs in two Member States (Italy and the United Kingdom). Implementation of Objective 3 was clearly lagging in Germany (18% of the financing plan for 1995 and 58% of that for 1994-95) and, to a lesser extent, in Belgium (53% of the financing plan for 1995). There was a complete failure to use the 1995 instalment for Objective 4 in Belgium, Germany, France, Italy, the Netherlands and Sweden. Despite the assistance provided by the adoption in 1995 of a number of single-instalment decisions for the SPDs and OPs under Objectives 2 and 5(b), implementation remains particularly weak, or indeed zero, in Denmark (Objectives 2 and 5(b)), Germany (Objectives 2 and 5(b)), Spain (Objective 5(b)), France (Objective 2), Italy (Objectives 2 and 5(b)), Luxembourg (Objective 5(b)) and the Netherlands (Objectives 2 and 5(b)).

Since programmes under the Employment Community Initiative were approved in December 1994 and those under Adapt in May 1995, the Member States used the following months to seek partners in other countries. Hence the first contracts with project promoters were not signed until mid-1995 with the result that no appropriations were used in 1994 and only a limited amount in 1995.

EAGGF

Table 125: EAGGF implementation in 1994-95 for the period 1994-99 (including carry-overs and appropriations made available again in 1995 - ECU million)

	Commitments 1994-95					%	Payments 1994-1995					
	Available (1)	Obj.1	Obj.5a**	Obj.5(b)	Obj.6		Total (2)	(2)/(1)	Obj.1	Obj.5a***	Obj.5(b)	Obj.6
Obj.1	4275,92	4,275,75	-	-	-	4,275,75	100%	2,844,47	-	-	-	2,844,47
Obj.5(a)	1769,48	-	1,387,32	-	-	1,387,32	78%	-	730,60	-	-	730,60
Obj.5(b)	515,41	-	-	515,34	-	515,34	100%	-	-	303,81	-	303,81
Obj.6	47,74	-	-	-	47,74	47,74	100%	-	-	-	23,87	23,87
Total *	6608,55	-	-	-	-	6,226,15	94%	-	-	-	-	3,902,74
B		14,00	53,03	2,79	-	69,82		6,08	16,51	1,40	-	23,99
DK		-	38,67	2,57	-	41,24		-	19,19	1,29	-	20,48
D		861,60	322,72	135,24	-	1,319,56		578,67	209,82	78,44	-	866,93
EL		699,19	-	-	-	699,19		518,12	-	-	-	518,12
E		979,67	77,41	104,15	-	1,161,23		691,08	55,81	75,52	-	822,41
F		69,21	518,73	151,36	-	739,30		37,65	242,97	88,42	-	369,04
IRL		332,56	-	-	-	332,56		285,46	-	-	-	285,46
I		477,78	117,47	48,78	-	644,03		251,65	58,73	24,39	-	334,77
L		-	12,22	0,30	-	12,52		-	5,37	0,15	-	5,52
N		1,90	25,27	9,37	-	36,54		1,55	12,15	4,05	-	17,75
AT		3,80	61,50	31,30	-	96,60		1,90	30,75	15,65	-	48,30
P		776,14	-	-	-	776,14		419,63	-	-	-	419,63
FI		-	61,42	11,60	36,80	109,82		-	30,71	5,56	18,40	54,67
SE		-	13,72	0,00	10,94	24,66		-	6,86	0,00	5,47	12,33
UK		59,91	85,16	17,87	-	162,94		52,69	41,73	8,93	-	103,35

* Not including ECU 400 000 in available appropriations, ECU 10 000 in commitments and ECU 8 000 in payments for anti-fraud measures.

** Not including ECU 43.65 million under heading B2-1000 (Structural actions directly linked to markets policy) and ECU 236.6 million of reimbursements under reg.(EEC) N°2328/91 (in 1994 only)

*** Not including ECU 43.65 million under heading B2-1000 and ECU 417,02 million of reimbursements under reg.(EEC) N°2328/91 (in 1994 only).

At the end of 1995, progress in using CSF/SPD commitment appropriations for the EAGGF Guidance Section lagged slightly behind (by 0.4% or ECU 25.6 million) the 1994 and 1995 instalments shown in the financing tables. This was, however, the result of a variety of situations. Overall, commitments under Objective 1 were ahead of the financing plans by ECU 790 million (23%). This was most marked in Greece, Spain, Ireland and Portugal. However, France and Italy were lagging behind. Commitments under Objective 5(a) were lagging behind the financing plans by ECU 115 million (8%) mainly because of under-implementation of Regulation (EEC) No 2328/91 (agricultural structures) everywhere, but most notably in Italy, and a lag of one year everywhere except Spain and Luxembourg in implementing OPs under Regulation (EEC) No 866/90 (marketing and processing). EAGGF commitment appropriations for Objective 5(b) lagged behind the financing plans by ECU 25 million (32%) because of delays in implementing the OPs everywhere except Spain and Germany. Assistance under Objective 6 was adopted in 1995. Commitments for the first instalments were adopted, so there was no divergence from what had been programmed. Since very few programmes under the Community Initiatives (mainly Leader) had been adopted in 1994, implementation in 1995 reflected progress during the two years 1994 and 1995.

FIFG

Table 126: FIFG implementation in 1994-95 for the period 1994-99 (including carry-overs and appropriations made available again in 1995 - ECU million)

	Commitments 1994-95				%	Payments 1994-95				
	Available (1)	Obj.1	Obj.5(a)	Obj.6		Total (2)	(2)/(1)	Obj.1	Obj.5(a)	Obj.6
Obj.1	506,84	506,84	-	-	506,84	100%	199,28	-	-	199,28
Obj.5(a)	317,97	-	313,45	-	313,45	99%	-	149,28	-	149,28
Obj.6	1,43	-	-	1,43	1,43	100%	-	-	0,72	0,72
Total (*)	826,23	-	-	-	821,71	99%	-	-	-	349,28
B		0,37	4,08	-	4,45		0,19	3,33	-	3,52
DK		-	46,59	-	46,59		-	30,29	-	30,29
D		19,00	24,87	-	43,87		11,60	16,13	-	27,73
EL		37,10	-	-	37,10		14,24	-	-	14,24
E		304,46	39,83	-	344,29		109,22	9,97	-	119,19
F		6,30	63,27	-	69,57		3,46	41,13	-	44,59
IRL		9,19	-	-	9,19		5,50	-	-	5,50
I		66,54	44,77	-	111,31		15,99	11,20	-	27,19
L		-	1,10	-	1,10		-	0,11	-	0,11
N		2,80	9,16	-	11,96		1,58	6,21	-	7,79
AT		-	2,00	-	2,00		-	0,20	-	0,20
P		52,01	-	-	52,01		33,14	-	-	33,14
FI		-	23,00	0,70	23,70		-	6,90	0,35	7,25
SE		-	40,00	0,73	40,73		-	12,00	0,37	12,37
UK		9,06	14,78	-	23,84		4,37	11,82	-	16,19

(*) Not including ECU 100 000 in appropriations available for anti-fraud measures.

The rate of implementation of FIFG appropriations for the two years 1994-95 was satisfactory, amounting to 99% of the appropriations available for the CSFs/SPDs (ECU 4.5 million unused). With regard to payments, at the end of 1995, ECU 199.3 million (39%) had paid for Objective 1 out of the ECU 506.8 million committed in 1994 and 1995. This is a reasonable rate in view of the fact that the programming period was reduced by approving programmes at the end of 1994. Similarly, in the case of Objective 5(a) fisheries, by the end of 1995 ECU 151.6 million (48%) had been paid out of the ECU 317.8 million committed in 1994-95, which is satisfactory. 1995 was the first year of programming for Objective 6 and the figures for 1995 remain reasonable (ECU 720 000, or 50%, paid out of ECU 1.43 million committed). In the case of Pesca, ECU 53.1 million (65% of ECU 81 million) was committed and ECU 17.2 million (32% of the ECU 53.1 million committed) paid out.

B. CHECKS AND FINANCIAL MANAGEMENT

Under Article 205 of the Treaty, the Commission is responsible for implementation of the Community budget as a whole, and therefore of the Structural Funds budget. It ensures that implementation is correct and effective, since this is essential for the effectiveness and credibility of Community structural measures. However, in doing so, it must take account of the fact that on-the-spot management of Structural Fund programmes and projects is the responsibility of the Member States, in line with the principle of subsidiarity and partnership which governs the Structural Funds. Nevertheless, with the launching of the second programming period (1994-99) and the increase in Structural Fund appropriations, the Commission is keeping a closer watch on the quality of the management and control system employed both by itself and by the Member States. All those involved are aware of this need: at the informal ministerial meeting in Strasbourg in March 1995, for example, the Commission and Member States agreed on the need to improve and strengthen the control and management of the Structural Funds. Following that, in May 1995 Mrs Wulf-Mathies, the Member with special responsibility for regional policies and cohesion, wrote to the Member States stressing once again the importance of improving the financial management system for Community appropriations, and control and assessment, and requesting the Member States to take appropriate measures to ensure that these requirements are met. As for the Commission itself, in 1995 its attention was directed towards the stepping up of on-the-spot checks, which it had been pursuing since 1994 and continued in 1995, and, at a more fundamental level, the launching of an exercise to rationalize and improve financial management.

1. Checks

1.1. Checks carried out by the Commission's Structural Funds departments

The Commission's role is to ensure that appropriate systems for financial monitoring and management of programmes have been put in place in the Member States. To do this, it makes on-the-spot checks and systems audits to ensure that Structural Fund appropriations are put to proper use. However, under Article 23(1) of Regulation (EEC) No 4253/88, it is primarily the Member States that are responsible for ensuring that proper use is made of Community funds and preventing irregularities. For example, they are responsible for the reliability of certificates of expenditure submitted to the Commission, and the eligibility of expenditure incurred in implementing programmes. In this way, each of the Structural Funds is subject to specific checks by the departments responsible for them. All these checks are intended to verify the reliability of the control and management systems in the Member States, and to check the regularity of expenditure incurred under the programmes. 1995 saw greater coordination of these monitoring activities among themselves, and greater coordination with the checks made by Financial Control, the UCLAF¹ and the Court of Auditors.

ERDF: For the ERDF, 20 on-the-spot inspections were carried out in 1995 (one in Denmark, one in the Netherlands, two in France, Italy, Ireland and the United Kingdom, three in Spain and Portugal, and four in Germany). As required by Article 23 of Regulation (EEC) No 4253/88 as amended, the inspection programmes are communicated to the Member States concerned. Firstly, these checks are intended to verify the existence and effectiveness of a system for the management and control of operations, and the reliability of the information forwarded to the Commission (in particular certifications of expenditure). Secondly, they are intended to check on proper use of ERDF funds, accounting accuracy, legality, regularity and sound financial management in the light of the objectives of each form of assistance and of Community rules and policies. Each programme of inspection visits was drawn up to take account, *inter alia*, of the checks made by Financial Control and the Court of Auditors and the results of the risk analysis and previous checks.

¹ The Commission's Unit on Coordination of Fraud Prevention.

The checks show that individual or system irregularities frequently occurred in operations on the ground. In general, these relate to the unreliability of certifications of expenditure, which are the basis for Community payments and advances, and the weakness of certain internal checking procedures, which do not adequately reflect Community rules. The declarations of expenditure often include expenditure not eligible for financing by the ERDF (such as the salaries or operating expenditure of ministries or other public bodies), and expenditure declared as actually incurred sometimes includes estimates of future expenditure. The beneficiaries' declarations of expenditure are in some instances submitted to the Commission and certified by the authorities appointed by the Member States without any internal checks, which can lead to incorrect submissions and formal irregularities. In addition, in many regions Community rules on public procurement are not fully complied with and the programming of assistance is not monitored or assessed with sufficient precision. For example, in some cases the legal and financial commitments and payments are not established by the deadlines laid down in the decisions to grant assistance.

ESF: As with the ERDF, and as is done each year, a coordinated control programme was sent to the Member States before the beginning of 1995. The programme was implemented as planned: a total of 73 inspection visits were made, 10% of which were unscheduled visits in coordination with the Unit on Coordination of Fraud Prevention. In general the checks covered the management systems and revealed a number of weaknesses in the national, regional and local administrations. These were analysed in partnership and solutions to ensure the proper administration of Community and national funds are under consideration. More specifically, the checks revealed problems with ineligible expenditure (financing costs, for example), operations not eligible under the ESF, accounting documents not acceptable for tax purposes, non-compliance with the VAT rules of the Member State, non-compliance with the principle of sound financial management (disproportionate costs), etc. The checks also revealed a few cases of fraud, which are being pursued by the national authorities.

EAGGF: In 1995, 35 inspection visits were made to check the use made of EAGGF appropriations, a considerably larger number than in 1994 (21). These were organized on the initiative of the departments responsible for the EAGGF or the Financial Control of the Member States concerned. The audits focused on the systems used and on the entries in the accounts, which were checked for compliance with Community rules. Priority was given to programmes and operations covered by the first programming period, 1989-93, funds for which should have been committed by the end of 1993 or, where an extension was granted, in 1994 or 1995. Once again, in accordance with Article 23 of Regulation (EEC) No 4253/88, as amended, the Member States were requested to increase the number of their own inspection visits and keep the Commission informed of the results of these audits.

As a rule, the systems introduced by the majority of Member States to check declared expenditure function well. Nevertheless a number of weaknesses and irregularities were revealed in almost all the Member States and measures. Examples of these include: uncertainty as to the validity of some commitments made before the end of the prescribed period, the lack of publicity and information on EAGGF part-financing, non-compliance with Community rules on public procurement, the award of aid for ineligible expenditure, unsuitable and inadequate control measures, major delays in payments to the final beneficiaries, incorrect application of conversion rates, and a risk of duplicate Community funding from different sources.

FIFG: In 1995 the departments responsible for the FIFG made six inspection visits (one in Greece, France, Italy and the United Kingdom, and two in Spain) to check 20 projects financed under the old rules (Regulations (EEC) No 4028/86 and 4042/89), since checks on the FIFG are not due to begin until 1996. The inspections revealed irregularities in four Member States. In France (La Seyne-sur-Mer and Saint-André), one aquaculture project had been stopped by the beneficiary himself (a decision on possible suspension is pending), and ineligible expenditure was detected for another. In Greece (Thessaloniki, Khalkidiki and Athens), a processing plant had not yet started operation (a report was requested from the Member State for 1996) and, in the case of an eel farm project, the Member State has been requested to make a thorough check of the beneficiary company and the construction company. In Spain (Madrid), a small amount of ineligible expenditure was discovered in a processing project.

Finally, in Italy (Naples and Bari), in one of the three processing/marketing projects inspected, a considerable delay in implementation was discovered. The Unit on Coordination of Fraud Prevention took part in the inspection visits to Greece and Madrid. No major irregularities were detected during the other inspection visits, to Lugo (Galicia, Spain), relating to vessel construction projects, and in Scotland, relating to six aquaculture projects.

All Funds: In most cases the results of each inspection are communicated to the Member State concerned, drawing its attention to shortcomings and requesting changes to bring the procedures in line with current rules and in most cases the Commission also requests the designated authority in the Member State to submit a new, duly corrected declaration of expenditure, and makes the necessary financial adjustments. However, the Commission departments may - where the situation warrants - stop any further funding. They then propose to the Member State (pursuant to Community rules) a number of general or specific solutions to permit compliance with Community rules and national provisions, and then monitor their implementation. When judicial inquiries are opened (in cases of suspected fraud), the Commission suspends payments until the procedure is closed, so that it can then take the necessary steps (payment, reduction or discontinuation). However, the most important effect of these inspections is their role in instructing the regional authorities and bodies responsible for the administration and internal auditing of the Structural Funds how to adjust their practices and procedures where they do not comply with the rules.

The Commission departments regularly remind the authorities of the Member States of the need to apply the provisions on financial implementation contained in the Commission decisions approving the programmes at all administrative levels. In 1995, the departments responsible for the Funds focused more closely on monitoring the results of inspection visits by the Court of Auditors (sector letters, annual report) and Financial Control, and intensified their cooperation with the Unit on Coordination of Fraud Prevention. In addition, all departments took part in discussion meetings held at the Commission on the problems linked to the eligibility of expenditure².

Inspection activities were also intensified by the introduction of Commission Regulation (EC) No 1681/94 concerning irregularities and the recovery of sums wrongly paid in connection with the structural policies. On the whole, the situation resulting from the information forwarded by the Member States is far from satisfactory³, since the Commission continues to discover a large number of cases of irregularity which are not reported.

Finally, at the request of the European Parliament, in October 1995 the Commission presented a report on irregularities in the management of Community Structural Funds in the new German Länder⁴ for the period 1991-93. The report highlights the irregularities and suspected cases of fraud detected, the weaknesses in the management and control systems, inadequate knowledge of Community rules and the lack of administrative organization, due to the exceptional political, economic and administrative situation in the new German Länder during that transitional period. It also describes the measures taken by the Commission and the Member State to correct and prevent such irregularities.

1.2. Inspections carried out by Financial Control

In 1995 Financial Control carried out its Structural Fund inspection activities in line with the current discussions on improving financial management⁵. The main aim was to rationalize the inspections, partly by investigating whether random sampling could be used to grant approval within the Commission and partly by increased use of systems audits in the Member States.

² See 1.2 below - Inspections carried out by Financial Control.

³ See 1995 Annual Report "Protecting the Community's financial interests" (COM(96) 173 final).

⁴ OJ No L 353, 17.12.1995.

⁵ See below: 2. Improving financial management.

In 1995, Financial Control made 86 on-the-spot inspections in which expenditure totalling around ECU 7 250 million under the forms of assistance audited was checked. The main aim of the control programme was to check the legality, regularity and effectiveness of transactions under the Structural Funds and, at the same time, to complete the audit records for each Fund and each Member State available to Financial Control and update the 1994 systems audit report. To that end, the checks concentrated on an audit of the administration and control systems in the Member States for all the Funds, in accordance with the audit methods developed by Financial Control. One of the more general findings was that the certifications of expenditure by the authorities designated in the Member State are not always based on a reliable or adequate control system. This is particularly the case with the lack of checks on the eligibility of expenditure at the various stages of processing of the financial information forwarded by the final beneficiaries, resulting in some expenditure being rejected as ineligible in a large number of spot checks on projects. These cases involve the purchase of second-hand equipment, general or personnel costs incurred outside the eligibility periods, non-entry into the accounts of revenue to be deducted from declared expenditure, methods of converting expenditure into ecus not complying with the rules (ESF), the purchase of land, financial commitments not complying with the rules or outside the time limits laid down in the programmes (EAGGF), etc.

In order to make better use of the resources of the various authorities involved in checks, and in line with the guidelines adopted by the Commission under the SEM 2000 exercise, negotiations continued in 1995 with a view to extending the cooperation protocols concluded between the Commission and the relevant national inspection authorities to other Member States. For example, following the establishment of a special inspection coordination body within the Greek Ministry of Finance, a protocol was signed with Greece (April 1995), and thorough discussions with the Netherlands will make it possible to adapt the formula of the protocols to the decentralized or distributed inspection systems of those Member States with a similar structure (in particular the United Kingdom, Sweden and Finland) and those with a federal structure (Belgium, Germany and Austria). As far as the existing protocols are concerned, coordination of inspections with France, Italy and Spain was put into practice in line with the coordinated plans drawn up and discussed at the beginning of the year.

Finally, following the systems audit programme carried out between 1992 and 1994, and the report mentioned above, it became apparent that there was a special problem with expenditure eligibility. The reason is that the regulations governing the Structural Funds do not give any detailed definition of eligible expenditure, and that, although the texts approving the various forms of assistance contain standard clauses for certain general aspects (expenditure committed and paid, supporting documents, definition of the final beneficiary and eligibility dates), they do not provide any specific guidelines on certain items or particular types of expenditure. Therefore a detailed discussion within the Commission was launched in 1995 to clarify some of these complex eligibility problems. The inter-departmental working party set up to that end in September 1994 and chaired by Financial Control produced an initial set of datasheets describing and harmonizing the approach of the Structural Funds to certain items of expenditure, such as second-hand equipment, depreciation, VAT, bank interest, eligibility periods and the concept of final beneficiary. The work centred on the establishment of transparent and monitorable methods of implementing financial engineering measures - venture capital funds (guidelines laid down by the Commission in July 1995) and guarantee funds. Several eligibility issues remain to be studied for 1996 (investments in land and property, for example). Subsequently, the question of eligibility was put on the agenda for the group of personal representatives of the European Finance Ministers set up as part of the exercise for improving financial management described below.

2. Improving financial management

When it took up office, the new Commission decided to launch an internal discussion on ways of strengthening financial management within the Commission. The discussion began in 1995 as a three-stage process and are of vital concern to the departments responsible for the Structural Funds. The first stage consisted in consolidating the internal administration system within the existing framework by rationalizing the Commission's financial procedures and departments. The idea was to give the budget

and financial units a more effective structure, provide better training for staff and modernize management tools, in order to rationalize financial management procedures, improve assessment of Community programmes and improve the effectiveness of the action taken in response to the observations of the other Community institutions on budget issues. The second stage was aimed at a more substantial reform of internal procedures and organization, in particular to introduce greater transparency into budget decision-making and initiate an assessment process for the measures adopted. These two stages were introduced successively in the course of 1995 and continued in parallel throughout the year.

The third stage of the exercise was launched at the end of 1995 and is to continue in 1996. It is aimed at strengthening and developing the partnership with the Member States in those areas in which they are responsible for administering Community appropriations. This therefore very much concerns the Structural Funds. For example, discussions began at ministerial level in various areas relating to the organization and administration of Community appropriations in the Member States to ensure that their administration is proper and effective. These discussions, which are intended to improve cooperation between the Commission and the Member States, concern in particular, as far as the Structural Funds are concerned, the question of finding a common, transparent and universally agreed definition of expenditure eligible for Structural Fund part-financing. The discussions will therefore be decisive for the immediate future of the programmes, both as regards their monitoring and in terms of their proper economic and administrative implementation.

C. COORDINATION OF FINANCIAL INSTRUMENTS

1. Cohesion Fund

Cohesion Fund, Structural Funds and environment:

Like the Structural Funds, the Cohesion Fund provides major financial support for environmental projects. The Regulation establishing it specifies that a suitable balance must be struck between transport infrastructure and environmental projects, the two sectors for which it was set up. From its ECU 16 million budget for the period 1993-99, 45% of appropriations in its first two years of operation (1993-94) were allocated to environmental projects. For the period as a whole, a 50/50 balance between environment and transport will be sought. Projects cover, for example, water management, waste water treatment and waste disposal. In all cases the Commission seeks maximum coherence and coordination between Cohesion Fund and Structural Fund financing.

The need to coordinate assistance from the Cohesion Fund, the Structural Funds, the EIB and other financial instruments for environmental and trans-European transport network projects is mentioned in the preamble to the Council Regulation establishing the Cohesion Fund¹. Article 1 of the Regulation states that the Fund may contribute to financing project stages that are technically and financially independent. The Commission must accordingly ensure that an item of expenditure relating to a project in several stages financed from the Cohesion Fund is not granted assistance at the same time from the Structural Funds, and Article 9 of the Regulation (on cumulation and overlapping) states that no item of expenditure may benefit from both the Cohesion Fund and the Structural Funds and that combined Cohesion Fund and other Community aid for a project may not exceed 90% of total expenditure thereon. This does not rule out separate contributions to a large project from several instruments provided that expenditure on the individual stages can be clearly identified in terms of either time or the nature of the stages.

The purpose is to allow financing in tandem, with the ERDF in particular, of large projects comprising several stages. Such coordination of the available Community financial instruments helps increase the impact of assistance, particularly where trans-European transport networks are concerned, and so accelerates their establishment. Separation into project stages requires close coordination between financial instruments and both physical and financial monitoring. Aid for environment and trans-European transport infrastructure projects can in fact be granted from the Structural Funds, mainly the ERDF but also, to a lesser extent, the EAGGF. Action is therefore taken to prevent double financing.

This involves in the first place organizational arrangements for coordinated financing. When the CSFs were being drawn up, the Commission mounted a general coordination exercise to implement the doubling in real terms of commitment appropriations for Objective 1 regions in the countries benefitting from the Cohesion Fund as envisaged by the Edinburgh European Council. The CSF financing plans accordingly explicitly mention the resources allocated from the Cohesion Fund². In the case of Spain for example, where only some regions are eligible under Objective 1, ECU 7.95 billion from the Cohesion Fund for the period 1993-99 was entered in the Objective 1 CSF. This amount was determined on the basis of the Edinburgh target. Under the principles of subsidiarity and partnership, the submission of suitable projects to achieve the doubling in real terms of Structural Fund appropriations in the less prosperous parts of Spain is the responsibility of the national government and the Objective 1 CSF Monitoring Committee. As a "non-regional" fund, the Cohesion Fund does not normally collect regionalized data.

In the second place, even closer attention has to be paid to coordinating the projects themselves given that Structural Fund assistance is principally for programmes whereas the Cohesion Fund finances individual projects or groups of projects. Coordination procedures were introduced when the cohesion

¹ Council Regulation (EC) 1164/94 of 16 May 1994, OJ No L 130, 25.5.1994.

² See 1994 Annual Report.

financial instrument, which preceded the Cohesion Fund, came into operation in order to ensure that project or project stages submitted had not already been presented for Structural Fund assistance. The departments responsible for Structural Fund management have to be consulted before the Commission takes a decision to grant assistance from the Cohesion Fund. Checking procedures were also introduced to ensure that no item of expenditure can be simultaneously financed from the Structural Funds and the Cohesion Fund. These procedures have so far functioned effectively. There has been neither disagreement between the departments responsible for managing the Structural Funds and the Cohesion Fund nor any case of double financing. In certain cases Member States have applied for financing from different instruments for various stages of a single project; this is in accordance with the rules.

A major project in Portugal:

The Cruz-Braga motorway was initially included in the 1994-99 CSF for ERDF financing. After the Cohesion Fund started to operate, it was considered that, as an element of the trans-European transport networks, it should be financed by the Cohesion Fund, so allowing more ERDF aid to be devoted to transport. The second stage of construction was therefore taken out of the ERDF OP and given Cohesion Fund financing at a higher rate under Article 7 of the Cohesion Fund Regulation. To prevent any overlapping of Community aid, Commission officials, in cooperation with the national authorities, identified two distinct stages of the project using physical indicators. Then, for financial management purposes, a date was set from which payment applications and supporting documents were to be sent to the Fund. The Commission also stepped up monitoring at the time when aid was transferred from the ERDF to the Cohesion Fund, two inspections visits being made in four months. Obviously, the administrative burden of managing projects in several stages is lighter if stages are clearly separate.

The Commission is examining how the four Member States concerned (Spain, Greece, Ireland, Portugal) could be more closely involved in this coordination, given that under the OPs selection of individual projects is generally done at regional programming level.

2. EIB

The EIB confirmed in 1995 that economic and social cohesion remains its priority, an objective in any case assigned to it by the Treaty on European Union. In 1995 out of a total of ECU 21.4 billion in loans granted (a 7.5% increase on 1994, which itself represented an increase of 1.6% on 1993), ECU 18 782 million was granted in the Community (a 5.2% increase on 1994 compared with a fall of 2% from 1993). A total of ECU 12 144 million was granted to regions lagging behind in development or suffering from industrial decline.

Table 127: EIB - Financing for regional development (ECU million)

	1995	1994	1993
Total activity in the EU (1)	18 782	17 682	16 779
Regional development	12 144	12 035	12 462
	68%	72%	74%
Objective 1	5 881	5 748	7 228
	48%	48%	58%
Countries eligible under the Cohesion Fund	4 648	4 746	6 142
	38%	39%	34%

(1) Amount of finance granted, i.e. individual loans signed and appropriations allocated for current global loans.

The concentration of financing in favour of investment located in regional development zones, which had eased in 1993 (72% in 1994 against 74% in 1993), again lessened in 1995 (68%). In contrast to the upward trend of the period 1989-93, the bank's activity in promoting regional development, although

greater in absolute terms, is in relative terms lower than the level attained in 1992. Despite this slackening, economic and social cohesion remains the EIB's priority.

In the regions where development is lagging behind (Objective 1), EIB loans amounted to ECU 5 881 million, i.e. 48% of the total for regional development (48% in 1994, 58% in 1993), again a lower proportion than in 1993 or for the period 1989-93. Assistance in the four Cohesion Fund countries (Greece, Spain, Ireland, Portugal) amounted to ECU 4 648 million, 26% of total financing in the Community (28% in 1994, 37% in 1993) and 38% of total regional development financing (39% in 1994).

Table 128: EIB - Breakdown by sector of financing for regional development (ECU million)

Regional development	TOTAL	%
Energy	2.009	16,5%
Transport	4.385	36,1%
Telecommunications	885	7,3%
Environment and other infrastructure	1.614	13,3%
Industry, agriculture and services	3.251	26,8%
TOTAL	12.144	100%

The breakdown between individual and global loans confirms the upswing in global loans (sharply down in 1993). Individual loans were slightly down.

3. ECSC

Under Article 56 of the ECSC Treaty, the Commission has at its disposal a loan instrument for conversion investment to create jobs in areas affected by the reduction of activity and employment in the coal and steel sector. These can be accompanied by interest-rate subsidies (calculated on the number of jobs to be created) of up to 3% for five years. The regional orientation of these loans and their coordination with the Structural Funds have been progressively strengthened by operational provisions adopted by the Commission since 1990³ which have increased their concentration in zones eligible under the regional objectives of the CSFs and the Community Rechar and Resider Initiatives.

The total volume of new ECSC conversion loans approved by the Commission in 1995 and given Council assent in February 1996 was ECU 394.4 million with the number of jobs to be created around 27 000. The sum of ECU 11.45 million was committed under the ECSC budget for 1995 for interest-rate subsidies on current loans. During 1995 the Commission made 102 conversion loans, 95 global loans totalling ECU 196 million and seven direct loans totalling ECU 64.2 million.

4. European Investment Fund

The purpose of the Fund, established in June 1994, is to support medium and long-term investment by providing long-term guarantees for loans taken out for investment in trans-European networks and SMEs.

The loan volume guaranteed in 1995 was ECU 686.8 million, of which ECU 116.46 million was for transactions actually signed. Trans-European network projects amounted to 94% of the total volume signed: 17% in transport, 26% in telecommunications and 51% in energy. SMEs projects accounted for 6% of operations.

³ OJ No C 188/9, 28.7.1990, OJ No C 59/4, 6.3.1992, Commission Decision E/1967/94 of 12 December 1994.

5. The financial mechanism of the European Economic Area

The Agreement on the European Economic Area provided for a financial mechanism, paid for by the EFTA countries and managed by the EIB, to help promote economic and social cohesion in the Community. Its scope is defined in Protocol 38 to the Agreement: grants totalling ECU 500 million between 1994 and 1998 and 10-year interest-rate subsidies of 2% on a total loan volume of ECU 1.5 billion. Assistance is given for projects in Greece, Ireland, Northern Ireland, Portugal and, for 1989-93, the Spanish Objective 1 regions.

Following enlargement, the contributions of Austria, Finland and Sweden have been taken over by the Community budget and the Commission is accordingly represented on the Financial Mechanism Committee, which approves projects.

In 1995 the Committee approved interest-rate subsidies on ECU 302.4 million in loans for seven projects in Spain and one in Greece and ECU 68 million in grants for four projects in Greece and three in Spain. These were in the three eligible sectors: transport, environment and education and training.

Piraeus container terminal, an example of assistance from the Community instruments:

The port of Piraeus is the principal cargo entry point to Attica, the region which is home to some 50% of the population of Greece, a country where sea transport has recently grown in importance, more than 90% of goods arriving by sea. Piraeus is one of the two Greek ports to have a specialized container terminal. One of its three sections, Ikonion, already has a terminal and a second, Ikonion II, is partly complete. Under the *EEA Financial Mechanism*, ECU 12.1 million has been granted to complete the second terminal, which will substantially increase the port's container traffic capacity. A loan of ECU 42.9 million from the *EIB* has also been granted plus an interest-rate subsidy of 2% a year for ten years. The *Cohesion Fund* is also contributing ECU 15 million for completion of the quay wall and purchase of cranes, tractors and other specific equipment.

D. COMPLEMENTARITY WITH THE OTHER COMMUNITY POLICIES

Introduction

Endeavours to achieve the complementarity between structural measures and other sector-specific Community policies required under the regulations on the Structural Funds (Article 7 of the Framework Regulation), which is a matter for this Annual Report, were stepped up in 1995. Selecting the environment as the theme for this Report illustrates those endeavours, which are evident in various ways and at various levels. In terms of legislation and regulations, attention to coordination and forecasting continued to increase in 1995 with a view to preventing and penalizing infringements of the rules on competition and public procurement, particularly in environmental fields. In terms of financial support, the Structural Funds supplement Community Initiatives in certain sectors, like equal opportunities, support for SMEs, trans-European networks, and research and technological development.

Within the Commission, a start has been made on assessing possible ways of enhancing synergy between the various Community policies and the Structural Funds. The Commission also urges the Member States and authorities responsible for implementing programmes to take account of these guidelines at their level. Complementarity between Community policies must apply both in the drawing-up of programmes, guaranteed since the review of the Regulations in 1993, and in their practical implementation. The Commission therefore urges the Member States to make a special effort, at all administrative levels and stages of implementation (in particular within the Monitoring Committees and when awarding public contracts or applying aid schemes), to reduce the risks of infringing Community rules. In 1995 the Commission also gave consideration to the drafting of recommendations incorporating certain concerns stemming from other Community policies in the current programming of the Structural Funds. This consideration gave rise to several Commission communications on cohesion policy and the environment, the integrated management of coastal zones¹, structural assistance and employment² and encouraging local development and employment initiatives, while further communications were being prepared, in particular on incorporating equal opportunities in Community policies. As the environment is touched on throughout this Report, this section will not deal with the topic.

Complementarity with employment policy

With more specific reference to employment, the Structural Funds are, as already stressed in this Report, the Community's prime weapon in the fight against unemployment. Of the five priority measures advocated by the Essen European Council, three, improved vocational training, a more effective employment market and measures to facilitate the integration into the labour market of groups particularly affected by unemployment, are the direct concern of the Structural Funds. The priority to be given to these measures was confirmed by the European Councils in Cannes and Madrid, which also supported the Commission's proposals on local development and employment initiatives.

The Structural Funds are the main instrument used for these ends, particularly under Objectives 3 and 4 for the ESF but also under the regional Objectives (Objectives 1, 2 and 5(b)) for all the Funds. During the year, the Commission tabled a series of documents containing suggestions on how to implement the employment priorities of the European Councils. In June 1995 it adopted a communication on a European strategy to encourage local development and employment initiatives, which includes a strategy to support this process and distribute the results through the Monitoring Committees for the Structural Funds. Its October communication on the European employment strategy has the Structural Funds at its

¹ For these two communications see Chapter I.A.1.2. Greater integration of the "environment" factor and Chapter I.B.2. Innovative measures and technical assistance.

² Communication first presented at the informal ministerial meeting in Madrid (30 November-1 December 1995) and subsequently published in 1996 (COM(96) 109 final of 30 March 1996) - See Introduction. C. Employment, a major challenge for the Union.

centre and this is spelt out in detail in the communication "Community Structural Policies and Employment" referred to above.

However, the very nature of the operations, which are directly aimed at making the employment market more effective (e.g. support for vocational training), makes any attempt at quantification difficult. Nevertheless, the Structural Funds have made a considerable effort to adapt themselves to the situations which the Essen summit identified as priorities.

1. The Structural Funds, equal opportunities and combatting social exclusion

Combatting social exclusion and promoting equal opportunities are among the Community policy priorities set in Essen and endorsed in Cannes and Madrid. In this area the ESF intervenes mainly with regard to Objective 3, but also, albeit less identifiably, with regard to the regionalized objectives (Objectives 1, 2 and 5(b)).

The Structural Funds and combatting social exclusion

Combatting social exclusion is a clear Objective 3 priority of the ESF, with ECU 5.6 billion to be spent on achieving the goal in 1994-99. At variance with past practice, the approach adopted will involve tackling the phenomenon of social exclusion in an integrated fashion and not as an appendage to other policies. Priority will thus be given to facilitating the return to the labour market and consequently to training measures. For the first time, the ESF regards setting up integration pathways to employment as eligible, whether they target employment or social integration. In this respect Community funding supports both social accompanying measures and training measures proper.

The Structural Funds and equal opportunities

The amendments to the regulations governing Structural Fund assistance in 1993 extend the obligation to observe the principle of equal opportunities to all assistance from the Funds. In decisions approving programmes, a standard clause has been specially inserted to ensure compliance with this new obligation. Two approaches have been adopted in programmes, varying according to the Member States. Some Member States (the United Kingdom, Germany and Spain) have adopted specific measures targeting women while others have preferred a broader approach, which entails checking the impact of the equal opportunities policy by means of precise assessment indicators. This is the case in particular in France. The Objective 1 and Objective 3 appropriations allocated to this priority are estimated at at least 2% of the total, or ECU 785 million for the period 1994-99. In Objective 5(b) measures relating to rural society, there is increasing emphasis on equal opportunities for men and women, given the fact that in many regions over 40% of farm income comes from activities outside the holding, which are almost always carried out by women. Such activity creates wealth and employment and contributes towards maintaining and developing a dynamic economy. The NOW programme (1991-93) was renewed and strengthened within the framework of the EMPLOYMENT Community Initiative (1994-99). With ESF funds amounting to ECU 361 million, NOW focuses on devising, testing and implementing new training and employment ideas for women³. One of the priority objectives of EMPLOYMENT-NOW is the uptake of positive results from projects financed under the CSFs.

In 1995 a working GROUP on equal opportunities comprising Members of the Commission was set up under the chairmanship of Mr Santer and an interdepartmental working party prepared a draft communication from the Commission to Parliament and the Council entitled "Incorporating equal opportunities for women and men into all Community policies and activities". The document contains a section on the Structural Funds, the main financial instrument able to play a part in implementing this Union priority. Considerations covering indicators and ways of measuring the degree to which the

³ See Chapter I.B.1 Community initiatives, analysis of programmes in the Member States.

principle of equality is taken into account in current programming must nevertheless be pursued. The document proposes the establishment of basic indicators for certain types of positive measures in the field of equal opportunities with a view to defining criteria to be applied by programme Monitoring Committees in selecting projects. A cross-sector assessment study has been undertaken to throw light on the way this aspect is actually implemented by the Structural Funds. The Commission is also to draw up methodological guidelines for the Monitoring Committees. Work carried out to date supports the view that cohesion and the complementarity between various types of Community assistance should be enhanced.

2. The Structural funds, the common agricultural policy and rural development

The Structural Funds and the common agricultural policy

Since agriculture is still one of the main activities for many regions of the Community, most of the programmes for 1994-99 include measures relating to the sector. It is therefore essential, on the one hand, to ensure that the measures proposed by the Member States in development plans for rural areas under Objective 1 or Objective 5(b) are compatible with the guidelines of the CAP and, on the other hand, to take into consideration the contribution which agricultural measures make to the development of economic activity. With regard to the more specific case of Objective 5(b), measures relating to agriculture in the SPDs were devised with an eye to the necessary complementarity between the reform of the CAP and rural development. Those measures take account of the diversity of agriculture in Objective 5(b) areas (in terms of structures, forms of collective organization, traditions and know-how, geographical situation, and relative distance from markets). Matching this diversity in structures is a variety of solutions to allow each agricultural holding to adapt to the market and extend the range of products or services offered (farm tourism, environment), while endeavouring to control production costs.

The measures planned allow a sufficient number of farmers to stay in farming to contribute towards the socio-economic development of rural areas and the Commission has ensured that certain guarantees are forthcoming. Generally speaking, each time a national aid scheme is proposed, a check is made to ensure that it is compatible with the existing rules of the CAP and those on State aid. The measures given priority have included the application of new technologies, energy saving and quality promotion. In the case of irrigation, for example, priority has been given to measures to improve existing structures to avoid water losses (through evaporation, leaks, etc.) without affecting the area irrigated. If it was found that new areas were being irrigated, the Commission placed severe restrictions on the extension and asked to be informed of the crops which it was intended to grow there.

The same approach was followed under Objective 5(a) with regard to structures for both production and marketing. In order to maintain market balance in certain products, investment aid which would have increased production was banned (pigmeat, eggs and poultrymeat). Restrictions were imposed on beef/veal. For the processing and marketing of agricultural products, the Commission laid down selection criteria following the guidelines set by Community policies, and in particular the CAP. In some sectors, investment aid was prohibited or authorized subject to strict limits and an accompanying reduction in existing capacity, the aim being to modernize and rationalize the sectors concerned (beef/veal, pigmeat, etc., and some processed fruit and vegetables).

The challenges facing rural society

More generally, since the 1988 reform of the Structural Funds, the Commission has introduced a specific policy for rural areas. Rural society is undergoing far-reaching changes and is increasingly subject to pressures which threaten an already delicate balance. Predominantly rural areas account for more than 80% of Community territory and over one quarter of its population. The prosperity and environment of rural communities are increasingly threatened while agriculture, the main activity in a large number of rural areas, is going through a crisis which calls into question the very basis of their existence. Economic

decline, an ageing population, the drift of young people to the towns, the disappearance of services vital for the quality of life due to a lack of sufficient population, and desertification are some of the risks facing certain rural areas.

In order to strengthen economic and social cohesion, Article 130a of the Treaty on European Union provides that the Community should reduce "disparities between the levels of development of the various regions and the backwardness of the least-favoured regions, including rural areas." To assist rural areas, their advantages should be turned to account, taking all aspects of economic and social life into consideration by giving thought to agriculture and all other aspects of rural society which are vital for an integrated and viable rural economy and satisfactory "quality of life". Maintaining agriculture in some rural areas is often a condition of their survival and calls for the coordination of various measures, such as the common organization of markets, diversification of production, improving product quality, and implementing policies relating to plant health and research. At the same time, efforts to modernize and adapt agricultural structures must be pursued in order to make agricultural holdings competitive and to preserve the natural environment through an appropriate protection policy.

However, for many years jobs in agriculture have constantly declined. Agriculture now accounts for only 5.5% of the total working population whereas this figure stood at over 20% in the early 1960s. The drift to large conurbations holds no solution since, on the one hand, persistent unemployment curbs the recruitment of labour and aggravates existing problems and, on the other hand, the flight from the land is likely to lead to its abandonment, thereby jeopardizing the overall equilibrium of the territory of the Union. A Community policy for multi-sector rural development must therefore help to preserve the social fabric and develop viable rural communities. Accordingly, alternative solutions must be found to keep the population in the countryside, wherever possible, by creating new jobs outside agriculture in sectors like tourism, craft trades, SMEs, farm relief services, the renovation of villages, and maintaining the residential environment and the historic heritage.

This development policy for rural areas must be put into effect throughout the Community. The financial measures under Objective 5(a) play a part in achieving this, as do the measures accompanying the reform of the CAP. However, efforts must focus as a priority on regions economically most affected or least developed. Accordingly, appropriations must be concentrated on Objective 1 and 6 regions and Objective 5(b) areas within both the CSFs/SPDs and the Community Initiatives, in particular LEADER. For the period 1989-93, approximately ECU 15 billion has been allocated to rural development. That figure is expected to double in 1994-99.

3. The Structural Funds and the common fisheries policy

Since 1994, the year marking the incorporation of the CFP into the Structural Fund mechanisms, the instruments mobilized to assist fisheries structures (both the CSFs/SPDs and the PESCA Initiative) have a dual purpose in so far as they seek to ensure the survival and sustainable development of the policy by helping the fishing effort to adapt to dwindling stocks. These instruments also help strengthen economic and social cohesion through aid to reinforce structures in the fishing industry as a whole - the fleet, aquaculture, processing and marketing of products and port facilities. Furthermore, measures financed by the FIFG in relation to the fishing fleet must comply with the objectives of the Multiannual Guidance Programmes (MGPs), which place restrictions on the fishing effort of each Member State. In particular, aid for the construction of new fishing vessels is authorized only where the annual intermediate objectives of the MGP, and subsequently the final objectives, are observed.

4. The Structural Funds and SMEs

As far as assistance to SMEs and the craft sector is concerned, the OPs adopted for 1994-99 reflect the importance which the Community attaches to SMEs. Thus an average of 10% of the ERDF's resources is

allocated specifically to measures for SMEs⁴. Furthermore, the SME Community Initiative helps raise the level of know-how in small firms while ADAPT promotes employment and the adaptation of the labour force to industrial change and should also benefit small firms.

During 1995, most of the programmes relating to the SME Community Initiative (ECU 1 billion, including ECU 800 million for Objective 1 regions) were adopted. Through the Monitoring Committees, the Commission will ensure that the economic and social partners invited to take part in the implementation of the programmes include representatives of SMEs so they are more closely associated with the Community programmes, as recommended in the report which the Commission sent to the Madrid European Council,⁵ which stressed the importance of SMEs as a dynamic source of employment, growth and competitiveness in the European Union. It should be noted that the Commission staff responsible for enterprise policy attend Monitoring Committee meetings for programmes relating more specifically to SMEs, like those on industry and services, particularly in the Objective 1 countries (Ireland, Portugal and Greece), and those of the SME Initiative.

EUROPARTENARIAT - events fostering contacts between European firms:

Two EUROPARTENARIAT events were organized in Germany and Portugal in 1995. They were intended to stimulate cooperation and foster contacts between firms in eligible regions (Objectives 1, 2, 5(b) and 6) and those in other Member States or non-member countries.

EUROPARTENARIAT North Rhineland-Westphalia (Dortmund, 20 and 21 March 1995) drew around 5 000 visitors from 54 countries. The 357 German firms had around 10 000 business meetings with the 2 000 visiting SMEs, 200 of which came from countries in the Commonwealth of Independent States.

EUROPARTENARIAT Portugal (Lisbon, 24 and 25 November 1995) was also a great success. The 406 Portuguese firms established contact with around 2 000 SMEs in the course of 13 000 meetings.

The Commission also supports participation in such events by firms from the central and eastern European countries, the Commonwealth of Independent States and the Mediterranean.

5. The Structural Funds, research and technological development

Measures undertaken since 1993 in connection with the Commission Communication on Cohesion and RTD Policy⁶ were continued in 1995. In the wake of the Communication, greater account was taken from 1994 on of economic and social cohesion in the Fourth Framework Programme for Research and of research and technological development in the Structural Funds. In particular, spending on actions relating to RTD financed by the Structural Funds increased substantially in absolute terms (partly owing to the fact that global funding for the Structural Funds almost doubled for 1994-99) and as a percentage compared with the previous period⁷. For the record, those measures account for nearly 5% of the Community contribution under Objective 1 and 12% under Objective 2. In addition, the revised ESF Regulation provides for the Fund to support, under Objectives 1, 2 and 5(b), measures covering training in research, science and technology.

In 1995 most of the programmes under the SME and ADAPT Community Initiatives were launched. The SME Initiative provides for financing to promote cooperation for RTD between SMEs themselves and between SMEs and research centres, technology transfer centres, universities and training centres. The ADAPT Initiative (ECU 1.5 billion, including ECU 400 million for Objective 1 regions) encourages

⁴ See 1994 Annual Report.

⁵ Commission Report on Small and Medium-Sized Enterprises: A dynamic source of employment, growth and competitiveness in the European Union (SEC(95) 2087).

⁶ COM(93) 203 of 12 May 1993.

⁷ See 1994 Annual Report.

inter alia cooperation and exchanges between firms and research in technology transfer to firms and vocational training bodies. Added to this are innovative measures under Article 10 of the ERDF Regulation, for which calls for proposals were issued in the second half of 1995 covering the development of innovative regional strategies, regional strategies for the development of the information society and inter-regional networks for the development of specific applications concerning the information society⁸. Funds set aside for these measures in 1995-99 amount to ECU 20 million for the information society and ECU 15 million for cooperation measures to encourage innovation and technology transfer.

Furthermore, in accordance with the 1993 Communication, the Fourth Framework Research Programme takes account of economic and social cohesion, mainly under the third activity (disseminating research results and turning them to account) and fourth activity (training and mobility of research workers). Within the former, 18 innovation centres (of a total of 52) are currently operating in Objective 1 regions and one in an Objective 6 region. Most of the Objective 2 and 5(b) areas are covered by the network of innovation centres. The measure for research workers offers them many opportunities in less-favoured regions, and in particular in Objective 1 and 6 regions, through additional one-year grants to encourage researchers to return to their laboratories of origin; grants for high-level scientists to spend time in those regions; facilities for networks linking less-favoured regions and more prosperous regions; the selection of applications for access to major installations taking account of the impact on the scientific and technical potential of less-favoured regions; encouragement for less-favoured regions to participate in Euroconferences and regular assessment of the progress of the programme in the field of cohesion (a working party responsible for monitoring was set up to that end in 1995).

6. The Structural Funds and trans-European networks

Generally speaking, the Structural Funds continue to devote a large part of their budget to financing the series of trans-European networks⁹. With the establishment of a "progress chart" for monitoring financial assistance from the various Community instruments and a procedure for multiannual programming for the TENs for transport, better coordination and cohesion could be established between the various instruments. More specifically, the salient fact in 1995 as regards the implementation of the TENs was the adoption of the financial Regulation¹⁰, which lays down the conditions and procedures for the grant of Community financial assistance to projects of common interest within the framework of the TENs for transport, telecommunications and energy. That Regulation provides for a budget of ECU 2 345 million for the period 1995-99.

Trans-European transport networks

The development of trans-European transport networks, which should make up for some shortcomings in outlying regions in terms of infrastructures and connections with the central regions of the Community, is bound up closely with the common transport policy¹¹. The Community's contribution in this area takes the form of guidelines to help to achieve two fundamental objectives, namely the internal market and economic and social cohesion. The main purpose of the networks is to link isolated, island and peripheral regions with the centre of the Community. In accordance with the Treaty provisions on the subject (Articles 129b, 129c and 129d), the guidelines define the objectives, priorities and broad lines of measures envisaged. They are also to identify projects of common interest. All these proposals are included in the Community guidelines for the development of the trans-European transport network

⁸ See Chapter I.B.2. Innovative measures and technical assistance.

⁹ See 1994 Annual Report.

¹⁰ Council Regulation (EC) No 2236/95 of 18 September 1995.

¹¹ This is set out in the Commission communication "The future development of the common transport policy" (COM(92) 494). Its chief points are the trans-European network policy and the need to take account of environmental protection in transport policy.

to which Parliament gave a second reading in December 1995. These consider multimodal transport as one of the solutions to be adopted to strengthen environmental protection and also identify the various components of the trans-European transport networks:

- the road network (75 000 km): 20 000 km of road is to be built or improved in the next ten years and around 40% of the work will be carried out in outlying regions;
- the railway network (73 000 km by the year 2010), where the objective is to eliminate bottlenecks in the central regions and improve the quality of the network in peripheral regions (plant and equipment, electrification, new access lines, etc.);
- ports, which are vital for the outlying Member States, as is the information and management network for shipping, the future development of which (improved safety and efficiency plus greater environmental protection in ecologically sensitive areas) directly concerns outlying countries;
- the airport network, which acts more specifically as a gateway, in particular in outlying areas, and the progressive introduction of an air traffic management network, the current lack of which is a real handicap in certain outlying areas.

The Community provides financial assistance through the financial Regulation mentioned above. Such assistance involves part-financing feasibility studies, loan guarantees and interest-rate subsidies and, in duly justified cases, direct grants for investment to supplement resources committed by the Member States. The financial perspective approved includes ECU 1.8 billion to finance transport projects, in particular the 14 projects given priority at the Essen European Council¹². ECU 240 million was allocated in 1995. To optimize the effectiveness of Community assistance, the Commission proposed an indicative multiannual programme for 1996-99. The budget for the TENs for transport supplements financing under the Structural Funds (in particular under the CSFs), which funds some sections of the TENs for transport (in Spain, Ireland and Italy), and the Cohesion Fund, which also funds sections of TENs in the eligible Member States. These measures are moulded into a coherent whole through inter-departmental consultation procedures within the Commission. The ERDF and the Cohesion Fund contribute very substantially to the implementation of projects of common interest within the trans-European transport networks, thereby helping to make up for shortcomings in infrastructure, which constitute one of the barriers to the free movement of persons and goods towards or from the outlying regions. The ERDF also part-finances work covering access to the TENs. By their efforts to support projects relating to various modes of transport, the two Funds are one of the Community's main instruments for developing the trans-European network and achieving its objective, namely lasting mobility in line with the Community policy on the environment.

Trans-European energy networks

The guidelines on the TEN for gas and electricity were given a second reading by Parliament on 26 October 1995, as were the specific measures relating to the TENs for energy. Through the CSFs/SPDs and also INTERREG II, the Structural Funds contribute substantially to the development of the trans-European energy networks. In 1995 the Commission granted a substantial contribution under INTERREG (REGEN) for the development of gas networks in Greece and the Iberian peninsula¹³. These projects form part of the ten energy projects given priority by the Essen European Council in December 1994. Furthermore, one of the fundamental objectives of the policy on the TENs for energy (Article 129b of the Treaty) is to contribute towards economic and social cohesion and in particular to linking the outlying regions with the central regions of the Community. To implement that policy, in 1995 the Commission granted ECU 12.2 million from the budget heading for trans-European networks to part-finance studies on energy networks, including ECU 6.5 million (53%) for projects in regions whose development is lagging behind.

¹² See 1994 Annual Report.

¹³ See Chapter I.B.1. Community initiatives.

Trans-European telecommunications networks

Lastly, in the telecommunications field, the guidelines for the ISDN TENs were adopted on 19 October 1995 and set out a general framework for the financing of Community measures relating to the ISDN.

7. The Structural Funds and the transparency of public contracts

Observance of the Community rules on the award of public contracts is one of the requirements explicitly mentioned in Article 7 of the Framework Regulation on the Structural Funds. The Commission monitors compliance with the provisions applicable on the subject by two means, firstly when part-financing applications are made and secondly when it acts to oversee the Funds and verify compliance with those provisions. In the former case, and in particular by virtue of the principle of partnership and programming, observance of the provisions applicable to public procurement (Treaty and directives) is verified beforehand solely in respect of major projects of a value in excess of ECU 25 million. During the implementation of the programmes, the Commission may verify compliance with the rules on public contracts through the Monitoring Committees. However, given the large number of projects concerned, the Commission's checks are not comprehensive. It is the task first and foremost of the authorities responsible in the Member States systematically to verify compliance with the rules on public procurement when public contracts are awarded in connection with the implementation of programmes. During each on-the-spot inspection visit¹⁴, compliance with the rules on public contracts is one of the points verified systematically. Furthermore, when disputes arising from infringements of the rules on public procurement are investigated, the Commission takes action where Community part-financing is concerned. Thus in 1995 some major cases of dispute showed that Community financing was involved.

Despite these various sources of information, chance still remains a significant factor and the risks of discrimination are high. The way the system works, by part-financing programmes and not projects, implies that verification of compliance with the rules on public procurement is essentially the task of the national authorities responsible for implementing the programmes and selecting the projects. Nonetheless the Commission is giving thought to improving the situation. This involves ensuring firstly that national legislation to implement Community directives is properly adopted. Furthermore, a solution which should be considered and discussed in partnership with the Member States could entail issuing a certificate of compliance with the rules on public procurement to the awarding authorities, setting up a body to verify observance of the provisions applicable on the subject and increasing the responsibility of the authority awarding contracts part-financed by the Community. It would be based on subsidiarity and partnership. At all events further progress must be made to improve the system of controls so that the situation regarding public contracts is clearer and there are controls which lay more stress on prevention and less on penalization after the event.

8. The Structural Funds and competition policy

Under Articles 92 and 93 of the Treaty, the Commission keeps under review public aid to firms in so far as it distorts competition and affects trade between Member States. Among its criteria for assessing aid, the Commission gives prominence to economic and social cohesion, as the general texts adopted in 1995 show. Thus the Guidelines on aid to employment¹⁵ state that the Commission will be favourably disposed towards aid to create new jobs in less-favoured regions. Similarly, the Community Framework for State aid for research and development¹⁶ provides for higher rates where subsidized projects are carried out in an assisted region. Conversely, it is important for the Commission to ensure that its

¹⁴ See Chapter II.B. Checks and financial management.

¹⁵ OJ No C 334, 12.12.1995.

¹⁶ OJ No C 45, 17.2.1996.

structural policy is consistent with competition policy as aid to firms accounts for a considerable part of structural intervention. To ensure such consistency, the Commission examines aid measures set out in programming documents and verifies in particular that national payments to Community part-financed projects fall within the framework of schemes approved by the Commission in accordance with Articles 92 and 93 of the Treaty.

In 1995, the efforts begun in 1994¹⁷ to improve consistency between competition policy and structural policy continued. Firstly, the revision of maps of regions eligible for regional aid at national level in Spain and Belgium was completed. Apart from the fact that such maps meet the timetable for programming of the various Structural Fund Objectives, they improve consistency between regions assisted nationally and those eligible under the Structural Funds. Secondly, the list of schemes part-financed by the Community was forwarded to the Commission by the three new Member States (Austria, Finland and Sweden). Some of those schemes were accepted as such as they had been adopted in 1994 under the Agreement on the European Economic Area. Others, which had been implemented before the entry into force of the EEA Agreement, were adjusted in accordance with the Community rules on competition. The maps relating to regional aid in the new Member States were thus adopted in 1995. The fact that there remain some areas eligible under Objectives 1, 2, 5(b) and 6 but not included by a Member State in its regional aid map is not incompatible with part-financing by the Structural Funds of schemes for aid to firms. The aid schemes which are authorized in such eligible areas must comply with the provisions on aid to SMEs or the *de minimis* aid rules, or else should fall under horizontal aid schemes for the environment or aid for research and development. Lastly, better coordination of decision-making procedures covering, on the one hand, the granting of assistance from the Structural Funds and, on the other hand, State aids continues to bear fruit in so far as it has enabled decisions on the granting of Structural Fund assistance to be approved more quickly.

9. Structural policy and education and training

1995 was the first year of the new generation of Community action programmes in the field of education and vocational training. These new action programmes, namely SOCRATES¹⁸ and LEONARDO DA VINCI¹⁹ have been adopted by the Council on the basis of Articles 126 and 127 of the Treaty on European Union. Both programmes call for a consistent or complementary implementation with other Community programmes and initiatives. In addition, Art. 8 of the Council Decision establishing LEONARDO DA VINCI stipulates that "in the context of their responsibility for implementing Community support frameworks, the Member States shall be free to establish consistency between this programme and the Structural Funds".

This emphasis on consistency and complementarity is evident against the background of the development after the European Council in Essen, that put education and training on the top of the political agenda as keys to employment and competitiveness. It is necessary that the results of innovative education and training projects are transferred into mainstream funding of the Structural Funds.

Practical steps has been taken to ensure complementarity between the Community Initiatives ADAPT and EMPLOYMENT and the LEONARDO DA VINCI programme. Commission services responsible for these programmes issued a framework paper on complementarity in March 1995 which demonstrated the scope for measures to be taken. These measures aimed to avoid double funding on

¹⁷ See 1994 Annual Report.

¹⁸ Decision 819/95/EC of the European Parliament and of the Council of 14 March 1995 establishing the Community action programme "Socrates".

¹⁹ Council Decision 94/819/EC of 6 December 1994 establishing an action programme for the implementation of a European Community vocational training policy.

the on hand and to benefit from a complementary implementation of both sets of programmes on the other hand.

CHAPTER III

INTER-INSTITUTIONAL DIALOGUE, REGIONAL PARTNERSHIP,

DIALOGUE WITH THE SOCIAL PARTNERS

INFORMATION AND COMMUNICATION

A. INTER-INSTITUTIONAL DIALOGUE

Implementation of the Structural Funds entails a constant and wide-ranging dialogue between the Commission and the other Community institutions. Both the number of partners involved and the subjects under discussion are constantly growing. The form of these discussions ranges from the now systematic exchange of information between the Commission, the European Parliament, the Economic and Social Committee and the Committee of the Regions to the adoption of official texts addressed to the other institutions in the form of communications from the Commission and opinions and resolutions from the other institutions. These exchanges take the form principally of meetings, whether formal (e.g. meetings of Parliament or its Committees, ministerial meetings) or informal (seminars or joint working parties) at political or technical level (inter-departmental or within the Structural Funds committees).

These varied contacts naturally cover a very wide range of subjects. During 1995, these included the main topics which affected the Structural Funds and economic and social cohesion during the year: the adoption of the programmes for the new Member States and the new PEACE Initiative for reconciliation and peace in Northern Ireland, preparation of the Commission Decision on the allocation of the reserve for the Community Initiatives and the consultations which that entailed, preparation of the second phase of programmes under Objective 2 for 1997-99 and responses to the Fifth Periodic Report on the Social and Economic Situation and Development of the Regions in the Community, which was adopted in 1994. They also embraced topics relating to the implementation of the Structural Funds such as their effectiveness and assessment, progress in implementing operational programmes and the finance they involve and the inclusion of the economic and social partners. Other topics discussed include subjects relating to the context of the Structural Funds such as their links with the development of a spatial planning policy on a European scale or the contribution of the Structural Funds to promoting job-creation.

1. Dialogue with the European Parliament and the Economic and Social Committee

1.1. The European Parliament

The Commission and Parliament maintained a continuous and fruitful dialogue during 1995. Pursuant to the code of conduct signed by the two bodies in July 1993, all programming documents concerning structural measures are sent to Parliament. The dialogue between the Commission and Parliament takes the form of the adoption of resolutions and opinions on structural policies proposed by Parliament's specialist committees and regular attendance by Commission representatives at meetings of those committees.

During the year, Parliament issued opinions on a number of operations by the Structural Funds: financial assistance to Portugal for a specific programme to modernize the textiles and clothing industry,¹ the special programme of aid for peace and reconciliation in Northern Ireland (PEACE Initiative)², the Commission's proposal on emergency Community aid for the reconstruction of the areas devastated by the hurricane which hit Madeira in October 1993 and the proposal for a Decision on the reduced rate of excise duties on traditional rum produced in the overseas departments.

Parliament also issued an opinion on the Fifth Periodic Report on the Social and Economic Situation and Development of the Regions in the Community. It noted that, despite a general improvement in the situation in the regions of the Community, economic and social disparities were still considerable and asked for the factors which have a negative impact and help increase imbalances to be identified, for an assessment to be made of structural and financial assistance and for further measures to be taken and

¹ Originally adopted in 1993 as the Textiles and Clothing in Portugal Initiative and then transferred to Heading 3 of the Financial Perspective (see 1994 Annual Report and Chapter I.B.1 - Community Initiatives - of this Report).

² See Chapter I.B.1 Community Initiatives.

penalties introduced to prevent poor utilization of appropriations. It also asked for a study on the criteria for eligibility under the Structural Funds to ensure greater effectiveness and for consideration to be given to future enlargement of the Union. Parliament also adopted a resolution on "Europe 2000+" in which it asked the Inter-governmental Conference beginning in 1996 to incorporate in the Union Treaty the basis of a Europe-wide policy on spatial planning, including the adoption of common guidelines to ensure the coherence and complementarity of the various Community policies, the strengthening of the trans-European networks and a legal framework to facilitate cross-border and inter-regional cooperation.

The Commission demonstrated complete willingness to keep the Committee on Regional Policy informed about developments in the implementation of the structural policies. Mrs Wulf-Mathies, the Member with special responsibility for regional policy and cohesion, presented the regional aspects of the 1995 work programme and informed members of Parliament about the follow up to the informal ministerial meeting in Strasbourg on 30 and 31 March³ and the Commission's proposal on the allocation of the reserve for the Community Initiatives.⁴ In addition, she covered cross-border cooperation and the link between economic and social cohesion and economic and monetary union, a topic also dealt with by Mr de Silguy, the Member with special responsibility for economic and monetary matters. Before the end of the year, Mrs Wulf-Mathies presented the Commission's work programme for 1996, the guidelines for assistance to Objective 2 areas for 1997-99 and the communication on "Cohesion policy and the environment."⁵ The Director-General for Regional Policy and Cohesion presented the work of the cohesion financial instrument, the predecessor to the Cohesion Fund, in 1993 and 1994 and the communication on the new regional programmes under Objectives 1 and 2 of the Structural Funds.

With more specific reference to the ESF, the working party set up at the end of 1994 with members from Parliament's Committee on Social Affairs and the ESF continued its work throughout 1995. This flexible structure comprises five members of the Committee on Social Affairs and the Director and Heads of Division responsible for the ESF. On average, it met once a month during 1995 and dealt with horizontal matters, such as implementation of the budget, implementation of the OPs, assessment and the Community Initiatives, and more specific topics, such as innovative measures under Article 6 of the ESF Regulation, the information society, the report of the Court of Auditors, etc. The working party also went to Italy to take an on-the-spot look at measures part-financed by the ESF.

Turning to agriculture and rural development, as part of the preparation of an opinion on the Fifth Annual Report on the Structural Funds (1993), a discussion was held on implementation of a rural development policy in the European Union under the various Objectives concerned (1, 5(a) and 5(b)) and the Leader Community Initiative. Topics included the maintenance of jobs in rural areas, the diversification of economic activity both in agriculture and in other sectors, the problems of protecting the countryside and the defence of the environment as well as more administrative matters such as payment channels and the participation of the economic and social partners. Opinions were also issued on the definition in the three new Member States of mountain and less-favoured agricultural areas pursuant to Council Directive 75/268/EEC of 28 April 1975 on mountain and hill farming and farming in certain less-favoured areas. Opinions were issued on the implementation of the Community Initiatives in the three new Member States and in particular on the allocation of appropriations between the Initiatives and the allocation of the reserve for the twelve original Member States.

Dialogue between the Commission and Parliament's Committee on Fisheries was also continuous. Parliament had requested socio-economic measures for fishermen and gave a very warm welcome to their adoption during the year.⁶ Mrs Bonino, the Member with special responsibility for Fisheries, explained the Commission's point of view on this matter to Parliament's September 1995 part-session. Dialogue between the Commission and Parliament's Committee on Fisheries continued in 1995 with

³ See Chapter III.A.3 Informal meetings of the ministers responsible for regional policies and spatial planning.

⁴ See Chapter I.B.1 Community Initiatives.

⁵ See Chapter I.A.1.2 Greater integration of the "environment" factor.

⁶ See Chapter I.A.5.2. Objective 5(a) for Fisheries.

subject-based seminars, one of which was devoted to structural policy in the sector (Santiago de Compostela, 2-3 October 1995).

1.2. The Economic and Social Committee

The Commission follows the work of the Economic and Social Committee attentively and makes policy and technical contributions at all levels. In 1995 contacts continued and the Commission considered all the opinions issued by the Committee. These included three opinions on Commission reports: the Fifth Report on the Implementation of the Structural Funds (1993), the Fifth Periodic Report on the Social and Economic Situation and Development of the Regions in the Community and the Annual Report on the cohesion financial instrument (1993-94). In each case, the Commission took note of the Committee's remarks and suggestions and gave its reactions. The Committee also adopted an opinion on the PEACE Initiative.

The Committee chose to deliver an own-initiative opinion on "the future of cohesion" with reference to further enlargement. On local development initiatives, it stressed their advantages from the economic, spatial and social points of view. In the case of planning, it issued an opinion on "Europe 2000+" and on "Spatial planning and inter-regional cooperation in the Mediterranean area" with a view to greater economic and social cohesion. The Committee broadly shared the points of view expressed by the Commission in "Europe 2000+" and stressed the need for a Community view on spatial planning. It therefore supported vigorously the development of cross-border cooperation under the revised INTERREG II Initiative⁷ and the work of the Committee on Spatial Development in drawing up the European Spatial Development Perspective (ESDP). The Committee also expressed the desire to see planning policy brought within the scope of the Union Treaty.

At the same time, the dialogue on the ESF continued in 1995 with Commission representatives contributing to the work of the Committee on aspects of the labour market and the implementation of the Structural Funds. This was also true of fisheries, where the Committee unanimously adopted two further opinions⁸ on two amendments to the FIFG Regulation (changing the unit of tonnage and socio-economic measures for sea fishermen).

2. Relations with the Committee of the Regions

During 1995 the Commission laid the basis for an intensive dialogue with the Committee of the Regions by proposing wide-ranging cooperation based on an annual programme of consultations extending beyond the five areas laid down in the Treaty and concerning both proposals for legislation and the preliminary consultation process. When she addressed the Committee's September meeting, Mrs Wulf-Mathies expressed her views on the information society as a means of increasing cohesion within the Community and stressed the role to be played by the Member States and local authorities to ensure equitable participation in all the regions.

The Committee also expressed its views on a number of current topics which influence regional policy and cohesion directly or indirectly. These included the PEACE Initiative, urban development, innovative measures under Article 10 of the ERDF Regulation and the Annual Report on the Cohesion Fund (1994). In its own-initiative "Opinion on the role of regional and local authorities in the partnership principle of the structural funds," the Committee noted that progress had been made in this field but asked for the local authorities to be more closely associated with the implementation of structural measures. It asked

⁷ See Chapter I.B.1 Community Initiatives.

⁸ See Chapter I.A.5.2. Objective 5(a) for Fisheries.

for Article 4 of the Structural Funds Regulation to be amended so that regional and local authorities are expressly included in the partnership.⁹

The Committee of the Regions also issued a reasoned opinion on the Commission's "Europe 2000+" communication, which it welcomed warmly. The Committee agreed with the main conclusions and came out in favour of a Community policy on spatial planning, to be expressed first of all in the ESDP. It confirmed the proposal it had already made in its opinion on the revision of the Treaty on European Union, that spatial planning, like inter-regional, cross-border and trans-national cooperation, should be included in the treaty.

Two of the opinions directly concerned rural society. One, on the development of rural tourism, called for "greater consistency in Community intervention and a harmonization of the different Member States' policies." The second concerned the European Charter on Mountain Areas drawn up by the Council of Europe's Congress of Local and Regional Authorities of Europe, to which the Committee recommended that the European Union and the Member States should accede. Other opinions, particularly those on "Europe 2000+" and on "Measures to combat the socio-economic and environmental impact of drought in southern Europe" dealt with the problem of the countryside.

3. Informal meetings of the ministers responsible for regional policies and spatial planning

The ministers responsible for regional policy and spatial planning held two informal meetings in 1995, one in Strasbourg on 30 and 31 March under the French Presidency and one in Madrid on 30 November and 1 December under the Spanish Presidency.

The Strasbourg meeting considered the implementation of regional policies between 1994 and 1999, specifically the results of work in 1994 on drawing up the programmes under Objectives 1, 2 and 5(b) and the conditions required for the successful implementation of assistance from the Structural Funds in the years to come. Agreement was reached on a number of points: the priority to be given to promoting lasting jobs, which should involve all the partners and sectors concerned, the general need to concentrate assistance on a number of major priorities which took full account of the Union's policy guidelines, and the over-riding need to ensure the effectiveness of Structural Fund expenditure, whether through rigorous monitoring, the most exhaustive possible independent assessment or more rigorous financial controls. Greater effectiveness of the Structural Funds was a matter for both the Member States and the Commission. It was agreed at Strasbourg to hold a further meeting to consider how the Structural Funds could have a greater impact on employment. Further consideration would also be given to improving and strengthening the partnership so as to give still greater priority to employment.

At their meeting on 30 November and 1 December in Madrid, the Ministers discussed preparation of the new Objective 2 programmes for 1997-99.¹⁰ Most of the ministers favoured an approach constituting a continuation of the first phase (1994-96). However, they acknowledged that efforts needed to be made to improve the effectiveness of the Structural Funds by concentrating resources on areas where the need is greatest. The ministers and the Commission also agreed that measures part-financed by the Structural Funds should make a significant contribution to promoting employment in Objective 2 areas. They considered that the new Objective 2 programmes should cover research and development, the protection of the environment and the promotion of equal opportunities while also taking account of the specific situations and needs of each area.

⁹ See Chapter III. B Regional partnership.

¹⁰ Under Article 9 of the Structural Funds Framework Regulation, Objective 2 is programmed in two consecutive three-year phases (1994-96 and 1997-99). At the end of the first phase, the Commission, in close consultation with the Member States, will propose a revised list of the eligible areas.

These meetings continued the consideration of spatial planning matters begun in earlier years.¹¹ They concentrated on three major and related aspects: preparation of the ESDP, the launch of trans-national cooperation projects concerned with planning and the scope which a European planning strategy should have. Trend scenarios for Europe were presented at the Strasbourg meeting comprising maps setting out likely future developments if policies remained unchanged. Further consideration was given to this point at Madrid. The initial policy options suggested by the Member States were presented as a prelude to the application on their territories of the principles agreed at the Leipzig meeting in 1994. The ministers also agreed to consider a first official draft of the ESDP in 1997.

On the question of cross-border cooperation on planning the ministers agreed at both meetings on the importance they attached to the new strand C of the INTERREG II Initiative.¹² Mrs Wulf-Mathies presented two documents setting out considerations on the future of spatial planning policy at Community level, one based on the policy and institutional perspectives for the planning of the European territory and the other on the European dimension of planning.

4. Committee opinions

The five Committees which assist the Commission in implementing the Structural Funds¹³ continued to have a heavy work load in 1995. This took two main forms: the adoption of programming for the new Member States and the implementation of the Structural Funds.

The Advisory Committee on the Development and Conversion of Regions met three times, was consulted by written procedure twice and issued a total of 16 opinions, three of them by written procedure and all unanimously favourable. They concerned the programmes for the new Member States, firstly, the list of areas eligible under Objective 2 and then the SPDs as such for Objectives 1, 2 and 6. As regards the implementation of the Structural Funds, the Commission informed the Committee of its guidelines for launching activities under Article 10 of the ERDF Regulation,¹⁴ following which a guide to innovative measures was distributed to the members of the Committee. European planning perspectives were discussed with particular reference to the conclusions of the informal meetings of the ministers responsible¹⁵. There were useful discussions on various matters relating to the implementation of principles and programmes such as the assessment of regional policies, the verification of additionality, internal Commission procedures for the approval of programmes, financial irregularities in the management of the Structural Funds and the implementation of the provisions on information and publicity. These discussions enabled the Commission and the Member States to make each other aware of their aims and the challenges they faced and so to identify better the points requiring improvement if assistance, particularly from the ERDF, was to be implemented effectively.

The ESF Committee was also very busy during 1995. Since its members' three-year term of office expired, its composition was renewed in October by a Council Decision. It held five meetings at which, in accordance with the rules, it issued opinions on the draft Commission Decisions on the CSFs/SPDs, mainly for the new Member States. Like the Advisory Committee on the Development and Conversion of Regions, the ESF Committee considered in partnership matters of a horizontal nature relating to the implementation of the Structural Funds, including budgetary implementation, irregularities notified by the Member States and the identification of final beneficiaries. Other, more forward-looking, discussions covered the PEACE Community Initiative, progress on the Community Initiatives, the guidelines for employment aid and the implementation of social dialogue measures and innovative measures under

¹¹ See in particular the Corfu and Leipzig meetings in 1994 referred to in the 6th Annual Report (1994).

¹² See Chapter I.B.1 Community Initiatives.

¹³ Pursuant to Article 17 of the Framework Regulation (Council Regulation (EEC) No 2052/88 as amended).

¹⁴ See Chapter I.B.2 Innovative measures and technical assistance.

¹⁵ See paragraph 3 above.

Article 6 of the ESF Regulation. The Committee also branched out in a new direction when it considered drawing up a work programme for 1996. In order to encourage more active participation by its members, it began to discuss setting up an *ad hoc* working party to contribute to work arising from the conclusions of the Essen European Council and action plans for employment.

The Committee on Agricultural Structures and Rural Development (STAR Committee) also met frequently in 1995 and considered all the structural measures in the sector. It issued 180 favourable opinions. The Committee was closely associated with work on the new phase of Objective 5(b) and each meeting included a specific agenda item to report progress on the SPDs under that Objective. The Committee also issued unanimously favourable opinions on all the summary programme documents for Objective 5(b) submitted in 1995 and on the draft decisions approving them. It issued many other opinions on measures concerning Objective 5(a) including the new programmes on the processing and marketing of agricultural products and measures to accompany the reform of the CAP (particularly those with reference to the environment).

The Standing Management Committee on Fisheries Structures met six times in 1995 and considered all the structural measures in the sector. It issued a total of six favourable opinions, five unanimously on the SPDs for Objective 5(a) fisheries and Objective 6 in the new Member States and one on the new regulation on the implementation of assistance from the FIG.¹⁶

The Management Committee for Community Initiatives met at the end of 1995 to hold an initial discussion on the allocation of the reserve for the Community Initiatives and amendments to the guidelines for INTERREG II, URBAN, EMPLOYMENT and ADAPT. This was a discussion for guidance prior to Parliament issuing its opinion early in 1996, after which the Committee adopted its formal opinion. The meeting provided an opportunity for the Commission to set out the priorities on which it had based its proposal to allocate appropriations from the reserve¹⁷ and for the Member States to give their reactions, which the Commission undertook to take into account as far as possible. At that meeting, the Commission explained to the Member States its guidelines for the part-financing of national networks under LEADER II.

¹⁶ Commission Regulation (EC) No 1796/95 of 25 July 1995, OJ No L 174, 26.7.1995.

¹⁷ See Chapter I.B.1. Community Initiatives.

B. REGIONAL PARTNERSHIP

1. Overview

With the actual physical commencement of the programmes in 1995, the monitoring of assistance in partnership at regional level entered its active phase (in the case of Objective 5(b), for example, 86 meetings of regional Monitoring Committees were held in 1995). It was accordingly felt appropriate to report here how the partnership and programme monitoring are organized at regional level. The information on the preparation of the new programmes presented in the previous Annual Report illustrates how greatly the administrative structures of the regions and States of the European Union and their operation differ from one to another. The effective operation of the regional partnership in the context of the Structural Funds is influenced of course by this institutional and political diversity. The information currently available on the establishment of bodies to manage and monitor assistance testifies first and foremost to a broad level of participation by the regional authorities. This is an improvement on the previous programming period. The situation is more complex as regards the other regional, especially local, partners, depending on their institutional and financial responsibilities. However, in some cases, these bodies bring together or represent local authorities involved in monitoring assistance.

Participation of the environmental authorities: The review of the Structural Funds Regulation in 1993 made participation by the environmental authorities in preparing and implementing the programmes compulsory. Their role is particularly important in ensuring compliance with the Community rules on the environment. In particular, the rules governing their involvement must be laid down in the programming documents. The Commission communication on "Cohesion Policy and the Environment"¹ also stressed the importance of the environmental authorities when implementing structural assistance. This stems in particular from the provisions making the environmental authorities members of the Monitoring Committees for various programmes, especially where they include measures with an environmental impact.

In the implementation of structural assistance, the Monitoring Committees are the principal mechanism for conducting the partnership at national, regional or even subregional level. The Committees, which meet at least twice a year for each form of assistance (SPD, OP, global grant, etc), are functioning well in general and their operating procedure allows the various regional and local partners to be fully involved. However, it must be acknowledged that a certain amount of complexity in national and Community procedures is one of the regulatory constraints under which the partnership has to develop (various levels of co-operation, time limits, a multiplicity of sectors aided, etc).

This complexity can sometimes discourage the full and active participation of all the partners concerned. The Commission believes that the management of the Structural Funds can be simplified. However, the requirement to use the Structural Fund appropriations properly warrants procedures that ensure both effectiveness and supervision. A large part of the work of these Committees usually involves financial monitoring and following the physical implementation of assistance. The general analyses of the strategies, the results and the impact of the assistance should also be improved. Moreover, the working procedures of the Committees, given their highly operational task, do not always lend themselves to promoting the new guidelines or suggested new departures that might be adopted by the Community institutions during the lifetime of the programmes (for example, the communications on employment, the environment, equal opportunities).

The review of the regional partnership² and the opinion expressed on it by the Committee of the Regions support this analysis in the main. The Committee notes in particular that "with a few exceptions local and regional authorities are more involved at present than in the last programme period" (point 17). It

¹ See Chapter I.A.1.2. Greater integration of the "environment" factor.

² Own-initiative Opinion No 234/95 of 20 July 1995 on the role of regional and local authorities in the partnership principle of the Structural Funds.

stresses that the partnership needs a "political will" to be in place beforehand and points to the "benefits flowing from the close involvement of the partners" (point 36). However, it also feels that the rules on the Structural Funds should be less complicated (point 23). Of the Committee's proposals, the following merit particular mention:

- the programming documents should be jointly signed by the various partners concerned (State, region, Commission). This was the practice formerly with the Integrated Mediterranean Programmes and is obviously of particular political interest, but it would prove rather hard to implement;
- the "current partnership provisions in the Structural Funds Regulations are vague" and this needs to be remedied. This interesting proposal may not be immediately applicable, perhaps, but the Commission recognizes its cogency. Indeed, a certain regulatory lack of clarity in the allocation of responsibilities when implementing assistance is likely in some instances to harm both its visibility and its proper implementation on the ground;
- the formal inclusion in Article 4 of Regulation (EEC) No. 2052/88, as amended, of the local and regional authorities "since they are the ones with the democratic legitimacy to represent the regional and local need and priorities." Article 4 already mentions the "competent authorities and bodies [...] designated by the Member State at national, regional, local or other level".

While sharing this concern to improve the operation of the regional partnership, the Commission is aware of the limits placed on it by considerations of subsidiarity and the institutional, legal or financial responsibilities of each partner.

2. Implementation of the regional partnership in the Member States³

Belgium: Under the federal structure of this country, programmes are managed, implemented and monitored by both the Walloon and Flemish Regions. The Monitoring Committees meet under the presidency of the federal Ministry for Foreign Affairs. The projects, their conformity to the eligibility criteria and compliance with Community rules are examined by the technical committees. The Commission can be present and, while unable to vote, it can make technical comments. In the case of Wallonia alone, Commission participation in these technical committees is laid down in the provisions for implementing the programmes. A preliminary choice of projects is done by another body, the selection committee, on which the Commission is not represented. The technical committees, which meet twice a year before the meetings of the Monitoring Committees, act on the basis of this initial selection. Both the Flemish and Walloon regions are represented on the Objective 5(b) fisheries Monitoring Committee.

Denmark: Like Belgium, Denmark organizes technical committees alongside the Monitoring Committees. The technical committees met seven times in 1995. The Commission can attend - although it has not yet done so - but only as an observer.

Germany: For the new Länder and Eastern Berlin (Objective 1), the CSF is implemented by an inter-regional, multifund Monitoring Committee, by horizontal monitoring sub-committees, and in each Land by a multifund monitoring sub-committee. The inter-regional, multifund Monitoring Committee met twice in 1995 to discuss general topics concerning the implementation of the CSF. It set up the sub-committees for each Land and adopted guidelines on the technical assistance measures. The Länder sub-committees met in all the Länder in 1995 and in June of that year the Commission organized an information seminar at which certain aspects of practical and financial implementation were discussed, as were measures to ensure that Community policies were taken into account more fully.

³ It should be noted that in the case of the fisheries sector under Objective 5(a), which is not regionalized, regional representatives are full members of the relevant Monitoring Committees in several Member States.

Specific arrangements were also made for Objective 2. Beside the Monitoring Committee at federal level, which covers all the Länder and all the Funds, the Commission proposed awarding responsibility for programmes receiving more than ECU 40 million in Community aid to sub-committees in each Land. These will ensure effective regional monitoring of these programmes and are in line with the principle of partnership. Negotiations with the national authorities on this subject were still ongoing at the end of 1995. It should be noted that the Objective 2 Monitoring Committee and the sub-committees (where involved) are responsible for the Objective 2 programmes and for those under the Community Initiatives (except for the INTERREG programmes, for which specific Monitoring Committees were set up, given their particular aim). In the individual case of Berlin, a single sub-committee, which met at the end of 1995, is responsible for the Objective 2 (Western Berlin) programmes and the Objective 1 (Eastern Berlin) programmes, including the Community Initiatives which concern Berlin.

Lastly, the responsibility for implementing each Objective 5(b) programme was given to the Länder. The Länder are represented on both Monitoring Committees dealing with fisheries aid, i.e. nine Länder are represented on the Objective 5(a) Committee and six Länder plus Eastern Berlin are on the Objective 1 committee.

Spain: Two regional Monitoring Committee meetings took place in each region in 1995 for the Objective 1 programmes and one meeting in each for the Objective 2 and 5(b) programmes. The regional authorities took part in preparing the CSF priorities for Objectives 1 and 2 and in drawing up the regional OPs. The amount of Structural Fund assistance allocated to them differs depending on their responsibilities, the Structural Funds involved and the types of measures implemented. A more limited share of the Community aid is also allocated to the local authorities, even though they were not involved in preparing the CSFs. Thus, as regards assistance approved and/or planned under Objective 1, measures for which the Autonomous Communities or the local authorities are responsible account for respectively 35% and 10% of total ERDF assistance in the CSF, percentages which reach 48% and 16% respectively in the case of Objective 2 assistance. The regional authorities are also represented on the multifund regional Monitoring Committees for Objectives 1 and 2. On the other hand, the local authorities are not always represented, except for the Objective 2 Basque Country programme (the three *Diputaciones Forales* sit on it) and the Balearic Islands programme (three members represent all eleven beneficiary municipalities) and on the Monitoring Committees for the Objective 1 "local environment" and "local development" OPs.

The desire to involve the local authorities in the implementation of the Objective 5(b) programmes also resulted in certain regions in the full involvement of the district councils and mountain and hill farming associations in the programming process. Lastly, where fisheries measures are concerned, each Autonomous Community is represented either on the Objective 5(a) Monitoring Committee (six Communities) or on the Objective 1 Monitoring Committee for the fisheries programme (eleven Communities).

France: The Monitoring Committees for Objectives 1 and 2 are chaired by the regional prefect and include representatives of the local authorities (regional Council, general Council, municipality), the national departments in the region and the Commission. All these Committees (five for Objective 1, 19 for Objective 2) were established and met in 1995. Responsibility for implementing the Objective 5(b) programmes was given to the regional representatives of the State, but the local authorities and the economic and social partners are also represented on each Monitoring Committee. To take account of the great internal heterogeneity of certain regions which cover an extensive area eligible under Objective 5(b), some programmes include measures (or sub-measures) that are programmed on a sub-regional (department) level, the aim being to increase local authority involvement. Lastly, all the coastal regions are full members of the Pesca Monitoring Committee.

Ireland: Ireland is regarded as a single "region" for the purposes of managing and administering the Structural Funds. However, the eight regional authorities have responsibility for monitoring Structural Fund expenditure in their respective regions. To this end, meetings are regularly organized between them and the national administration to discuss progress. They will also be involved in the mid-term

review of the CSF, which must take place in 1996. The regional authorities also attend a special meeting that takes place after the ordinary meetings of the CSF Monitoring Committee. The Monitoring Committee at regional level includes elected local representatives, and representatives of voluntary organizations, local authorities, the public authorities and the social partners.

Italy: The Italian regional authorities play an important role in the implementation of the operations part-funded by the Structural Funds, especially as regards Objective 1 (the Mezzogiorno), since they are the organizations mainly responsible for carrying out the OP. Approximately half the Community funds provided for under the Objective 1 CSF are managed by the regional administrations. Regions also take part in centrally-managed programmes. Similarly, the regions are responsible for implementing Objective 2 programmes, while for Objective 5(b) both the regions and the autonomous provinces are responsible. With regard to fisheries aid under the FIFG, six regions (Abruzzi, Basilicata, Calabria, Apulia, Sicily, Sardinia) sit on the Objective 1 FIFG Monitoring Committee, while the autonomous province of Trento takes part in the Objective 5(a) Monitoring Committee.

The dialogue between the Commission, the State and the regions has developed satisfactorily in general. The quality of the information provided by the regional authorities responsible for the implementation of the programmes is on the whole good, and the Monitoring Committees are appropriately consulted. Moreover, considerable efforts have been made to improve the organization of the regional bodies implementing the aid, in line with the agreement negotiated between the Commission and the Italian Government in July 1995⁴. Thus, regional coordinating units ("*cabine di regia*") to liaise with the national coordinating unit ("*cabine di regia*") were established in each region, at both political and administrative level, to coordinate the various departments involved in implementing the priorities or specific measures under the various programmes. These coordinating units were established quicker in the Objective 2 areas than elsewhere.

Netherlands: The programmes for all the eligible Objective 1 and 2 areas are administered and monitored by the national agency for the development of trade and industry, a body that operates under the auspices of the Ministry of Economic Affairs. This agency issues final approval to the projects part-funded by the ERDF in particular. The projects are selected in advance by a technical Committee which the Commission can attend as an observer. At the meetings of the Monitoring Committees, which it does attend, the Commission is informed in particular of the projects which were selected for part-funding and those which were rejected through a document listing both categories and the financial impact. By contrast, responsibility for implementing Objective 5(b) programmes was given to the regions.

Austria: The regional partnership in Austria continued to prepare the new programmes in 1995. The Objective 1 and 2 programmes were prepared by a partnership comprising the national, regional and local authorities. An extended partnership including the Commission and the social partners will subsequently operate in the SPD Monitoring Committees.

Portugal: In the case of this Member State, which is entirely eligible for Objective 1 but in which there is little regionalization, the Commission stressed to the Portuguese authorities the great importance that it attaches to the implementation of the partnership with the regional authorities. With the creation in 1995 of regional advisory subcommittees whose task it is to monitor the implementation of regional OPs, the situation should now improve. It should be noted that representatives of the autonomous regions of the Azores and Madeira attend meetings of the Monitoring Committee for the Fisheries OP, as observers.

Finland: A very extensive partnership has developed in Finland for the preparation of the new programming documents. A pyramidal approach was adopted to the preparation and implementation of the SPDs for Objectives 2 and 6. The first stage was the preparation of the programmes in each of the

⁴ See Chapter I.A.2. Objective 1

regions concerned. The central authorities then gathered the regional projects into a single programme adopted by the Commission in the form of an SPD for each Objective covering the entire country and including estimated allocations of the appropriations between the activities and various regions. The two SPDs are monitored by a Monitoring Committee made up of representatives of all the regions, the funding ministries, the Commission and the social partners. Management of the programme is entrusted in each region to a management Committee comprising representatives of the region, the local offices of the national ministries and the social partners. The regional management Committee draws up its own plan for implementing the programme in its region based on the plan initially submitted to the central authorities. Project funding is to a large extent decided by the local offices of the central ministries or by the ministries themselves, but the regional management Committee examines and must adopt all the projects, thereby giving it control over implementation and enabling it to decide to a very large extent on how the SPD is implemented in its region.

Implementation of the programmes under Objectives 3 and 4 is similarly very decentralized. The Finnish Ministry of Employment coordinates the assistance relating to human resources for all the Objectives and is also responsible for implementing most of the horizontal ESF programmes. Other Ministries, Education and Trade and Industry in particular, also assume responsibilities, while the municipal authorities, social partners and non-governmental organizations take part in carrying out the ESF measures at regional and local level. At project level, the adoption of the budget and national legislation ensure that the decision-making procedures on the projects part-funded by the ESF are widely shared. Under the horizontal programmes, the decision-making process is decentralized within the Ministry of Employment and within the other Ministries concerned (Trade and Industry, Agriculture). At regional level, the advisory committees for the employment areas and the regional management committees ensure that the activities are integrated by scrutinizing all the projects in the regional aid programmes before the competent authorities take the final decision. Lastly, the ESF lays stress on the need to ensure practical cooperation between the administrators in the interest groups, the regions, the municipalities, the universities and other educational establishments, the employment agencies and the representatives of trade and industry. Most of the projects in the programmes are therefore carried out in partnership.

Sweden: The Swedish regional partners were fully involved in the preparation of the programmes submitted to the Commission. They include representatives of local and regional government, county councils, the employers, the trade unions, the financial organizations, the agricultural and environmental lobby and local or other associations. They will be represented on the SPD Monitoring Committees alongside the national government and the Commission. In addition, most of the programme budget (80%) will be implemented by the regional management committees that derive from the local and regional structures in place. Some measures, those under Objective 5(a) for example, will be managed by central agencies, while the Sami people will receive a global grant.

United Kingdom: The regional partnership was strengthened in the programmes adopted in 1994. For each Objective 1, Objective 2 or Objective 5(b) SPD a Monitoring Committee was established at regional level, chaired by the regional manager of the relevant Government Office, including representatives of all the main interested partners, in particular the Ministries concerned (Environment, Trade and Industry, Transport, Education, Employment and Agriculture) and the Commission. The local authorities, the training, education and private sectors are also represented on the Monitoring Committees. The number of Monitoring Committee members range in number from five or six (Gibraltar) to close on forty in other regions (East Midlands for example). The local authorities are heavily represented. They usually account for about a third of the seats on the Committees and are ordinarily represented by officials, although elected representatives also sit in certain cases. More specifically, in the case of the Objective 2 programmes, the Commission made strong representations to the United Kingdom authorities that the lack of participation by elected members (participating in four of the sixteen Objective 1 and 2 Monitoring Committees) and by the economic and social partners, whose involvement ran into central government resistance, should be remedied. This expanded partnership was able to play a modest role in a number of cases, thanks to ad hoc meetings organized by the chairmen of the Monitoring Committees.

The urban development associations and the regional and local development offices are also represented. Mention should also be made of the lesser role played by collective and environmental bodies (e.g. the National Rivers Authority or Scottish Natural Heritage) and sometimes major local companies. The private sector is often asked to participate through the involvement of the Chambers of Commerce or other bodies like Railtrack, Training and Enterprise Councils (which play a major role in England and Wales) and Local Enterprise Councils (the competent authorities in Scotland). The involvement of local higher education establishments (universities) and the post secondary schooling (over 16 years) sector was also ensured.

C. DIALOGUE WITH THE ECONOMIC AND SOCIAL PARTNERS

1. The socio-economic partnership in monitoring structural assistance

In monitoring the Structural Fund programmes, and most notably at meetings of the Monitoring Committees, the Commission stresses the importance of greater participation by the socio-economic partners, who, since they too are working towards social and economic development, can usefully contribute to the implementation of the programmes in their regions. The involvement of the social partners varies from one Member State to the next depending on the institutional, legal or financial responsibilities delegated to them. This involvement also varies depending on the Objectives of the Structural Funds.

1.1. Overview

In 1995, the Commission concluded its analyses of the involvement of the economic and social partners in implementing and monitoring structural measures. In general, four scenarios can be distinguished:

- the social and economic partners are directly involved in the Monitoring Committees. Only a small amount of Community assistance is dealt with in this manner, but almost all ESF assistance under Objectives 3 and 4 is monitored with social partner participation;
- the socio-economic partners are not directly involved in the Monitoring Committees but are represented, for example, through national or regional economic and social councils;
- the economic and social partners are not directly or indirectly involved in the Monitoring Committees. However, additional activities (information sessions, advisory committees, seminars, etc.) are provided for, sometimes on a regular basis, to keep them informed about implementation and to allow them to voice their concerns and put forward suggestions;
- no particular provision has been made to involve the economic and social partners in implementing and monitoring structural assistance. A significant amount of Community assistance falls into this category.

Recent trends indicate that the authorities responsible for implementing structural assistance are now more willing to involve a greater number of partners and actors in monitoring Community structural measures. To this end, the Commission supports all the additional information, consultative or cooperative activities organized by the competent authorities that allow the various partners to be involved as effectively as possible, with due regard to their real responsibilities and their technical and operating capabilities.

1.2. Implementation of the socio-economic partnership in the Member States

A description of the different situations in the Member States, broken down by region-based Structural Fund Objectives and then the non-regional Objectives, is useful for illustrating the above.

Region-based programming (Objectives 1, 2 and 5(b))

Belgium, Luxembourg, Netherlands, Denmark: Provision is made in these four Member States to supply the social partners (trade unions and representatives of employers' associations in particular) with information on the progress of the programmes. The social partners are full members of the SPD and Community Initiative Monitoring Committees and their presence is a necessary condition. For example, for Objective 5(b) in Belgium and Denmark, the representatives of the social partners number four, there are two employers' representatives and two workers' representatives in Belgium while in Denmark there

are two union representatives, one employers' representative and one representing the Chamber of Agriculture. In the Netherlands they are five in number: one employers' representative, three workers' representatives and one agriculture representative.

Germany: The social partners are involved in different ways depending on the Objectives. In the case of Objective 1 (the new Länder), meetings of the horizontal Monitoring Committees¹ are preceded by preparatory meetings with the economic and social partners. In the case of Objective 2, the economic and social partners should be involved in the Land subcommittees proposed by the Commission for the programmes in receipt of the most significant funding, but discussions in this regard were still continuing at the end of 1995. As for Objective 5(b), the economic and social partners (local chambers and organizations party to collective agreements) are informed at meetings held before and after the Monitoring Committee.

Spain: The social partners are not members of the Monitoring Committees for the Objective 1 and 2 CSFs and OPs. They are instead informed of the progress of the CSF, the programmes, projects and related global grants through the Spanish Economic and Social Committee after each CSF Monitoring Committee. The Commission has for the first time persuaded the Spanish authorities to hold a meeting with the social partners within the Economic and Social Committee (ESC). One purpose of the meeting was to inform the ESC of the conclusions of the Committee monitoring the Objective 1 CSF for the second half of the year. By contrast, the involvement of the social partners in Objective 5(b) differs more widely from region to region. Two regional Monitoring Committees include trades union and Economic and Social Committee representatives, the other regions organize only specific information meetings.

France: The economic and social partners' involvement in programme monitoring, which is quite extensive in terms of the number of interests represented, varies depending on the Objective and the region. In the case of Objective 1 programmes, the social partners are represented on Monitoring Committees by a representative of the regional Economic and Social Council in the case of Corsica and Nord Pas-de-Calais, while in the overseas departments (Réunion, French Guiana, Guadeloupe, Martinique) the local chambers (chambers of trade and industry, agriculture and trades) are formally involved in the Monitoring Committees, although the arrangements vary. They are either members of the actual Monitoring Committee or are invited to information meetings held after the Committee meets. Furthermore, when the SPDs were adopted for the overseas departments, formal meetings including not only the local chambers but also employers' or professional groups and trades union representatives were held with all representatives of the social partners in each region. It should also be noted that, when Commission officials undertake missions to each region, they regularly meet the local chambers to discuss aspects of programme implementation.

In the case of Objective 2 and all these SPDs, the social partners are represented in the Monitoring Committees by a representative of the regional Economic and Social Council. By contrast, the Objective 5(b) Monitoring Committees include, in addition to the local partners, representatives of the regional chambers of agriculture, trades, commerce and industry, as well as members of the regional Economic and Social Council. Some Monitoring Committees also include representatives of environmental protection associations.

Ireland: The social partners have been fully involved in the management of Structural Fund expenditure since the reform of the Funds in 1989. Their representatives are full members of the OP Monitoring Committees and take part in the decision-making process on Structural Fund assistance. This involvement is highly regarded and provides very important sectoral experience at the various Monitoring Committee meetings. Furthermore, the social partners are represented on each of the regional Monitoring Committees². Lastly, the social partners attend a special meeting organized after

¹ See Chapter III.B. Regional partnership.

² See Chapter III.B. Regional partnership.

each ordinary meeting of the CSF Monitoring Committee. They are thus fully integrated into the Structural Funds management structure in Ireland.

Italy: The enlargement of the partnership to include the economic and social partners was a genuine innovation compared to the previous period. Representatives of the main trades union and employers' organizations contribute to the work of the Objective 1 Monitoring Committees in a regular manner through attendance at technical meetings preparatory to the Monitoring Committees and at an information meeting on the decisions taken there. Objective 2 saw a more complete approach in that the economic and social partners participated in the drawing up of the conversion plans and in the SPD negotiations in 1994 and this participation gained formal recognition through their full membership of the Objective 2 SPD Monitoring Committees, made up of one trades union representative, one representative of the employers' associations and one representative of the local authorities. The socio-economic partners were also represented on all the Monitoring Committees for Objective 5(b), but only in an advisory capacity.

Austria: The social partners (employers' organizations, trades unions, chambers of commerce and, in the case of Objective 1, farming organizations) are represented on the Monitoring Committees. Their precise role in these committees was still being discussed at the beginning of 1996, however.

Portugal: As in the case of the regional partnership, the Commission attaches great importance to implementing the partnership with the socio-economic partners in Portugal and it has stressed this fact to the Portuguese authorities. The Commission has ensured that the national Economic and Social Committee is informed about four times a year of progress in implementing the Objective 1 CSF.

Finland and Sweden: The representatives of the social partners (employers' organizations, trades unions, chambers of commerce and, in the case of Objective 6, representatives of the farming organizations) are full members of the Monitoring Committees in Finland and Sweden. These organizations are also consulted when decisions are being taken on important projects. It should be noted that efforts have been made to extend the partnership to include in the Monitoring Committees other organizations representing the local residents (for example, the popular movements in Sweden).

United Kingdom: The social dialogue in the UK programmes is not as well developed as in the other Member States. No single programme fully involves all the social partners in assuming responsibility for its regional implementation. The social partners are sometimes included as part of an enlarged regional partnership, but not in the Monitoring Committees. They are given information on the programmes but how this information is communicated to them varies from region to region. The chairman of the Monitoring Committee sometimes provides reports after the event to the social partners involved (in the case of Objective 5(b), specific information meetings are held after the Monitoring Committee meetings for the local authorities and associated bodies). In other instances, the social partners are informed in so far as this is deemed useful. There is no regular advance consultation of the social partners in any region.

Non-regional programming (Objectives 3, 4 and 5(a))

In the case of Objective 3, the social and economic partners are represented on the Monitoring Committees of all Member States, except for the United Kingdom. The situation is virtually the same for the Objective 4 Monitoring Committees where the social partners are full members. It differs, however, in that the economic partners (the local chambers, for example) are more often represented than is the case under other Objectives. Thus, in Germany, the Objective 4 Monitoring Committees include in an advisory capacity the Association of German Chambers of Industry and Commerce (DIHT) and the Zentralverband des Deutschen Handwerks (ZdH - German union of craft industries). This is equally true of Finland, France, the Netherlands, Austria and Italy.

In the case of structural measures in the fisheries sector (Objective 5(a)), the economic and social partners (fishing and/or aquaculture enterprises, those employed in the industry, fishing organizations) take a direct part in the Monitoring Committees in six Member States (Austria, Denmark, Finland,

Greece, Ireland, Sweden), while in two others (France and the Netherlands) their involvement is only indirect, i.e. prior to meetings of the committee.

2. The economic and social partners at Community level

The Commission has consolidated the statutory practice of consulting annually the social partners organized at Community level. The working group proposed by the Commission at the December 1994 meeting was established in 1995. This group made it possible to by-pass the strictly annual nature of this consultation procedure and turn it into an on-going cooperative process. Two meetings of the group in 1995 helped to improve the preparation of the formal annual consultation procedure which, for technical reasons, took place at the beginning of 1996. During this procedure, the Commission presented the Sixth Annual Report on the Implementation of the Structural Funds in 1994. It also gave an early progress report on Structural Funds activities in 1995 and described the work under way on the first three-yearly report on economic and social cohesion. Notable among the social partners' comments were:

- their desire, shared by the Commission, to demonstrate the results and impact of the structural measures and in particular their contribution to economic and social cohesion. To this end, the social partners showed a marked interest in preparing the three-yearly report on cohesion. They felt that this report should also identify the first steps to be taken in redirecting structural policies after 1999 with a view to increasing their effectiveness;
- the concerns of certain sectors: the on-going problems in the agriculture and fisheries sectors, the desire of bodies such as the chambers of commerce and industry to participate actively in structural operations, the difficulties of SMEs in gaining access to Community aid;
- the desire to see the Commission analyse practical issues such as the participation of the social and economic partners in monitoring the implementation of the aid measures in greater detail in future reports;
- while acknowledging a gradual improvement, the need to make significant progress in involving the social partners in monitoring the implementation of the structural measures. The social partners do however recognize the technical difficulties inherent in their participation when this involves, for example, evaluating or estimating the potential impact of the projects in creating dynamic regional development or even in job creation. As a result, they also wish to see targeted technical assistance measures to strengthen their technical and operational capabilities.

The Commission echoes most of the social partners' wishes. It is aware that their participation can be effective only where the partners involved have the necessary technical and operational capabilities. For this reason, the ERDF funded 15 seminars in 1995 organized by the ESC to prepare regional and national representatives of its member confederations for attendance at the Objective 1 Monitoring Committees. An introductory seminar was held in Luxembourg, with Commission participation, to establish the aims, policies and working methods. The results, conclusions and proposals of each of the 15 seminars organized in the regions whose development is lagging behind in the Member States were submitted to a joint session at Lisbon, from which the ESC was able to produce a general progress report and submit its conclusions to the Commission. The ESC notes that trades union participation in the Monitoring Committees is rather limited and feels that its member organizations should continue to insist on participating in the Committees to ensure that the programmes and projects create dynamic regional development that in turn creates jobs. The ESC has noted that the technical capabilities needed to monitor structural operations are lacking. The Committee feels that the technical assistance provided for under the Structural Funds Regulations should be used to improve these capabilities. With this in mind, the ESC would favour the establishment of a network of regional experts to assist the monitoring activities of union officials.

The relationship between the ESF and certain categories of social partner mainly takes the form of funding for training. Such training, provided for under Article 6 of the ESF Regulation³, is likely to strengthen the training measures in the Objective 4 programming documents and the ADAPT Initiative, both of which provide for the active participation of the social partners in implementing the programmes. At the end of 1994, the Commission drew up, in collaboration with the social partners concerned, guidelines for measures funded in this regard, and it submitted them to the ESF Committee. These guidelines concerned first and foremost the Community's economic and institutional framework within which other types of measures develop, secondly the new methods of production and organization of work and thirdly, a series of themes linking issues of industrial change with the labour market.

Thus, in accordance with the guidelines, in 1995 the ESF funded training measures for the social partners at Community level⁴. In the case of the Economic and Social Committee, this involved 14 training courses in which the 15 Member States participated, covering the impact of new technologies on employment in various sectors, such as high-speed trains, telecommunications, air transport and the environment. Furthermore, various training sessions were organized for employers' representatives under the programmes submitted by UNICE-CONPRI. The action programme submitted for the first time by the CEEP sought to provide a response to the prospects for managing equal representation between the social partners. The *Fondazione Regionale Pietro Seveso* set in motion an action programme on the prospects for developing and evaluating industrial relations models in Europe. The ESF funded sectoral studies alongside the appropriate social partners which looked at the difficulties inherent in the effects of industrial change on working practices (vocational qualifications, new skills and trades in particular). These sectoral studies involved the textiles, clothing and footwear industries, among others. Lastly, as a result of the reflection process started at the end of 1994⁵, the groundwork was done on producing a mechanism to associate the social and economic partners with the effects of industrial change. New structures better adapted to future social dialogue were introduced. In this context, the accent will be placed on the need to integrate in the process of European social dialogue all organizations that can contribute significantly to industrial relations. A Commission communication in 1996 should further clarify this issue.

As regards rural issues, the Advisory Committee on Questions of Agricultural Structure Policy is the body most consulted by the Commission. It met on two occasions in 1995, and at these meetings a wide-ranging discussion of the problems of rural development policy took place. Specific problems relating to the Community aid scheme for early retirement from farming, aid for the installation of young farmers and the introduction of the LEADER II initiative were also discussed. The Commission also informed its partners about progress on the CSFs/SPDs and the OPs for Objectives 1, 5(b) and 6, progress with the LEADER II Initiative, and the measures accompanying the reform of the CAP⁶. Lastly, the role, workings and future of the advisory Committee on Agricultural Structures were also discussed.

Similarly, in the fisheries sector, the Advisory Committee on Fisheries is the body through which the industry engages in a dialogue with the Commission. It received on several occasions information and explanations concerning the implementation of the FIFG, measures under Article 4 of the FIFG Regulation⁷ and the PESCA Initiative. In March 1995, Mrs Bonino, the Member of the Commission with responsibility for fisheries, attended a meeting of the committee that dealt with, *inter alia*, structural assistance for the industry and socio-economic measures for deep-sea fishermen. In addition, the Commission worked with the Joint Committee on Social Problems in Sea Fishing, established as part of

³ See Chapter I.B.2. Innovative actions and technical assistance.

⁴ These measures continue those undertaken in the preceding period. In this regard, a comprehensive *ex post* evaluation of the AFETT and CONPRI I measures should be undertaken in 1996. Such an exercise is obviously of great importance both for the ESF, which funds the measures, and for the beneficiaries.

⁵ See the 1994 Annual Report.

⁶ Regulations (EEC) Nos 2078/92, 2079/92 and 2080/92.

⁷ See Chapter I.B.2. Innovative measures and technical assistance.

the European social dialogue. Furthermore, the industry was represented at some sessions of the thematic seminars organised by the Commission for Members of the European Parliament⁸: the first seminar (Ancona, 22-23 June 1995) related to the preservation of fish stocks, the second (Santiago de Compostela, 2-3 October 1995) dealt with structural policies for aquaculture and fisheries.

⁸ See Chapter III.A.1. Dialogue with the European Parliament and the Economic and Social Committee.

D. INFORMATION AND COMMUNICATION, DISSEMINATION OF BEST PRACTICE

1. Information and communication

Provisions concerning the Member States

The duties of the Member States with regard to information and publicity are laid down by Article 32 of Regulation (EEC) No 4253/88 as amended and the Commission Decision of 31 May 1994,¹ in which the Commission undertook to provide the authorities concerned in the Member States with a practical manual to facilitate implementation. The manual was published in 1995 and sent to those responsible for structural policies in the national administrations, who were also invited to consider this matter and ensure that it was considered by the Monitoring Committees.

The obligation to provide information also forms part of the standard clauses attached to the decisions adopting the SDPs and the Monitoring Committees strive constantly to apply the Community rules. The Commission representatives drew the attention of the Monitoring Committees to this matter at meetings during 1995. As part of the implementation of the OPs, a number of Monitoring Committees have also adopted communications plans financed by technical assistance.

Commission information activities

Article 7 of the ERDF Regulation permits the Commission to take certain technical assistance measures on its own initiative. It has part-financed attendance at major events, the organization of seminars and other one-off measures. During 1995, the Commission had stands at 40 events which it was part-financing and provided documentation and information for 17 000 visitors. Particular attention was paid to media coverage of these events and the provision of specific information for the press. The Commission also produces various types of publications which are distributed mainly through a regional database of some 30 000 addresses. This now includes the new Member States. The publications already produced and made available to the public include almost all the programming documents for the Objective 1 regions (full and summary CSFs) and the Objective 2 areas (summaries only). News on regional policy is contained in a monthly newsletter and an Internet site for regional and cohesion policy has been created.²

"The environment and the regions: towards sustainable development"

This is the title of an information booklet published by the Commission for the general public. It reviews the state of the environment in the regions and sets out the main lines of Community policy on the environment - particularly the Fifth action programme on the environment - and the measures taken in the various regions of the Community. It covers measures under the Structural Funds and the Cohesion Fund and includes examples of projects carried out since 1989.

Following its adoption of a revised communications strategy in March 1995, the Commission continued its efforts to extend its contacts and objectives. A pilot project which had begun successfully in France was extended in cooperation with Commission offices in the Member States to Spain, the United Kingdom and Germany. This extension of the media plan enhanced knowledge and so extended coverage of regional policy issues by national and regional press and television. As part of this strategy, the Commission broadened the scope of its video image bank, which is used frequently by television stations, and is developing a picture library for the same purpose.

¹ Commission Decision concerning information and publicity measures to be carried out by the Member States concerning assistance from the Structural Funds and the Financial Instrument for Fisheries Guidance (FIFG) - OJ No L 152, 18.6.1994 (see also the 1994 Annual Report).

² Server Europa: <http://www.ccc.lu>.

Making the ESF better known, to the general public in particular, and making its working more transparent led to the preparation and coordination of a communications plan and related measures. The first meeting with representatives of each Member State was organized in 1995 and two seminars will be held in 1996. This contact led to an exchange of views on information, communications and knowledge of the ESF in the Member States. A general information booklet on the ESF was produced and distributed in nine languages and over 160 000 copies to meet a real need for information. A number of publications on the EMPLOYMENT and ADAPT Community Initiatives and Objective 4 were also produced and the ESF took part in a number of events to increase the exchange of experience and knowledge, including those held in Opio and Seville.

In the case of the EAGGF Guidance Section, this desire for information took the form of active participation in the preparation of regional booklets for the Madrid European Council. The Commission intends to step up its policy of information on rural development in the future.

The FIFG did not lag behind in terms of the production of documentation nor the organization of events. The publications produced in 1994 on structural measures for fisheries³ were distributed in all the Member States. They were supplemented by 15 booklets for the general public financed under Article 4 of the FIFG Regulation⁴ on FIFG assistance in each Member State and a publication entitled "Aquaculture and the environment in the European Community." The Commission organized a seminar on structural policy on fisheries and aquaculture at Santiago de Compostela (Spain) attended by a number of Members of the European Parliament and representatives of those working in the sector. It also organized in Brussels a round table on the conversion of areas dependent on fisheries, to provide better knowledge of and analyse experience in this area in Europe.

2. Measures to disseminate good practice

The Commission's measures to provide information on the Structural Funds cover not only the programmes and their implementation but also innovative measures, so that these can later be disseminated on a larger scale. The spread of good practice takes various forms, mainly networking and major events organized by the Commission.

In the case of innovative measures and inter-regional cooperation under Article 10 of the ERDF Regulation, dissemination takes three main forms:

- first of all, in view of their operation through networks, RECITE (internal cooperation) and ECOS-OUVERTURE (external cooperation) pilot projects, which contribute to the exchange of experiences leading rapidly to the transfer of knowledge among their members. This transfer concerns innovative practices on subjects of common interest to the network, e.g. mechanisms for the control and prevention of pollution in the case of ENVIRONET, vine-growing techniques in the case of DYONISOS, instruments for computer calculation in the case of the network of scientific centres. At an earlier stage, the PACTE/Exchange of experiences programme for smaller networks seeks to raise initial awareness of inter-regional cooperation through the exchange of information and experience on matters of common interest relating to regional development;
- for all these networks the Commission organizes launch days so that their members can meet. They also attend review days to summarize good practice and extend it on a regional level. These days result in the production of documents which are widely distributed;

³ "The European Community and the fishing industry. Practical guide to structural aid". "The common fisheries policy," information file including the structural aspect. "The new common fisheries policy," an information booklet containing a chapter on structural assistance.

⁴ See Chapter 1.B.2. Innovative measures and technical assistance.

- the Directoria events organized by the Commission each year in Brussels (twice in 1995) enable the delegations of some 500 local authorities representing 1 200 participants to meet and be informed about programmes of innovative measures and inter-regional cooperation which concern them, to receive through case studies methodological support on development techniques and good practice and, most important, to begin cooperation projects through a pool of appointments based on calls for proposals.

Most of the Community Initiatives make provision for cross-border measures, principally the establishment of networks for the exchange of information and meetings between participants in partnerships, all of which are designed to disseminate good practice and stimulate cross-border cooperation. Hence, for the new period of the Community Initiatives, appropriations to finance networks are available under LEADER (ECU 34 million), SME (ECU 25 million) and PESCA (ECU 5 million) and are incorporated in the ADAPT and EMPLOYMENT programmes. Since some of the programmes were adopted in 1995, most activities relating to the exchange of information remained at a preparatory stage and will be implemented in 1996. In the case of PESCA, calls for tenders and proposals were prepared for publication in 1996 to encourage innovative cross-border projects and disseminate good practice through publications, conferences, partnership meetings, the creation of networks, etc. It is intended to publish guides to good practice under the ADAPT and EMPLOYMENT Initiatives.

The LEADER network has, however, continued to operate strongly thanks to the experience acquired through LEADER I. The European Observatory for Innovation and Rural Development organizes the European rural development network, which includes the whole of LEADER II. The Observatory's activities include the publication of a number of journals and the organization of various meetings and events. The INFO-LEADER monthly information bulletin is a useful means to encouraging the European rural development network because it offers a forum for all those concerned by LEADER II to publish news and seek partners, cooperation or exchanges likely to be of interest to all those involved in the Initiative. In particular, a number of national or international meetings attended by several LEADER groups took place in 1995; in March the Murcia LEADER group organized a meeting on the restoration of buildings for rural tourism, in the spring ten local action groups in Portugal, France and Wales took part in a seminar in Poland to present the LEADER Initiative, in July there was a national meeting of local action groups in Paris organized by the CNASEA (*Centre national pour l'aménagement des structures des exploitations agricoles* - national centre for improving the structures of agricultural holdings) and in Spain a national network for rural development was established to federate the local action groups. In October, a seminar to launch the LEADER Initiative was organized by Carinthia and the local action group for the Norische region. Also in October, the tenth meeting of members of the Greek LEADER network was held at Mirina on Lemnos.

CHAPTER IV

FURTHER REVIEW OF THE 1989-93 PERIOD

Introduction

The very nature of programming means that evaluation of the entire first period, 1989-93, is an ongoing process. The programmes were adopted throughout the period (some in 1993) with their physical execution taking place as late as 1995, and many programmes were extended, as was their financial implementation (for although expenditure commitments were not possible after the end of 1993, payments to beneficiaries by the Member States and to the Member States by the Commission were authorized until 1995, or even 1996). That continuing situation explains why evaluation of the entire period is also a gradual process. Although initial work by the Commission started in 1994¹, it was often preliminary in nature and in any case related only to certain measures. The successive annual reports, from 1993 onwards, sought to present the results as they became available to the Commission. This report continues that work for the evaluations carried out in 1995.

However, this type of framework, a report prepared annually to set out the activities of the previous year, does not easily lend itself to an overall summary of an entire programming period without becoming excessively long or failing to meet legislative requirements. Nevertheless, under the 1993 revision of the rules (Article 16 of the Framework Regulation), the Commission must prepare every three years a report on economic and social cohesion taking into account all financial instruments and Community policies (first and foremost the Structural Funds) to analyse of their contribution to the achievement of cohesion. The first such report was prepared in 1996.

A. EX POST EVALUATION OF ADDITIONALITY

Because structural measures provide part-financing for national programmes, the principle of additionality is particularly important when gauging the true economic impact of those measures. The Commission has to ensure that Member States maintain their public or similar structural expenditure over the relevant programming period at at least the same level as during the previous period. There was therefore intensive work in 1995 on verifying additionality for the 1989-93 period, because it is not until a year after the legal end of the financial commitments, while national and Community payments are still being made, that such work can reliably be undertaken. The work on some Member States and some Objectives has been concluded, but it often proved difficult.

1. Objectives 1 and 2

The *ex post* additionality evaluation started in 1995 for these Objectives. The situation varies substantially between the Member States. The information presented at the end of 1995 by Belgium (Wallonia), Denmark, Spain, Ireland and the Netherlands was satisfactory, demonstrating that additionality had been observed in 1989-93. In contrast, the information forwarded by Germany, Belgium (Flanders) and Greece was incomplete and did not permit a proper evaluation. Lastly, by the end of 1995 France, Italy, Luxembourg and Portugal had not submitted any figures at all.

2. Objectives 3 and 4

As in the case of Objectives 1 and 2, the verification exercise is useful and effective if the Member State agrees to cooperate. Thus, a reliable conclusion was reached for the Member States which applied the Commission's methodology rigorously: Luxembourg, France, Germany, Denmark (although the exercise was based on an unrepresentative sample) and Portugal, where additionality was clearly respected. In two cases, additionality was verified without the Commission receiving figures which were sufficiently detailed (the Netherlands) or representative (Italy). Greece supplied figures only for 1990-91, while

¹ See the 1993 and 1994 Annual Reports.

conclusions for other Member States (Belgium and the United Kingdom, where additionality could not be verified), which looked at the entire national budget, were not reliable. Lastly, two Member States raised an objection of principle: Ireland felt that additionality could not be measured for Objectives 3 and 4 as the whole country was eligible under Objective 1, and Spain held that the sources of the information supplied to the Commission did not have to be revealed.

In conclusion, the evaluation exercise demonstrated that additionality had been respected in France, Germany, Denmark, Luxembourg and Portugal. On the basis of the findings, the same can be said of Italy and the Netherlands. On the other hand, the evaluation exercise could not be completed in 1995 for Belgium, Spain, Greece, Ireland and the United Kingdom.

B. EX POST EVALUATION OF OBJECTIVES

Work on *ex post* evaluations of the various Objectives started in 1994 and was pursued intensively in 1995. The reader is asked to refer to the previous Annual Report for Objective 1, whose results and impact were presented in detail, and for Objective 2, the preliminary results of which were also presented there. With regard to the latter Objective, the in-depth analysis by the assessors was still under way in 1995. Preliminary results for Objectives 3, 4 and 5(b) were given in the previous report and are confirmed here by the work done in 1995. Results for Objective 5(a) were available for presentation only in this Report.

1. Objectives 3 and 4

1995 saw the finalization of the *ex post* evaluation reports for the former Objectives 3 and 4 for 1989-93. Despite the delay in the submission of reports by some Member States, the summary of the results was completed by the end of the year and should be distributed in 1996. This will permit coordination of the approaches of the Commission and the Member States and will help preparation of the policy guidelines for the ESF, particularly with regard to ensuring appropriate rules for assistance and the effect on target groups.

The final conclusions do not differ from the preliminary results already described in the 1994 Annual Report. It is worthwhile giving some details on the implementing conditions for the programmes. The summary report stresses two key elements of the 1988 reform, multiannual programming and evaluation. Multiannual programming produced changes in the way the national administrations operated but it helped to create a true continuous development and assistance strategy. In addition, a new evaluation culture gradually developed at Community level and in each Member State.

Another fundamental principle of the 1988 reform was the strengthening of partnership, and this led to the increased involvement of regional actors and social partners. While in countries with a decentralized structure the report notes a growing convergence and even a movement of resources to the most appropriate level, the involvement of the social partners remained modest in most cases between 1989 and 1993. Neither the bodies responsible for the actual monitoring of beneficiaries nor those involved in business training have anything other than a purely formal role in partnership.

2. Objective 5(a)

The method of evaluating Objective 5(a) agriculture is quite different from those for the other forms of assistance, mainly because it falls under two Regulations: Council Regulations (EEC) Nos 2328/91 on improving the efficiency of agricultural structures and 866/90 on improving the conditions for the processing and marketing of products.

Measures under Regulation (EEC) No 2328/91 (production structures): These measures have long been an important element of the common agricultural policy. *Ex post* evaluation concentrates on their application, using questionnaires drawn up by the Commission and sent by the Member States every year with information on:

- investments on holdings;
- the number of holdings targeted by the programme broken down by region, the income bands of beneficiary farmers, cultivated area, production type;
- a breakdown by category of investment, the main purpose of the investments and their total amount, the planned amount of aid;
- start-up aid for young farmers and additional aid intended to facilitate their investments;
- compensatory allowances, with the number of farms per region and by size, areas benefiting and the amounts granted in different regions.

The overall impact of those measures on the development of agricultural structures has not been systematically analysed. However, there have been studies on certain measures in some Member States while aid to young farmers was the subject of a Commission report which had not been completed by the end of 1995.

Measures under Regulation (EEC) No 866/90 (processing and marketing of products): Only since 1991 have measures to improve the processing and marketing of products been the subject of a programming procedure under Regulation (EEC) No 866/90; before then the Commission selected projects submitted under Regulation (EEC) No 355/77. Member States were obliged to inform the Commission of the results of the various projects in the form of final reports on each project drawn up after completion. Now, under Regulation (EEC) No 866/90, monitoring and evaluation are governed by Articles 25 and 26 of Regulation (EEC) No 4253/88 (as amended) coordinating the Structural Funds, which provide for the setting up of Monitoring Committees and the establishment of physical and financial indicators to determine the progress of measures. The Monitoring Committees established to evaluate application of Regulation (EEC) No 866/90 are now in place in all Member States, and appropriate monitoring and evaluation programmes have been prepared. It is they who will be organizing *ex post* evaluation for the period 1989-93.

3. Objective 5(b)

Numerous environmental initiatives:

Assistance for the environment represented a significant part of the operational programmes. For 1989-93 the percentage of the Community contribution for environmental protection is the same as for 1994-99: 11.4% and 11.7%. Depending on the region, measures might relate to the reduction and prevention of agricultural or agri-food industry pollution, the management of natural resources (water, flora and fauna), the reintroduction of rare or endangered species, waste disposal in rural areas, and rehabilitation and development of the cultural heritage, for example, by means of protected sites or nature reserves.

The success of this aspect of the programmes undoubtedly stems from greater environmental awareness. Furthermore, environmental rules, particularly concerning the disposal of waste, require substantial public investments which are a heavy burden on the budgets of rural authorities. Community grants have often been decisive in providing the facilities required.

In the case of private systems of waste disposal and treatment of effluent, measures must be financed with regard to the general guidelines on environmental aid. Many rural areas are now seeking not simply to protect but to build on the environment by developing new forms of tourist activity based on the discovery of nature. Measures of this type are easily implemented because the investment required is often slight: a reception centre, the marking of paths, observation points in remote areas, etc. Initiatives of this type have succeeded and are increasing in number. The links between protection and use of the environment should be encouraged as a way of turning what may appear to be an obligation (application of the rules) into new and profitable activities suitable for rural areas.

The *ex post* evaluation of Objective 5(b) for 1989-93 was completed during 1995 with the finalization of the coordination report for the 21 regions covered. The final results of the exercise do not differ from the interim results presented in the 1994 Annual Report, which the reader should consult, remembering always that the evaluation was carried out only in a limited number of regions. It should, however, be noted that many problems were encountered in establishing quantified and comparable data permitting measurement of trends in income, job creation and the deceleration of rural population decline. The report does establish a more systematic summary of physical implementation (agricultural and forestry investments, renovation of villages, SMEs aided, industrial and tourist infrastructure, environmental initiatives, etc.). During 1989-93 the Objective 5(b) areas covered 17% of the Community's territory and 5.1% of its population (16.3 million inhabitants). The total amount of Community aid was ECU 3 000 million, or about 5% of the total available Structural Funds appropriations.

C. EX POST EVALUATION OF THE COMMUNITY INITIATIVES

In 1989 the Commission launched a series of Community Initiatives under Article 11 of Regulation (EEC) No 4253/88. These Initiatives are the special financial instruments of structural policy which the Commission proposes to the Member States on its own initiative to support measures which will help solve problems having a particular impact at European level, and which are not covered by the Member States' development plans. The Community Initiatives were intended to provide flexibility and to offer special possibilities for cooperation and innovation, for example by encompassing measures which extended beyond national borders, by bringing a genuine Community dimension or by experimenting with new approaches. In total, the contribution of Community funds to carrying out the Initiatives amounted to ECU 5 300 million, representing almost 10% of the overall total allocated to the Structural Funds.

In 1995, the Commission undertook an *ex post* evaluation of all the Initiatives, grouping the evaluation work according to the three main types of Initiative: regional development Initiatives, human resource Initiatives and LEADER, the rural development Initiative.

Consideration of the environment between 1991 and 1993:

Many of the Community Initiatives in the period 1989-93 included measures for the environment, in various kinds of region: mining (RECHAR), coal and steel (RESIDER), border regions (INTERREG) and via various types of measure - research and development, product quality, etc. Of those Initiatives, ENVIREG, launched in 1990, was specifically aimed at protecting the environment in the least-developed coastal regions (see below). In rural areas LEADER aided the implementation of many environmental protection measures. That Initiative particularly encouraged the development of innovative ecological products and processes in less-favoured rural areas. For example, in Greece (Lefkada island) the use of olive stones as an energy source has been encouraged; in Italy (Umbria), a system to recycle waste from a potter's studio has been developed; in France (Haut-Jura), low-pollution burners fed by smallwood from forestry activities have been installed.

1. Regional development Initiatives. Regional development Initiatives

Evaluation of the regional development Initiatives covered ten Community Initiatives based on four main themes:

- integration of the least-developed regions into the internal market: STRIDE, to reinforce the capacity for innovation and technological development in certain regions assisted under Objectives 1 and 2; TELEMATIQUE, for the promotion of the use of advanced telecommunications services in the Objective 1 regions; PRISMA, aimed at improving the infrastructure and services for enterprises in the Objective 1 regions in terms of policies of quality and access to public procurement markets;
- protection of the environment: ENVIREG, to improve and protect the environment and to encourage economic development, mainly in the coastal areas of the Objective 1 regions;

- cooperation and cross-border networks: INTERREG, to help frontier regions to prepare for the Internal Market, principally by improving cross-border cooperation;
- diversification of the activities of industrial areas dependent on sectors in crisis: RESIDER, for iron and steel areas; RENAVAL for naval shipyard areas; RECHAR for coal-mining areas.

Table 129: Community Initiatives 1989-93 - Assistance by Initiative and Member State (ECU million)

	ENVIREG	PRISMA	INTERREG/ REGEN	RECHAR	RESIDER	RENAVAL	STRIDE	TELEMATIQUE	TOTAL
Belgium	-	-	-	27,6	18,6	6,5	4,5	-	57,2
Denmark	-	-	-	-	-	12,4	2,2	-	14,6
Germany	-	-	-	87,6	93,2	37,3	4,3	-	222,4
Greece	84,0	17,7	89,9	-	-	-	59,3	41,3	292,2
Spain	139,2	32,2	-	25,3	52,4	18,2	155,9	75,5	498,7
France	16,1 (1)	5,2 (2)	-	52,4	58,8	65,3	16,4 (3)	1,7	215,9
Ireland	30,4	9,4	118,4	-	-	-	13,1	11,0	182,3
Italy	171,2	22,6	2,0	-	23,0	20,5	94,9	64,7	398,9
Luxembourg	-	-	-	-	8,7	-	2,1	-	10,8
Netherlands	-	-	-	-	-	27,6	4,6	-	32,2
Portugal	101,8	17,5	82,2	3,4	5,0	24,0	54,1	35,6	323,6
United Kingdom	17,7	5,7	-	184,2	4,7	87,3	30,2	5,4	335,2
Community (4)	-	-	1 077,2	-	-	-	-	-	1 077,2
Total	560,4	110,3	1 369,7	380,5	264,4	299,1	441,6	235,2	3 661,2

(1) Includes ECU 12 060 000 for Objective 1 regions

(2) Includes Prisma-Telematique.

(3) ENVIREG-STRIDE.

(4) This figure represents the value of Interreg for EUR-12, and includes ECU 82 390 000 for Article 10 ERDF appropriations.

The general value of the Community Initiatives lies in the development of cross-border cooperation, the visibility of the Community action and its demonstration effect, and the innovation which the flexibility of the programmes can permit. It must be said that despite the positive effects of the programmes, there were certain factors which reduced the potential effectiveness of the actions:

- the breadth of the objectives which gave the advantage of flexibility also led to a reduction of the specific nature of the Initiatives, so that they sometimes appeared to be merely an extension of existing national policies;
- the administrative arrangements for the programmes were often complex, and the lack of coherence between the Member States in both content and timing meant that some of the potential for cross-border cooperation was lost.

However, the socio-economic actors involved regarded the Initiatives favourably since their "bottom-up" approach enabled them to demonstrate capacity for innovative action.

STRIDE, PRISMA, TELEMATIQUE

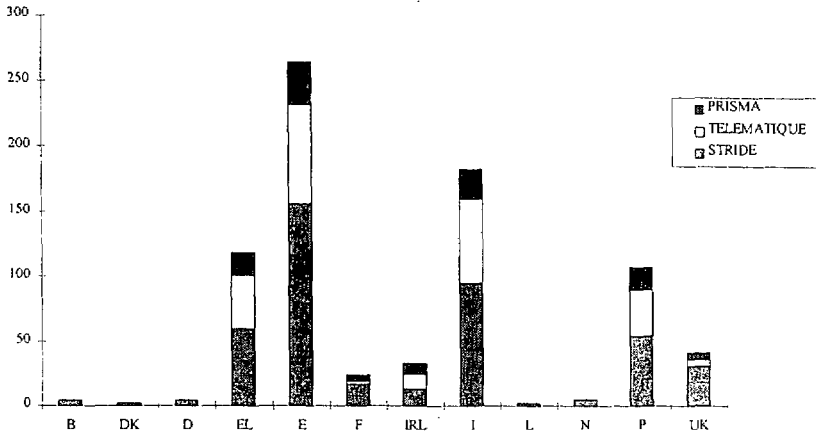
These three Community Initiatives provided a crucial connection between cohesion and integration. Their aim was to assist the less-favoured regions in developing the technical and human capital infrastructure needed to give firms in those regions access to the wider benefits of the internal market. The three programmes were linked by their emphasis on technological development and innovation:

- STRIDE was aimed mainly at stimulating the R & D capacity of the Objective 1 regions, although certain measures in Objective 2 regions were also eligible for funding. It provided funds to Objective 1 regions to assist investment in basic R&D infrastructure through regional technological studies, new investments and project running costs to start up R&D activities and R&D centres preparing for and participating in EC-funded research. It also supported links and networks between research centres and industry in both Objective 1 and 2 regions, covering a wide range of consortia and technology transfer methods. The area which received the most funding was research activities including R&D centres, R&D and equipment grants (57%);
- TELEMATIQUE concentrated on supporting the use of advanced telecommunications services, rather than just increasing access to them, and emphasizing the role of SMEs. The programme supported a wide range of projects covering data communications (including database and network development),

support for service users, development of advanced services for SMEs and marketing, promotion and training activities. Data communications received the greatest proportion of funding (42%);

- PRISMA aimed at helping firms in the Objective 1 regions to benefit from the completion of the internal market, placing particular emphasis on meeting quality standards in private and public markets. The majority (75%) of the funding was used for projects in calibration and metrology, which included both laboratory infrastructure and associated quality system projects.

STRIDE, PRISMA, TELEMATIQUE: Breakdown by Member State (ECU million)



The value added by STRIDE, TELEMATIQUE and PRISMA

The key areas examined were innovation, the demonstration effects of the programmes, the degree of internationalization, any links to other programmes and the level of additionality (the extent to which the actions would have taken place if the programmes had not existed).

STRIDE: There was quite a high degree of innovation. The programme concept itself was novel, and the programme design led to significant new links between universities and local firms (especially in Portugal and Greece). There was a substantial impact on the rate and level of technological innovation in support of research leading to product development, and in the provision of support services. Overall, several hundred new products and processes were developed with STRIDE support, and it facilitated the introduction of a rich variety of research techniques into certain regions and countries for the first time. Where the beneficiaries has been involved closely in the design and implementation of the projects, the demonstration aspect was quite successful.

Internationalization was a specific objective of the programme, and it helped to foster the development of a large number of trans-national links. However, very few projects involved contractors from other Member States. The main success came from encouraging research organizations and firms to participate in the Framework Research Programmes, and from building links to help the mobility of research workers, which meant that large numbers of beneficiaries could be reached with a relatively small budget. Formal collaboration between projects was difficult due to a lack of knowledge of the content of other STRIDE programmes, differences in timescales and delays in implementation. However, there were examples of informal collaboration. Links to other programmes occurred mainly through Framework Programmes, and in a few cases through a contribution of current expenditure to ERDF-funded capital projects. There was little collaboration with other programmes, even those apparently of interest such as SPRINT or COMETT.

Generally the additionality of the Initiative was good in that it brought forward a large number of projects which would not otherwise have been funded, and in some cases developed whole lines of action at a regional level which did not previously exist. An area of concern was a few projects in Italy

where large firms, particularly multi-nationals, had received large grants, and also aid to major public sector schemes and laboratories where the programme was being used to fund activities which would in all likelihood have been carried out anyway.

The STRIDE Initiative was an extremely successful experiment in introducing a technological dimension to Community regional policy. It had profound effects on the pattern of expenditure within the wider CSFs and stimulated interest in a number of other regional technology initiatives.

Some of the key outputs from STRIDE:

- 68 new research centres and 100 others equipped or developed in the less favoured regions;
- approximately 300 new products and processes and 46 new patents;
- 4 400 jobs directly or indirectly created.

TELEMATIQUE: This Initiative had an advantage enjoyed by no other Community Initiative at the time in that the national administrations already had experience of a similar programme - the STAR programme. However, the budget of the programme at just under ECU 220 million was a tiny fraction of what is spent on telecommunications in the less developed regions in one year. As already stated, the aim of the programme was less to develop innovative services than to support the use of advanced services. Innovation tended to lie in the application of existing technologies to new situations. A key objective was the opening up to SMEs of the opportunities offered by advanced telecommunications services and the information society.

The demonstration effect of the programme was most effective in terms of illustrating success and thus encouraging new users. This tended to be indirect, rather than the result of specific demonstration or promotional measures.

The degree of internationalization within the programme was limited. Opportunities for cross-border collaboration, providing access to services in other Member States and exchanging experience between projects were missed. However, it should not be assumed that internationalization is in all cases desirable. Where only expertise is required from another Member State, there is not necessarily a need for formalized involvement, and indeed the problems of obtaining and justifying matching funding may be insurmountable.

There was usually a degree of deadweight in that projects would probably have gone ahead at a later date or in a less ambitious form. However, in a fast-moving field such as telecommunications, this advance can have in itself a significant impact.

Some of the key outputs from TELEMATIQUE :

- 17 000 SMEs using advanced telecommunications services
- 32 000 new users of advanced services

PRISMA: The value added by PRISMA lay in the fields of innovation, demonstration and additionality. The programme itself was innovative, especially the idea of solving the problems of SMEs in less-favoured areas through the introduction of service-support infrastructures such as calibration and metrology laboratories. From a local perspective, the technology employed was also innovative as these technologies had not previously been transferred to these areas. There were also examples of innovative project design. These projects tended to have a high demonstration effect since firms can see the quantifiable benefits of calibration and quality certification. The public procurement projects were less successful, but this is a more difficult area for SMEs and the level of resistance was that much higher.

Levels of deadweight were generally low, particularly for the calibration and metrology service since private companies do not tend to invest in facilities which offer this service to other SMEs because of low returns and significant risks, and because this is not an area in which government agencies traditionally invest.

In general, this reinforcing of standardization and quality assurance made a real contribution to the completion of the Internal Market.

Some of the key outputs from PRISMA :

- 300 projects in the field of calibrations and standards
- 4 500 participant organizations benefiting from the services.

ENVIREG

The ENVIREG Initiative had four very specific objectives:

- to reduce pollution in coastal areas whose economy depends significantly on tourism, with priority given to areas experiencing rapid economic growth and with serious environmental problems;
- to promote land-use planning in coastal areas so as to preserve natural ecosystems and check the deterioration of coastal habitats;
- to contribute to the development of systems and infrastructure to manage toxic and hazardous wastes;
- to strengthen technical expertise relating to the design and management of pollution control and treatment infrastructure and technologies.

The Initiative covered the coastal zones of Objective 1, 2 and 5(b) areas around the Mediterranean and other coastal locations in Southern Europe, with a hinterland up to 10 km. In the case of toxic waste and technical assistance, the entire relevant Objective 1 regions were eligible.

The value added by ENVIREG

ENVIREG was able to help finance a number of projects which were of significance because of their innovative content and which might otherwise not have gone ahead. Funds were also often used to support projects focusing on responding to specific directives, including the Urban Waste Water Treatment Directive and the Toxic Waste Management Directive, which posed serious challenges to many of the Objective 1 regions. In particular ENVIREG made a contribution to environmental improvements in Objective 1 regions by:

- allowing individual regions to carry out investment in waste water and waste management infrastructure;
- carrying out technical assessments of issues, or feasibility studies which helped improve designs and environmental benefits;
- focusing attention on coastal zone management issues;
- targeting coastal biotopes - an innovative approach;
- adding emphasis to water resource management and the reuse of treated effluent;
- acting as a catalyst which encouraged other projects building on or enhancing the ENVIREG projects.

In addition, AMBER, a technical assistance structure, was created to organize exchanges of experience and the dissemination of good practice between those involved in environmental projects.

This Initiative led to a significant change in Community structural policies through better integration of the environmental dimension into the new generation of CSFs and OPs.

Some of the key outputs from ENVIREG:

- over 800 projects were financed;
- a significant impact was made on the level of collection, treatment and disposal of urban waste and waste water, making a decisive contribution to reducing the gap with the rest of Europe. Almost two thirds of the funds were devoted to waste water treatment installations in Objective 1 coastal regions, mainly in Spain, southern Italy and Greece.

In Portugal Envireg part-financed major clearing and prevention measures (waste compacter at Matosinhos, tannery waste recycling at Alviela, floating barriers, pump vessels, purgers and holding dams to control petroleum and chemical pollution in Madeira and the Azores), within an integrated approach combining preservation of both ecosystems and countryside of importance for tourism, and here local planning efforts to manage the environment were particularly important.

RESIDER, RENAVAL, RECHAR

These three Community Initiatives seek the diversification of areas affected by industrial decline and together account for Community expenditure totalling ECU 943.9 million. The RESIDER programme concerns areas adversely affected by the decline of the steel industry and which subsequently require restructuring. The programme covers 18 regions in eight Member States. RENAVAL centres on areas dependent on shipbuilding, ship conversion and repair where there have been similar employment losses and covers 26 regions in nine Member States. RECHAR assists those areas hit particularly hard by the rapid decline of coal mining and threatened by consequent job losses. It covers 26 coal mining regions in six Member States. Four Member States (France, Germany, Spain and the UK) received over 80% of the funding, with the UK being the largest recipient.

EC funding was not made available to directly support the industries in decline, but to encourage the creation of employment, the establishment of new businesses and the expansion of existing firms in the areas affected. This was to be achieved by:

- investing in infrastructure projects;
- directly assisting capital investment in SMEs;
- indirect assistance (e.g. through intermediaries) to SMEs by the provision of technical assistance such as research and development, marketing, etc.;
- in the case of RECHAR, providing vocational training and aid for redeployment.

Clearly the programmes were too small to deal entirely with the problems caused by the decline of the industries they were supposed to support. The programmes were, therefore, only a starting point for stimulating and encouraging new activities.

The value added by RESIDER, RENAVAL and RECHAR

Evaluation puts the level of full dependency on the programmes as relatively high: 45% of RECHAR and 33% of RENAVAL and RESIDER projects were entirely dependent on Community assistance; only 5% or less of projects (and none at all for RECHAR) would have gone ahead in the absence of the programmes. Thus it can be said that the programmes had a positive effect on the implementation of the projects. The level of leverage of these projects from the private and public sector was also relatively high at 2.66%.

One of the most significant outcomes was the level of private sector investment pulled in to areas which had suffered from a progressive lack of investment as they were considered so unattractive. Measures funded included both "hardware" type investment such as infrastructure or environmental improvements

or direct aid to SMEs, and "software" type investment, such as indirect aid to SMEs and, in the case of RECHAR, aid for tourism, vocational training and economic conversion bodies. Generally, between 67% and 80% of funding was spent on "hardware" type projects.

The study highlighted a number of projects where cross-border cooperation occurred through European networks and between projects situated close to national borders. There were also examples of complementary linkages between ERDF and ESF projects under Rechar which are regarded as examples of good practice.

Some of the key outputs from RESIDER, RENAVAL and RECHAR:

- 904 projects under RESIDER;
- 1 771 projects funded under RENAVAL;
- 2 220 projects supported under RECHAR;
- ECU 2 000 million of non-EC funds attracted to the programmes;
- a large number of jobs directly or indirectly supported by the three Initiatives.

INTERREG I

INTERREG seeks to stimulate cross-border cooperation with the double objectives of:

- accelerating the process of Community development, particularly in terms of the completion of the internal market, by acting on the areas where Member States meet - the frontier zones;
- overcoming specific development problems resulting from geographical or economic handicaps.

Thirty-one operational programmes were approved of which nine related to external frontiers, and 22 to the internal borders of the Community. ECU 1 077 million from Community funds was allocated to this Initiative, and was divided among 2 500 projects. Approximately half of the expenditure on INTERREG went to communication and energy infrastructure, this focus being particularly marked in the Objective 1 regions. However, two other sectors which proved to be effective in promoting cross-border cooperation were tourism and the environment.

The value added by INTERREG I

The very open objectives of the programme, which put the emphasis as much on socio-economic development of the frontier regions as on actual cross-border cooperation, led to a high level of integration of Community, national and regional policies. One of the key effects of the programme was its ability to reinforce local policies. Two thirds of the projects could not have operated without the support of the programme, and a further 20% were significantly enhanced in scale or timescale. The cross-border nature of the programme led to the development of many innovative implementation and management mechanisms and new forms of partnership both at an international level and within the Member States. In a third of the frontier areas there were more ambitious forms of support for cross-border cooperation which stimulated other forms of cooperation between the semi-public and private sectors.

Table 130: Interreg I: Breakdown of projects by sector

Sector	No. of projects	% of projects	% of expenditure
SME	278	11,1	7,5
Tourism	659	26,4	16,4
Environment	187	7,5	8,9
Rural development	182	7,3	5,3
Employment and training	160	6,4	3,7
Research and higher education	142	5,7	2,7
Communication infrastructure	464	18,6	49,3
Cross-border organizations	229	9,2	3,8
Cross-border development plans	174	7,0	2,5

The programme also exerted a strong demonstration effect by giving credibility to the concept of cross-border working: a third of projects led in turn to other cross-border projects. At a cultural level, the objectives of the project were not, in general, to promote uniformity but rather to add value to local customs and practices so that the experience of both parties could be exchanged and developed, enhancing the richness of both sides. This was particularly the case for projects in the tourism sector, where regions were able to develop an appreciation of their own heritage as part of the process of exchanging experience with others. In terms of the contribution to innovation and excellence, the key elements of INTERREG I were in the fields of circulation of information, exchange of experience, transfers of know-how and technology and the creation of new dynamics of economic and cultural exchange.

Some of the key outputs from INTERREG I:

Because of the extremely diverse nature of the projects involved, it is hard to list a series of concrete outputs. However, in the short term, INTERREG has contributed to:

- increasing the level of qualification through training;
- improving the accessibility of regions and their services through improved communications links;
- making regions more attractive through tourism and cultural projects;
- creating employment through the work financed by the projects.

In the longer term, Interreg will have contributed to an improvement in the standard of living in these regions through:

- the development of human resources which should reduce the fragility of the regions when faced by economic change;
- the opening up and internationalization of relationships between local SMEs;
- concrete measures to follow up the preparatory studies carried out;
- the effect of the environmental improvement actions.

2. Human resources Initiatives: NOW, HORIZON and EUROFORM

These three Community Initiatives were the subject of *ex post* evaluations by independent assessors. The main aims of this exercise were to estimate the coherence and effectiveness of implementation at programme and project levels and to evaluate the value added by the Community, i.e. cross-border working, harmonization and circulation of information. The study was carried out between August 1994 and July 1995 and the final report was presented in December 1995. That timetable allowed the study's conclusions and recommendations to be used for the preparation and launch of the EMPLOYMENT and ADAPT Community Initiatives for the new programming period 1994-99.

A total of 4 408 projects under the three Initiatives NOW, HORIZON and EUROFORM were aided in the twelve Member States between 1991 and 1994, the majority of them, managed by public bodies, being targeted at local or regional problems. The eligible measures mainly involved improvements to the

training sector (which absorbed most of the aid), advisory services, services and aid systems for target groups and job creation.

The results of the NOW Initiative, which targetted unemployed women, are positive in that trends on the labour market indicate an increase in jobs for women to which the Initiative seems to have contributed. However, there is still a grey area in that pay rates for men and women still differ and part of that increase in jobs for women is in unstable jobs. The major variations in employment rates and percentages of female employment throughout Europe must also be taken into account.

Evaluation of the overall impact of the HORIZON Initiative, which was targeted at people suffering from incapacity or a specific handicap, raised a number of problems since there are no comparable statistics at Community level. However, it appears that, in general, HORIZON's funding was relatively modest compared to the size of these groups and the amount of national aid. Results were therefore mixed, although its impact appears to have been more significant in the priority regions where it contributed ECU 295 per potential beneficiary.

EUROFORM mainly benefited the jobless, with the training sector receiving most of the funding. The Community contribution to training activities undertaken within this Initiative was estimated at 10% of the total commitments in the priority regions where ESF funding already accounts for the majority of the measures for training. The innovative aspects of EUROFORM above all (its trans-national nature, the type of measure, the beneficiary groups, the geographical targeting and the characteristics of the bodies responsible for implementing it) were more evident than for NOW and HORIZON.

The value added by NOW, HORIZON and EUROFORM

The added value aspect was considered from the point of view of the Initiatives' innovative features, such as their trans-national nature, circulation of information and harmonization. For their trans-national nature, the study attempted to measure the degree of implementation. An analysis by project revealed that about 20% of the total resources was devoted to trans-national activities and that the average number of partners per project was slightly under three. More importantly, the trans-national aspect, which would have been absent had it not been for the Initiatives, was deemed to be the most innovative aspect of the Community Initiatives. The report also defined certain major constraints militating against improving this aspect, such as the tight timetable for the projects, poor coordination at programme level and difficulties in identifying partners at Community level. These factors must be taken into account for the new programming period. Other constraints related to language and cultural barriers.

These conclusions were taken into consideration by the Commission in its definition of the new generation of Community Initiatives. To this end, common selection criteria and coordinated selection procedures were agreed with the Member States and technical assistance was granted to support structures. In addition, the approval rules now include a "trans-national cooperation agreement" between the partners participating in the projects covering the main aspects of project implementation. Lastly, the condition that at least three partners must participate was accepted as being best practice.

With regard to circulation of information, the evaluation concluded that, despite good communication of information at national level, the impact of the results of the project and the media impact were modest. The two main weaknesses were insufficient product development by the public bodies (such as training manuals, computer systems, etc.) and, more generally, the lack of a communication strategy at all levels, obstructing the proper dissemination of the results. To improve the circulation of information, the responsible bodies in the ESF, the Commission and the Member States agreed to launch a coherent communication strategy which should bring about the creation of a more systematic information base and produce skills at project level. The impact of the Initiatives on the content of the CSFs for the new programming period was considered poor. This is partly due to the inherent characteristics of the Initiatives (trans-national nature and many small projects), which are difficult to integrate into the CSFs. Better coordination at Commission and national levels is needed. The study found that the impact on local, regional and national policies was particularly great at local level, where cooperation between

existing bodies increased markedly, as did the ability to participate in trans-national activities. Nevertheless, the overall impact on national measures and policies was deemed slight, with a few exceptions. This can also be explained by the basic characteristics of the Initiatives, which restrict their impact on national programmes with rather larger funding.

The main recommendations of the study for the next programming period were, firstly, that a clear strategy is needed to demonstrate the potential impact of the Initiatives and improve the coherence of their trans-national dimension. Secondly, even though the demand for training is higher than in other sectors, the Initiatives should be restricted to those which are more innovative in the labour market. Lastly, priority must be given to better coordination with the main ESF programmes so as to create synergies, including developing monitoring and evaluation systems.

3. The rural development Initiative: LEADER I

A public invitation to tender was launched in 1995 to select assessors for LEADER I. The analysis must cover the 217 local action groups created in the twelve Member States and their activities, along with those of the coordination unit for 1990-94. The first stage must be the definition of a working method and will have to include an analysis of the impact of the Initiative, the added value achieved compared to other operational programmes, the effectiveness of the use of funds and the establishment of implementing rules. The study must be carried out in 1996 and 1997.

ANNEXES

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ANNEX I:

Financial implementation by Objective in 1995

Annex I: Financial implementation by Objective in 1995 *

Table 1: Objective 1 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ERDF	1,97	1,97	20,77	20,77
	ESF	0,00	0,00	0,00	7,41
	EAGGF	7,00	7,00	1,39	1,39
	FIFG	0,00	0,00	0,00	0,00
	TOTAL	8,97	8,97	22,16	29,57
GERMANY	ERDF	921,90	921,90	452,44	452,44
	ESF	606,05	606,05	476,56	476,56
	EAGGF	482,60	482,60	314,87	314,87
	FIFG	12,00	12,00	8,10	8,10
	TOTAL	2.022,55	2.022,55	1.251,97	1.251,97
GREECE	ERDF	1.812,99	1.812,99	1.131,50	1.131,50
	ESF	368,56	368,56	253,46	253,46
	EAGGF	452,19	452,19	315,50	315,50
	FIFG	19,30	19,30	5,34	5,34
	TOTAL	2.653,04	2.653,04	1.705,79	1.705,79
SPAIN	ERDF	3.202,10	3.202,10	2.517,66	2.517,66
	ESF	837,75	837,75	765,90	765,90
	EAGGF	571,12	571,12	454,79	454,79
	FIFG	167,93	167,93	40,96	40,96
	TOTAL	4.778,90	4.778,90	3.779,30	3.779,30
FRANCE	ERDF	96,22	96,22	37,65	37,65
	ESF	115,64	115,64	66,94	95,74
	EAGGF	9,50	9,50	6,12	6,12
	FIFG	1,11	1,11	0,87	0,87
	TOTAL	222,47	222,47	111,56	140,37
IRELAND	ERDF	498,13	498,13	391,45	391,45
	ESF	295,13	295,13	293,80	293,97
	EAGGF	154,76	154,76	167,06	167,06
	FIFG	6,19	6,19	4,00	4,00
	TOTAL	954,21	954,21	856,30	856,47
ITALY	ERDF	1.558,98	1.558,98	875,35	878,35
	ESF	223,39	223,39	66,54	80,79
	EAGGF	411,69	411,69	216,99	216,99
	FIFG	34,57	34,57	0,00	0,00
	TOTAL	2.228,63	2.228,63	1.158,89	1.176,13
NETHERLANDS	ERDF	10,00	10,00	4,29	4,29
	ESF	5,00	5,00	3,46	3,46
	EAGGF	0,00	0,00	0,53	0,53
	FIFG	2,20	2,20	1,28	1,28
	TOTAL	17,20	17,20	9,56	9,56
AUSTRIA	ERDF	19,96	19,96	9,98	9,98
	ESF	5,04	5,04	2,52	2,52
	EAGGF	3,80	3,80	1,90	1,90
	FIFG	0,00	0,00	0,00	0,00
	TOTAL	28,80	28,80	14,40	14,40
PORTUGAL	ERDF	709,83	709,83	1.123,93	1.123,93
	ESF	370,86	370,86	411,86	437,67
	EAGGF	275,10	275,10	86,53	86,53
	FIFG	23,93	23,93	19,09	19,09
	TOTAL	1.379,72	1.379,72	1.641,42	1.667,23
UNITED KINGDOM	ERDF	128,71	128,71	83,14	83,14
	ESF	58,87	58,87	53,27	53,27
	EAGGF	27,42	27,42	25,75	25,75
	FIFG	3,60	3,60	1,64	1,64
	TOTAL	218,60	218,60	163,81	163,81
	TOTAL	14.513,10	14.513,10	10.715,16	10.794,61
	ERDF	8.960,80	8.960,80	6.648,15	6.651,15
	ESF	2.886,29	2.886,29	2.394,31	2.470,76
	EAGGF	2.395,18	2.395,18	1.591,42	1.591,42
	FIFG	270,83	270,83	81,27	81,27

* Budget headings B2-1000, B2-1100, B2-1200, B2-1300.

Annex I: Financial implementation by Objective in 1995 *

Table 2: Objective 2 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ERDF	0,00	0,00	9,43	9,43
	ESF	0,00	4,63	0,00	2,32
	TOTAL	0,00	4,63	9,43	11,75
DENMARK	ERDF	6,00	6,00	8,35	8,35
	ESF	0,00	0,00	0,00	0,00
	TOTAL	6,00	6,00	8,35	8,35
GERMANY	ERDF	20,33	20,33	15,63	15,63
	ESF	17,68	17,68	10,30	16,89
	TOTAL	38,01	38,01	25,92	32,52
SPAIN	ERDF	545,10	545,10	395,86	395,86
	ESF	114,11	114,11	52,10	52,10
	TOTAL	659,21	659,21	447,96	447,96
FRANCE	ERDF	261,90	261,90	98,97	98,97
	ESF	51,19	51,19	43,15	46,09
	TOTAL	313,09	313,09	142,12	145,06
ITALY	ERDF	0,00	0,00	0,00	0,00
	ESF	0,00	0,00	0,00	0,00
	TOTAL	0,00	0,00	0,00	0,00
LUXEMBOURG	ERDF	0,00	0,00	0,00	0,00
	ESF	0,00	0,00	0,00	0,00
	TOTAL	0,00	0,00	0,00	0,00
NETHERLANDS	ERDF	0,09	0,09	7,77	7,77
	ESF	9,06	9,06	4,53	4,53
	TOTAL	9,15	9,15	12,30	12,30
AUSTRIA	ERDF	38,91	38,91	13,80	13,80
	ESF	15,24	15,24	7,62	7,62
	TOTAL	54,15	54,15	21,42	21,42
FINLAND	ERDF	24,80	24,80	12,40	12,40
	ESF	6,30	6,30	3,15	3,15
	TOTAL	31,10	31,10	15,55	15,55
SWEDEN	ERDF	83,22	83,22	26,78	26,78
	ESF	22,56	22,56	11,28	11,28
	TOTAL	105,78	105,78	38,06	38,06
UNITED KINGDOM	ERDF	352,26	352,26	22,03	22,03
	ESF	165,99	165,99	123,40	130,93
	TOTAL	518,25	518,25	145,43	152,96
	TOTAL	1.734,74	1.739,37	866,54	885,91
	ERDF	1.332,61	1.332,61	611,01	611,01
	ESF	402,13	406,76	255,53	274,90

* Budget headings B2-1201, B2-1301.

Annex I: Financial implementation by Objective in 1995 *

Table 3: Objective 3 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ESF	33,39	33,39	34,24	42,33
DENMARK	ESF	41,00	41,00	12,30	39,04
GERMANY	ESF	48,22	48,22	96,49	104,48
SPAIN	ESF	206,97	206,97	169,65	169,65
FRANCE	ESF	396,80	396,80	312,88	312,88
ITALY	ESF	0,00	0,00	0,00	0,00
LUXEMBOURG	ESF	3,29	3,29	3,51	4,00
NETHERLANDS	ESF	143,83	143,83	142,57	142,57
AUSTRIA	ESF	64,06	64,06	32,03	32,03
FINLAND	ESF	60,33	60,33	30,17	30,17
SWEDEN	ESF	73,00	73,00	36,50	36,50
UNITED KINGDOM	ESF	497,00	497,00	436,17	436,17
TOTAL	ESF	1.567,90	1.567,90	1.306,51	1.349,82

* Budget heading B2-1302.

Annex I: Financial implementation by Objective in 1995 *

Table 4: Objective 4 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ESF	0,00	0,00	0,00	0,00
DENMARK	ESF	5,00	5,00	2,50	2,50
GERMANY	ESF	0,00	0,00	0,00	0,00
SPAIN	ESF	62,70	62,70	38,13	38,13
FRANCE	ESF	0,00	0,00	0,00	0,00
ITALY	ESF	0,00	0,00	0,00	0,00
LUXEMBOURG	ESF	0,27	0,27	0,21	0,21
NETHERLANDS	ESF	0,00	0,00	0,00	0,00
AUSTRIA	ESF	11,70	11,70	5,85	5,85
FINLAND	ESF	14,83	14,83	7,42	7,42
SWEDEN	ESF	0,00	0,00	0,00	0,00
TOTAL	ESF	94,50	94,50	54,11	54,11

* Budget heading B2-1303.

Annex I: Financial implementation by Objective in 1995 *

Table 5: Objective 5(a) agriculture - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	EAGGF	30,23	30,23	12,74	12,74
DENMARK	EAGGF	16,73	16,73	16,49	16,49
GERMANY	EAGGF	165,13	165,13	160,90	160,90
SPAIN	EAGGF	21,10	21,10	27,64	27,64
FRANCE	EAGGF	252,08	252,08	242,14	242,14
ITALY	EAGGF	0,00	0,00	0,00	0,00
LUXEMBOURG	EAGGF	5,47	5,47	2,01	2,01
NETHERLANDS	EAGGF	4,89	4,89	1,96	1,96
AUSTRIA	EAGGF	61,50	61,50	30,75	30,75
FINLAND	EAGGF	61,42	61,42	30,71	30,71
SWEDEN	EAGGF	13,72	13,72	6,86	6,86
UNITED KINGDOM	EAGGF	22,80	22,80	22,43	22,43
TOTAL	EAGGF	655,07	655,07	554,63	554,63

* Budget headings B2-1001, B2-1002.

Annex I: Financial implementation by Objective in 1995 *

Table 6: Objective 5(a) fisheries- CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	FIFG	0,00	0,00	1,29	1,29
DENMARK	FIFG	23,28	23,28	18,63	18,63
GERMANY	FIFG	12,46	12,46	9,93	9,93
SPAIN	FIFG	19,90	19,90	0,00	0,00
FRANCE	FIFG	31,62	31,62	25,31	25,31
ITALY	FIFG	22,37	22,37	0,00	0,00
LUXEMBOURG	FIFG	0,89	0,89	0,00	0,00
NETHERLANDS	FIFG	1,40	1,40	2,33	2,33
AUSTRIA	FIFG	2,00	2,00	0,20	0,20
FINLAND	FIFG	23,00	23,00	6,90	6,90
SWEDEN	FIFG	40,00	40,00	12,00	12,00
UNITED KINGDOM	FIFG	0,11	0,11	4,43	4,43
TOTAL	FIFG	177,02	177,02	81,02	81,02

* Budget heading B2-1101.

Annex I: Financial implementation by Objective in 1995 *

Table 7: Objective 5(b) - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ERDF	4,82	4,82	2,41	2,41
	ESF	1,55	1,55	0,77	0,77
	EAGGF	2,79	2,79	1,40	1,40
	TOTAL	9,16	9,16	4,58	4,58
DENMARK	ERDF	3,36	3,36	2,45	2,45
	ESF	0,00	0,00	0,00	0,00
	EAGGF	0,00	0,00	0,00	0,00
	TOTAL	3,36	3,36	2,45	2,45
GERMANY	ERDF	49,48	49,48	15,54	15,54
	ESF	5,10	5,10	4,26	4,26
	EAGGF	81,19	81,19	51,41	51,41
	TOTAL	135,77	135,77	71,21	71,21
SPAIN	ERDF	25,22	25,22	26,00	26,00
	ESF	5,30	5,30	3,21	3,21
	EAGGF	58,06	58,06	52,48	52,48
	TOTAL	88,58	88,58	81,69	81,69
FRANCE	ERDF	45,02	45,02	27,77	27,77
	ESF	29,73	29,73	18,21	18,21
	EAGGF	35,70	35,70	30,59	30,59
	TOTAL	110,46	110,46	76,57	76,57
ITALY	ERDF	12,41	12,41	6,20	6,20
	ESF	3,27	3,27	1,64	1,64
	EAGGF	15,83	15,83	7,91	7,91
	TOTAL	31,50	31,50	15,75	15,75
LUXEMBOURG	ERDF	0,00	0,00	0,21	0,21
	ESF	0,00	0,00	0,00	0,00
	EAGGF	0,00	0,00	0,00	0,00
	TOTAL	0,00	0,00	0,21	0,21
NETHERLANDS	ERDF	1,94	1,94	7,40	7,40
	ESF	0,92	0,92	0,46	0,46
	EAGGF	4,45	4,45	1,59	1,59
	TOTAL	7,31	7,31	9,45	9,45
AUSTRIA	ERDF	33,34	33,34	16,67	16,67
	ESF	13,68	13,68	6,84	6,84
	EAGGF	31,30	31,30	15,65	15,65
	TOTAL	78,33	78,33	39,16	39,16
FINLAND	ERDF	16,03	16,03	7,78	7,78
	ESF	5,18	5,18	2,59	2,59
	EAGGF	11,60	11,60	5,56	5,56
	TOTAL	32,81	32,81	15,94	15,94
UNITED KINGDOM	ERDF	36,78	36,78	22,68	22,68
	ESF	29,24	29,24	19,42	19,42
	EAGGF	8,57	8,57	4,29	4,29
	TOTAL	74,59	74,59	46,39	46,39
	TOTAL	571,86	571,86	363,41	363,41
	ERDF	228,39	228,39	135,13	135,13
	ESF	93,97	93,97	57,40	57,40
	EAGGF	249,50	249,50	170,89	170,89

* Budget headings B2-1003, B2-1202, B2-1304.

Annex I: Financial implementation by Objective in 1995 *

Table 8: Objective 6 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
FINLAND	ERDF	22,40	22,40	11,20	11,20
	ESF	21,10	21,10	10,55	10,55
	EAGGF	36,80	36,80	18,40	18,40
	FIFG	0,70	0,70	0,35	0,35
	TOTAL	81,00	81,00	40,50	40,50
SWEDEN	ERDF	21,86	21,86	10,93	10,93
	ESF	11,39	11,39	5,70	5,70
	EAGGF	10,94	10,94	5,47	5,47
	FIFG	0,73	0,73	0,37	0,37
	TOTAL	44,92	44,92	22,46	22,46
	TOTAL	125,92	125,92	62,96	62,96
	FEDER	44,26	44,26	22,13	22,13
	FSE	32,49	32,49	16,25	16,25
	FEOGA	47,74	47,74	23,87	23,87
	IFOP	1,43	1,43	0,72	0,72

* Budget headings B2-1004, B2-1102, B2-1203, B2-1305.

ANNEX II:

Financial implementation by Objective, 1994-95

Annex II: Financial implementation by Objective, 1994-95 *

Table 1: Objective 1 - CSF

ECU million					
Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ERDF	67,93	67,93	53,75	53,75
	ESF	24,70	24,70	12,35	19,76
	EAGGF	14,00	14,00	6,08	6,08
	FIFG	0,37	0,37	0,19	0,19
	TOTAL	107,00	107,00	72,36	79,77
GERMANY	ERDF	1.844,97	1.844,97	1.027,06	1.027,06
	ESF	1.166,51	1.166,51	852,73	852,73
	EAGGF	861,60	861,60	578,67	578,67
	FIFG	19,00	19,00	11,60	11,60
	TOTAL	3.892,08	3.892,08	2.470,05	2.470,05
GREECE	ERDF	3.151,22	3.151,22	1.847,77	1.847,77
	ESF	684,71	684,71	411,53	411,53
	EAGGF	699,19	699,19	518,12	518,12
	FIFG	37,10	37,10	14,24	14,24
	TOTAL	4.572,22	4.572,22	2.791,66	2.791,66
SPAIN	ERDF	5.367,19	5.367,19	3.582,35	3.582,35
	ESF	1.666,10	1.666,10	1.166,94	1.166,94
	EAGGF	979,67	979,67	668,62	691,08
	FIFG	304,46	304,46	109,22	109,22
	TOTAL	8.317,41	8.317,41	5.527,13	5.549,60
FRANCE	ERDF	236,69	236,69	107,89	107,89
	ESF	185,46	185,46	101,85	130,65
	EAGGF	69,21	69,21	37,65	37,65
	FIFG	6,30	6,30	3,46	3,46
	TOTAL	497,67	497,67	250,86	279,66
IRELAND	ERDF	748,60	748,60	568,45	568,45
	ESF	619,31	619,31	539,59	539,76
	EAGGF	332,56	332,56	285,46	285,46
	FIFG	9,19	9,19	5,50	5,50
	TOTAL	1.709,66	1.709,66	1.398,99	1.399,16
ITALY	ERDF	2.018,14	2.018,14	1.087,57	1.087,57
	ESF	462,35	462,35	186,02	200,27
	EAGGF	477,78	477,78	251,65	251,65
	FIFG	66,54	66,54	15,99	15,99
	TOTAL	3.024,80	3.024,80	1.541,22	1.555,47
NETHERLANDS	ERDF	24,30	24,30	11,44	11,44
	ESF	8,20	8,20	5,06	5,06
	EAGGF	1,90	1,90	1,55	1,55
	FIFG	2,80	2,80	1,58	1,58
	TOTAL	37,20	37,20	19,63	19,63
AUSTRIA	ERDF	19,96	19,96	9,98	9,98
	ESF	5,04	5,04	2,52	2,52
	EAGGF	3,80	3,80	1,90	1,90
	FIFG	0,00	0,00	0,00	0,00
	TOTAL	28,80	28,80	14,40	14,40
PORTUGAL	ERDF	2.925,37	2.925,37	2.161,09	2.161,09
	ESF	795,89	795,89	624,37	650,18
	EAGGF	776,14	776,14	419,63	419,63
	FIFG	52,01	52,01	33,14	33,14
	TOTAL	4.549,40	4.549,40	3.238,23	3.264,05
UNITED KINGDOM	ERDF	301,24	301,24	169,41	169,41
	ESF	162,11	162,11	104,89	104,89
	EAGGF	59,91	59,91	52,69	52,69
	FIFG	9,06	9,06	4,37	4,37
	TOTAL	532,32	532,32	331,36	331,36
	TOTAL	27.268,56	27.268,56	17.655,89	17.754,80
	ERDF	16.705,60	16.705,60	10.626,76	10.626,76
	ESF	5.780,37	5.780,37	4.007,85	4.084,30
	EAGGF	4.275,75	4.275,75	2.822,01	2.844,47
	FIFG	506,84	506,84	199,28	199,28

* Budget headings B2-1000, B2-1100, B2-1200, B2-1300.

Annex II: Financial implementation by Objective, 1994-95 *

Table 2: Objective 2 - CSF

ECU million

Member State	Fund	Commitments (1994-96)		Payments (1994-96)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ERDF	49,12	49,12	24,39	24,39
	ESF	8,41	13,04	2,61	4,93
	TOTAL	57,53	62,16	27,00	29,31
DENMARK	ERDF	24,84	24,84	17,77	17,77
	ESF	5,45	5,45	2,23	2,23
	TOTAL	30,29	30,29	19,99	19,99
GERMANY	ERDF	198,05	198,05	104,49	104,49
	ESF	88,80	88,80	45,85	52,45
	TOTAL	286,85	286,85	150,34	156,94
SPAIN	ERDF	545,10	545,10	395,86	395,86
	ESF	114,11	114,11	52,10	52,10
	TOTAL	659,21	659,21	447,96	447,96
FRANCE	ERDF	751,68	751,68	326,44	326,44
	ESF	152,71	152,71	93,91	96,85
	TOTAL	904,39	904,39	420,35	423,29
ITALY	FEDER	239,29	239,29	119,65	119,65
	FSE	60,66	60,66	30,33	30,33
	TOTAL	299,95	299,95	149,97	149,97
LUXEMBOURG	ERDF	6,03	6,03	3,01	3,01
	ESF	1,94	1,94	0,97	0,97
	TOTAL	7,97	7,97	3,99	3,99
NETHERLANDS	ERDF	66,95	66,95	33,48	33,48
	ESF	38,07	38,07	19,03	19,03
	TOTAL	105,02	105,02	52,51	52,51
AUSTRIA	ERDF	38,91	38,91	13,80	13,80
	ESF	15,24	15,24	7,62	7,62
	TOTAL	54,15	54,15	21,42	21,42
FINLAND	ERDF	24,80	24,80	12,40	12,40
	ESF	6,30	6,30	3,15	3,15
	TOTAL	31,10	31,10	15,55	15,55
SWEDEN	ERDF	83,22	83,22	26,78	26,78
	ESF	22,56	22,56	11,28	11,28
	TOTAL	105,78	105,78	38,06	38,06
UNITED KINGDOM	ERDF	903,52	903,52	297,66	297,66
	ESF	346,53	346,53	213,67	221,20
	TOTAL	1.250,05	1.250,05	511,33	518,85
	TOTAL	3.792,28	3.796,91	1.858,47	1.877,84
	ERDF	2.931,52	2.931,52	1.375,72	1.375,72
	ESF	860,76	865,39	482,75	502,13

* Budget headings B2-1201, B2-1301.

Annex II: Financial implementation by Objective, 1994-95 *

Table 3: Objective 3 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ESF	97,76	97,76	66,42	74,51
DENMARK	ESF	85,00	85,00	47,50	74,24
GERMANY	ESF	307,77	307,77	226,27	234,26
SPAIN	ESF	426,59	426,59	244,54	244,54
FRANCE	ESF	778,40	778,40	503,68	503,68
ITALY	ESF	200,47	200,47	100,23	100,23
LUXEMBOURG	ESF	6,46	6,46	5,09	5,59
NETHERLANDS	ESF	282,27	282,27	253,32	253,32
AUSTRIA	ESF	64,06	64,06	32,03	32,03
FINLAND	ESF	60,33	60,33	30,17	30,17
SWEDEN	ESF	73,00	73,00	36,50	36,50
UNITED KINGDOM	ESF	975,00	975,00	818,57	818,57
TOTAL	ESF	3.357,11	3.357,11	2.364,33	2.407,64

* Budget heading B2-1302.

Annex II: Financial implementation by Objective, 1994-95 *

Table 4: Objective 4 - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ESF	4,63	4,63	2,32	2,32
DENMARK	ESF	6,00	6,00	3,00	3,00
GERMANY	ESF	29,61	29,61	14,81	14,81
SPAIN	ESF	118,10	118,10	65,83	65,83
FRANCE	ESF	95,39	95,39	47,70	47,70
ITALY	ESF	60,61	60,61	30,31	30,31
LUXEMBOURG	ESF	0,53	0,53	0,34	0,34
NETHERLANDS	ESF	22,23	22,23	11,12	11,12
AUSTRIA	ESF	11,70	11,70	5,85	5,85
FINLAND	ESF	14,83	14,83	7,42	7,42
SWEDEN	ESF	0,00	0,00	0,00	0,00
TOTAL	ESF	363,63	363,63	188,68	188,68

* Budget heading B2-1303.

Annex II: Financial implementation by Objective, 1994-95 *

Table 5: Objective 5(a) agriculture - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	EAGGF	53,03	53,03	16,51	16,51
DENMARK	EAGGF	38,67	38,67	19,19	19,19
GERMANY	EAGGF	322,72	322,72	209,82	209,82
SPAIN	EAGGF	77,41	77,41	55,81	55,81
FRANCE	EAGGF	518,73	518,73	242,97	242,97
ITALY	EAGGF	117,47	117,47	58,73	58,73
LUXEMBOURG	EAGGF	12,22	12,22	5,37	5,37
NETHERLANDS	EAGGF	25,27	25,27	12,15	12,15
AUSTRIA	EAGGF	61,50	61,50	30,75	30,75
FINLAND	EAGGF	61,42	61,42	30,71	30,71
SWEDEN	EAGGF	13,72	13,72	6,86	6,86
UNITED KINGDOM	EAGGF	85,16	85,16	41,73	41,73
TOTAL	EAGGF	1.387,32	1.387,32	730,60	730,60

* Budget headings B2-1001, B2-1002 (not including budget heading B2-1000-Structural actions directly linked to markets policy (only in 1994 - ECU 43.65 million in commitments and in payments) and reimbursements under reg.(EEC) No 2328/91 corresponding to the year 1993 (ECU 356.6 million in commitments and ECU 417.02 million in payments)).

Annex II: Financial implementation by Objective, 1994-95 *

Table 6: Objective 5(a) fisheries- CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	FIFG	4,08	4,08	3,33	3,33
DENMARK	FIFG	46,59	46,59	30,29	30,29
GERMANY	FIFG	24,87	24,87	16,13	16,13
SPAIN	FIFG	39,83	39,83	9,97	9,97
FRANCE	FIFG	63,27	63,27	41,13	41,13
ITALY	FIFG	44,77	44,77	11,20	11,20
LUXEMBOURG	FIFG	1,10	1,10	0,11	0,11
NETHERLANDS	FIFG	9,16	9,16	6,21	6,21
AUSTRIA	FIFG	2,00	2,00	0,20	0,20
FINLAND	FIFG	23,00	23,00	6,90	6,90
SWEDEN	FIFG	40,00	40,00	12,00	12,00
UNITED KINGDOM	FIFG	14,78	14,78	11,82	11,82
TOTAL	FIFG	313,45	313,45	149,28	149,28

* Budget heading B2-1101.

Annex II: Financial implementation by Objective, 1994-95 *

Table 7: Objective 5(b) - CSF

ECU million

Member State	Fund	Commitments (1994-99)		Payments (1994-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
BELGIUM	ERDF	4,82	4,82	2,41	2,41
	ESF	1,55	1,55	0,77	0,77
	EAGGF	2,79	2,79	1,40	1,40
	TOTAL	9,16	9,16	4,58	4,58
DENMARK	ERDF	5,93	5,93	3,74	3,74
	ESF	1,29	1,29	0,64	0,64
	EAGGF	2,57	2,57	1,29	1,29
	TOTAL	9,79	9,79	5,66	5,66
GERMANY	ERDF	99,04	99,04	40,32	40,32
	ESF	27,46	27,46	15,44	15,44
	EAGGF	135,24	135,24	78,44	78,44
	TOTAL	261,74	261,74	134,20	134,20
SPAIN	ERDF	44,65	44,65	35,72	35,72
	ESF	13,29	13,29	7,21	7,21
	EAGGF	104,15	104,15	75,52	75,52
	TOTAL	162,09	162,09	118,44	118,44
FRANCE	ERDF	157,11	157,11	83,81	83,81
	ESF	64,71	64,71	35,70	35,70
	EAGGF	151,36	151,36	88,42	88,42
	TOTAL	373,18	373,18	207,93	207,93
ITALY	ERDF	43,86	43,86	21,93	21,93
	ESF	14,35	14,35	7,18	7,18
	EAGGF	48,78	48,78	24,39	24,39
	TOTAL	107,00	107,00	53,50	53,50
LUXEMBOURG	ERDF	0,43	0,43	0,21	0,21
	ESF	0,11	0,11	0,05	0,05
	EAGGF	0,30	0,30	0,15	0,15
	TOTAL	0,84	0,84	0,42	0,42
NETHERLANDS	ERDF	14,02	14,02	7,40	7,40
	ESF	2,22	2,22	1,11	1,11
	EAGGF	9,37	9,37	4,05	4,05
	TOTAL	25,61	25,61	12,56	12,56
AUSTRIA	ERDF	33,34	33,34	16,67	16,67
	ESF	13,68	13,68	6,84	6,84
	EAGGF	31,30	31,30	15,65	15,65
	TOTAL	78,33	78,33	39,16	39,16
FINLAND	ERDF	16,03	16,03	7,78	7,78
	ESF	5,18	5,18	2,59	2,59
	EAGGF	11,60	11,60	5,56	5,56
	TOTAL	32,81	32,81	15,94	15,94
UNITED KINGDOM	ERDF	66,36	66,36	37,48	37,48
	ESF	36,47	36,47	23,04	23,04
	EAGGF	17,87	17,87	8,93	8,93
	TOTAL	120,70	120,70	69,45	69,45
	TOTAL	1.181,25	1.181,25	661,85	661,85
	ERDF	485,60	485,60	257,48	257,48
	ESF	180,31	180,31	100,57	100,57
	EAGGF	515,34	515,34	303,81	303,81

* Budget headings B2-1003, B2-1202, B2-1304.

Annex II: Financial implementation by Objective, 1994-95 *

Table 8: Objective 6 - CSF

ECU million

Member State	Fund	Commitments (1995-99)		Payments (1995-99)	
		Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again	Not including carry-overs and appropriations made available again	Including carry-overs and appropriations made available again
FINLAND	ERDF	22,40	22,40	11,20	11,20
	ESF	21,10	21,10	10,55	10,55
	EAGGF	36,80	36,80	18,40	18,40
	FIFG	0,70	0,70	0,35	0,35
	TOTAL	81,00	81,00	40,50	40,50
SWEDEN	ERDF	21,86	21,86	10,93	10,93
	ESF	11,39	11,39	5,70	5,70
	EAGGF	10,94	10,94	5,47	5,47
	FIFG	0,73	0,73	0,37	0,37
	TOTAL	44,92	44,92	22,46	22,46
	TOTAL	125,92	125,92	62,96	62,96
	ERDF	44,26	44,26	22,13	22,13
	ESF	32,49	32,49	16,25	16,25
	EAGGF	47,74	47,74	23,87	23,87
	FIFG	1,43	1,43	0,72	0,72

* Budget headings B2-1004, B2-1102, B2-1203, B2-1305.

ANNEX III:

Financial implementation of the Community Initiatives, 1994-95

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 1: Presentation by Community Initiative

Community Initiatives (number of CIPs)	Total cost	SF assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	Payments 1994-95 (3)	% (3)/(2)
ADAPT (17)	3,010,89	1,444,87	307,66	21%	152,62	50%
Belgium	91,95	31,20	5,69	18%	2,85	50%
Wallonia	51,29	16,24	3,04	19%	1,52	50%
Flanders	40,65	14,96	2,66	18%	1,33	50%
Denmark	65,68	29,50	5,31	18%	2,66	50%
Germany	480,43	228,80	42,92	19%	21,46	50%
Greece	44,59	30,10	7,14	24%	3,57	50%
Spain	403,24	256,40	48,10	19%	24,05	50%
France	622,51	249,70	46,94	19%	23,47	50%
Ireland	28,27	21,20	3,90	18%	1,95	50%
Italy	360,49	190,00	36,10	19%	18,05	50%
Luxembourg	0,80	0,30	0,05	18%	0,03	50%
Netherlands	142,80	57,55	11,51	20%	5,76	50%
Austria	25,75	11,57	11,57	100%	5,79	50%
Portugal	29,17	21,00	3,99	19%	2,00	50%
Finland	42,90	19,70	19,70	100%	8,64	44%
Sweden	21,72	11,25	11,25	100%	5,63	50%
United Kingdom	650,60	286,60	53,49	19%	26,75	50%
Great Britain	645,83	283,50	53,18	19%	26,59	50%
Northern Ireland	4,77	3,10	0,31	10%	0,16	50%
EMPLOYMENT (17)	2,738,67	1,524,15	308,87	20%	154,23	50%
Belgium	70,19	32,10	21,69	68%	10,85	50%
Wallonia	43,53	19,89	19,89	100%	9,95	50%
Flanders	26,66	12,21	1,80	15%	0,90	50%
Denmark	20,68	10,56	1,61	15%	0,80	50%
Germany	297,53	156,80	23,14	15%	11,57	50%
Greece	83,15	64,40	8,04	12%	4,02	50%
Spain	576,75	386,60	58,63	15%	29,31	50%
France	384,42	146,50	22,27	15%	11,13	50%
Ireland	99,49	76,10	7,61	10%	3,61	47%
Italy	589,08	348,70	51,47	15%	25,73	50%
Luxembourg	0,60	0,50	0,30	100%	0,15	50%
Netherlands	90,86	42,44	4,24	10%	2,12	50%
Austria	49,37	23,01	23,01	100%	11,51	50%
Portugal	55,55	40,30	5,67	14%	2,83	50%
Finland	66,25	29,15	29,15	100%	14,58	50%
Sweden	39,89	20,69	20,69	100%	10,35	50%
United Kingdom	314,85	146,50	31,36	21%	15,68	50%
Great Britain	296,70	134,60	20,47	15%	10,24	50%
Northern Ireland	18,09	11,90	10,89	91%	5,44	50%
LEADER (68) *	3,092,11	1,242,44	468,76	38%	132,71	28%
Germany	382,40	169,79	124,57	73%	38,82	31%
Baden-Württemberg	14,26	5,68	5,67	100%	1,70	30%
Bavaria	113,45	43,05	6,08	14%	3,04	50%
Eastern Berlin	0,40	0,24	0,24	100%	0,07	30%
Brandenburg	33,67	18,83	17,21	91%	5,22	30%
Hesse	21,29	6,20	5,61	90%	1,68	30%
Mecklenburg-Western Pomerania	29,31	15,56	15,25	98%	4,59	30%
Lower Saxony	40,09	18,84	18,21	97%	5,46	30%
North Rhine-Westphalia	8,76	3,54	3,54	100%	1,06	30%
Rhineland-Palatinate	25,48	8,55	8,55	100%	2,57	30%
Saarland	4,20	1,82	1,21	67%	0,36	30%
Saxony	35,45	18,01	18,10	100%	5,45	30%
Saxony-Anhalt	26,34	15,56	11,63	75%	3,62	31%
Thuringia	29,69	13,92	13,26	95%	4,00	30%

* Including networks (commitments: ECU 3,7 million, payments ECU 2,9 million)

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 1: Presentation by Community Initiative (ctd.)

Community Initiatives (number of CIPs)	Total cost	SF assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
Greece	263,60	148,00	22,56	15%	11,28	50%
Spain	1.161,93	354,81	112,10	32%	34,86	31%
<i>Andalusia</i>	249,29	68,81	9,85	14%	4,93	50%
<i>Aragon</i>	137,40	27,48	24,18	88%	4,51	19%
<i>Asturias</i>	35,53	13,00	12,52	96%	2,45	20%
<i>Balearic Islands</i>	11,27	3,13	3,07	98%	1,22	40%
<i>Canary Islands</i>	30,81	12,33	1,85	15%	0,92	50%
<i>Cantabria</i>	19,89	6,41	0,97	15%	0,48	50%
<i>Castile-La Mancha</i>	142,63	41,00	4,47	11%	2,24	50%
<i>Castile-León</i>	122,88	53,50	9,60	18%	4,80	50%
<i>Catalonia</i>	68,10	13,62	2,12	16%	1,06	50%
<i>Extremadura</i>	56,14	24,00	22,44	94%	4,39	20%
<i>Galicia</i>	119,47	43,82	2,90	7%	1,45	50%
<i>Rioja</i>	18,40	3,64	3,43	93%	1,03	30%
<i>Madrid</i>	14,15	3,60	3,36	93%	1,01	30%
<i>Murcia</i>	24,26	9,52	1,74	18%	0,87	50%
<i>Navarre</i>	21,47	4,81	4,17	87%	1,25	30%
<i>Basque Country</i>	12,63	2,47	2,31	94%	0,69	30%
<i>Valencia</i>	77,62	23,63	3,12	13%	1,56	50%
France	318,97	122,89	95,56	78%	15,53	16%
<i>Aquitaine</i>	38,51	17,23	15,06	87%	1,25	8%
<i>Auvergne</i>	31,19	12,78	11,96	94%	2,13	18%
<i>Lower Normandy</i>	23,81	10,13	9,12	90%	0,50	5%
<i>Burgundy</i>	21,19	8,53	7,48	88%	1,52	20%
<i>Britany</i>	28,52	14,09	4,26	30%	1,28	30%
<i>Corsica</i>	7,16	3,05	3,05	100%	0,54	18%
<i>Franche-Comté</i>	11,55	5,78	4,97	86%	1,49	30%
<i>Languedoc-Roussillon</i>	33,71	14,39	12,96	90%	0,90	7%
<i>Limousin</i>	40,94	15,04	14,50	96%	3,12	22%
<i>Poitou-Charentes</i>	38,27	9,83	8,01	81%	1,53	19%
<i>Provence-Alpes-Côte d'Azur</i>	24,12	12,06	4,22	35%	1,27	30%
Ireland	165,58	67,92	7,50	11%	3,75	50%
Italy	435,96	183,20	28,62	16%	14,00	49%
<i>Abruzzi</i>	30,33	15,97	6,03	38%	3,02	50%
<i>Basilicata</i>	39,10	19,55	1,72	9%	0,86	50%
<i>Bolzano</i>	19,20	4,80	4,26	89%	1,87	44%
<i>Calabria</i>	47,71	23,15	5,96	26%	2,98	50%
<i>Campania</i>	51,32	25,82	2,77	11%	1,38	50%
<i>Emilia-Romagna</i>	20,61	6,35	0,69	11%	0,34	50%
<i>Friuli-Venezia Giulia</i>	14,54	4,90	0,30	6%	0,15	50%
<i>Apulia</i>	53,20	26,60	6,04	23%	3,02	50%
<i>Sardinia</i>	7,86	32,37	0,37	2%	0,29	50%
<i>Tuscany</i>	53,11	14,81	0,00	0%	0,00	
<i>Umbria</i>	31,15	8,41	0,00	0%	0,00	
<i>Valle d'Aosta</i>	1,83	0,47	0,28	59%	0,08	30%
Luxembourg	4,85	1,01	1,01	100%	0,41	40%
Netherlands	35,17	8,46	8,18	97%	2,45	30%
<i>Drenthe</i>	2,84	1,05	1,05	100%	0,32	30%
<i>Friesland</i>	4,43	2,11	2,02	96%	0,60	30%
<i>Northwest Friesland/Northwest Groningen</i>	14,43	2,64	2,50	95%	0,75	30%
<i>Northwest Friesland</i>	13,47	2,65	2,61	98%	0,78	30%
Austria - Burgenland	6,50	2,57	2,01	78%	0,33	16%
Portugal	156,80	117,59	6,74	6%	3,59	53%

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 1: Presentation by Community Initiative (ctd.)

Community Initiatives (number of CIPs)	Total cost	SF assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
United Kingdom	160,37	66,20	56,16	85%	4,82	9%
<i>England</i>	57,78	25,85	22,40	87%	1,47	7%
<i>Highlands and Islands</i>	27,91	11,96	8,84	74%	1,14	13%
<i>Northern Ireland</i>	31,47	11,35	9,70	85%	0,77	8%
<i>Wales</i>	18,83	8,62	7,58	88%	0,81	11%
<i>Scotland</i>	24,38	8,41	7,64	91%	0,63	8%
Networks			3,75		2,88	77%
PESCA (11)	605,89	252,99	53,11	21%	17,16	32%
<i>Belgium</i>	4,25	2,00	0,33	17%	0,17	50%
<i>Denmark</i>	48,64	16,40	2,73	17%	1,37	50%
<i>Germany</i>	62,00	23,00	3,83	17%	1,92	50%
<i>Greece</i>	54,63	27,10	4,51	17%	2,26	50%
<i>Spain</i>	95,66	41,50	6,91	17%	3,46	50%
<i>France</i>	81,33	28,30	18,78	66%	0,00	0%
<i>Ireland</i>	12,18	6,70	1,11	17%	0,56	50%
<i>Italy</i>	81,19	34,17	4,42	13%	2,21	50%
<i>Netherlands</i>	34,18	10,80	1,15	11%	0,58	50%
<i>Portugal</i>	47,17	25,60	4,26	17%	2,13	50%
<i>United Kingdom</i>	84,65	37,42	5,07	14%	2,54	50%
SME (21)	1.025,51	491,25	203,53	41%	67,71	33%
<i>Belgium - Wallonia</i>	14,22	9,41	7,49	80%	2,25	30%
<i>Germany</i>	356,25	156,83	101,20	65%	30,85	30%
<i>Bavaria</i>	19,68	6,97	6,97	100%	2,09	30%
<i>Berlin</i>	36,20	14,61	14,61	100%	4,48	31%
<i>Bremen</i>	8,94	0,97	0,97	100%	0,49	50%
<i>Hesse</i>	3,40	1,16	1,16	100%	0,35	30%
<i>Mecklenburg-Western Pomerania</i>	35,38	18,30	14,65	80%	4,65	32%
<i>North Rhine-Westphalia</i>	31,64	7,92	7,92	100%	3,96	50%
<i>Saxony</i>	99,67	42,80	4,39	10%	2,20	50%
<i>Saxony-Anhalt</i>	63,89	35,10	21,52	61%	2,98	14%
<i>Thuringia</i>	57,45	29,00	29,00	100%	9,65	33%
<i>Greece</i>	156,86	83,33	10,45	13%	5,23	50%
<i>France</i>	139,22	58,49	15,41	26%	4,62	30%
<i>Corsica</i>	15,75	3,04	2,60	85%	0,78	30%
<i>Hainaut</i>	25,14	6,29	6,29	100%	1,89	30%
<i>Objective 2 and 5(b) areas</i>	98,33	49,17	6,53	13%	1,96	30%
<i>Ireland</i>	53,20	28,79	26,49	92%	7,95	30%
<i>Netherlands</i>	26,86	10,34	9,54	92%	2,86	30%
<i>Portugal</i>	235,90	123,98	13,22	11%	6,61	50%
<i>United Kingdom</i>	42,99	20,09	19,74	98%	7,34	37%
<i>Highlands</i>	6,96	3,04	3,04	100%	0,96	31%
<i>Northern Ireland</i>	11,10	6,20	6,20	100%	3,10	50%
<i>Scotland</i>	19,71	8,52	8,52	100%	2,69	32%
<i>Wales</i>	5,22	2,33	1,98	85%	0,59	30%
RECHAR (26)	900,17	328,02	172,52	53%	75,60	44%
<i>Belgium</i>	58,05	15,68	15,68	100%	7,84	50%
<i>Châtelet</i>	1,86	0,93	0,93	100%	0,47	50%
<i>Limburg</i>	56,19	14,75	14,75	100%	7,38	50%
<i>Germany</i>	400,81	128,38	55,88	44%	26,80	48%
<i>Lower Saxony</i>	3,30	1,65	1,65	100%	0,83	50%
<i>North Rhine-Westphalia</i>	280,41	66,45	7,74	12%	3,87	50%

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 1: Presentation by Community Initiative (ctd.)

Community Initiatives (number of CIPs)	Total cost	SF assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
<i>Saarland</i>	22,86	6,26	4,56	73%	1,15	25%
<i>Saxony</i>	53,63	29,80	19,81	66%	9,91	50%
<i>Saxony-Anhalt</i>	30,60	19,22	17,12	89%	8,56	50%
<i>Thuringia</i>	10,00	5,00	5,00	100%	2,50	50%
Greece	2,03	1,52	1,37	90%	0,68	50%
France	39,42	16,66	15,49	93%	1,78	12%
<i>Burgundy</i>	3,08	1,54	1,54	100%	0,77	50%
<i>Languedoc-Roussillon</i>	2,74	1,01	0,81	80%	0,00	0%
<i>Lorraine</i>	25,11	10,93	10,08	92%	0,00	0%
<i>Midi-Pyrénées</i>	4,44	1,15	1,03	90%	0,00	0%
<i>Provence-Alpes-Côte d'Azur</i>	2,02	1,01	1,01	100%	0,51	50%
<i>Rhône-Alpes</i>	2,02	1,01	1,01	100%	0,51	50%
Italy	34,13	1,68	1,68	100%	0,39	23%
<i>Sardinia</i>	1,56	0,78	0,78	100%	0,39	50%
<i>Tuscany</i>	32,57	0,90	0,90	100%	0,00	0%
Portugal	1,15	0,86	0,86	100%	0,26	30%
United Kingdom	364,59	163,25	81,57	50%	37,85	46%
<i>East Midlands</i>	99,28	42,13	4,24	10%	2,12	50%
<i>Eastern Scotland</i>	21,89	10,00	10,00	100%	5,00	50%
<i>North East England</i>	51,15	23,46	23,46	100%	11,73	50%
<i>North West England</i>	15,28	6,90	5,88	85%	0,00	0%
<i>Wales</i>	46,44	20,46	20,46	100%	10,23	50%
<i>West Midlands</i>	27,86	12,66	10,13	80%	5,07	50%
<i>Western Scotland</i>	6,50	3,04	3,04	100%	1,52	50%
<i>Yorkshire</i>	96,19	47,57	4,36	10%	2,18	50%
REGIS (3)	751,47	456,50	58,83	13%	22,02	37%
Spain	385,49	216,93	28,01	13%	0,00	0%
France - Réunion	209,17	115,56	8,76	8%	4,38	50%
Portugal	156,81	124,00	22,05	18%	17,64	80%
KONVER (37)	883,69	352,13	238,22	68%	87,33	37%
Belgium	30,43	11,45	11,45	100%	5,73	50%
<i>Brussels</i>	5,73	1,73	1,73	100%	0,86	50%
<i>Flanders</i>	11,80	4,80	4,80	100%	2,40	50%
<i>Wallonia</i>	12,89	4,92	4,92	100%	2,46	50%
Denmark	5,33	2,38	2,38	100%	1,19	50%
Germany	342,33	144,54	130,61	90%	38,74	30%
<i>Bavaria</i>	28,95	12,67	8,45	67%	4,22	50%
<i>Berlin</i>	18,67	11,76	10,26	87%	3,90	38%
<i>Bremen</i>	21,54	4,47	4,47	100%	2,24	50%
<i>Hamburg</i>	2,48	1,24	1,24	100%	0,00	0%
<i>Hesse</i>	49,73	12,42	12,42	100%	0,93	8%
<i>Mecklenburg-Western Pomerania</i>	33,03	19,45	19,45	100%	0,00	0%
<i>Lower Saxony</i>	36,34	12,92	12,92	100%	6,45	50%
<i>North Rhine-Westphalia</i>	34,35	14,90	14,90	100%	7,45	50%
<i>Rhineland-Palatinate</i>	27,82	13,91	9,04	65%	1,35	15%
<i>Saarland</i>	4,58	1,24	0,65	52%	0,04	6%
<i>Saxony-Anhalt</i>	17,04	11,16	11,16	100%	0,61	5%
<i>Schleswig-Holstein</i>	29,79	8,94	6,19	69%	1,83	30%
<i>Thuringia</i>	38,01	19,45	19,45	100%	9,72	50%
Greece	20,27	12,91	11,48	89%	5,74	50%
France	244,06	71,02	64,42	91%	31,99	50%
<i>Alsace</i>	19,98	4,25	4,04	95%	2,02	50%
<i>Aquitaine</i>	64,44	13,16	11,86	90%	5,93	50%

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 1: Presentation by Community Initiative (ctd.)

Community Initiatives (number of CIPs)	Total cost	SF assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
<i>Auvergne</i>	3,78	1,52	1,22	80%	0,61	50%
<i>Lower Normandy</i>	7,42	2,33	2,02	87%	1,01	50%
<i>Brittany</i>	10,40	5,16	4,47	87%	2,23	50%
<i>Centre</i>	22,02	4,15	3,92	94%	1,96	50%
<i>Champagne-Ardenne</i>	5,49	2,43	1,96	81%	0,98	50%
<i>Ile-de-France</i>	18,83	5,52	4,74	86%	2,37	50%
<i>Languedoc-Roussillon</i>	10,06	3,14	2,76	88%	1,38	50%
<i>Limousin</i>	21,95	4,05	4,05	100%	2,02	50%
<i>Lorraine</i>	2,23	1,11	1,11	100%	0,33	30%
<i>Midi-Pyrénées</i>	12,45	4,05	3,65	90%	1,82	50%
<i>Nord-Pas-de-Calais</i>	2,23	1,11	1,11	100%	0,56	50%
<i>Provence-Alpes-Côte d'Azur</i>	11,74	5,87	5,37	91%	2,69	50%
<i>Picardy</i>	20,70	9,42	8,40	89%	4,20	50%
<i>Poitou-Charentes</i>	3,12	1,52	1,52	100%	0,76	50%
<i>Rhône-Alpes</i>	7,23	2,23	2,23	100%	1,11	50%
Portugal	10,66	7,90	7,90	99%	3,95	50%
United Kingdom-Gibraltar	230,61	101,94	9,99	10%	0,00	0%
RESIDER (20)	840,61	284,20	177,10	62%	78,30	44%
Belgium	52,89	24,43	23,68	97%	5,58	24%
<i>Charleroi</i>	24,48	11,90	11,15	94%	5,58	50%
<i>Liège</i>	28,42	12,53	12,53	100%	0,00	0%
Germany	558,30	164,17	62,49	38%	31,25	50%
<i>Bavaria</i>	12,09	5,39	5,39	100%	2,70	50%
<i>Bremen</i>	6,35	3,28	3,28	100%	1,64	50%
<i>Lower Saxony</i>	47,52	14,81	14,81	100%	7,40	50%
<i>North Rhine-Westphalia</i>	397,40	101,89	8,39	8%	4,19	50%
<i>Saarland</i>	47,58	12,90	9,39	73%	4,69	50%
<i>Saxony</i>	30,29	14,88	10,12	68%	5,06	50%
<i>Saxony-Anhalt</i>	7,69	5,00	5,00	100%	2,50	50%
<i>Thuringia</i>	9,19	6,12	6,12	100%	3,06	50%
Greece	8,94	4,69	4,12	88%	2,06	50%
France	105,75	42,62	38,64	91%	17,55	45%
<i>Burgundy</i>	3,68	1,84	1,84	100%	0,92	50%
<i>Lorraine</i>	7,32	31,11	27,53	88%	13,77	50%
<i>Provence-Alpes-Côte d'Azur</i>	15,26	5,18	5,18	100%	1,55	30%
<i>Picardy</i>	7,22	2,31	2,31	100%	0,79	34%
<i>Rhône-Alpes</i>	6,06	2,18	1,74	80%	0,52	30%
Netherlands	51,50	18,10	18,10	100%	7,35	41%
Portugal	10,77	6,91	6,91	100%	2,93	42%
United Kingdom	52,46	23,18	23,18	100%	11,59	50%
<i>Wales</i>	28,54	12,96	12,96	100%	6,48	50%
<i>Western Scotland</i>	23,93	10,23	10,23	100%	5,11	50%
RETEX (18)	1.756,22	592,70	244,56	41%	144,10	59%
Belgium - Wallonia	6,00	3,00	3,00	100%	1,50	50%
Germany	284,34	65,87	22,87	35%	8,11	35%
<i>Baden-Württemberg*</i>	24,45	0,80	0,23	28%	0,11	50%
<i>Bavaria*</i>	129,39	8,88	8,81	99%	1,00	11%
<i>Hesse*</i>	6,70	1,40	0,55	39%	0,36	65%
<i>Lower Saxony</i>	4,93	1,81	1,21	67%	0,60	50%
<i>North Rhine-Westphalia*</i>	3,73	1,57	0,17	11%	0,08	50%
<i>Saxony</i>	90,14	41,85	3,67	9%	1,83	50%
<i>Thuringia</i>	25,01	9,56	8,24	86%	4,12	50%

* CIP adopted in 1993. Total cost and assistance 1993-97. Commitments and payments 1993-95

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 1: Presentation by Community Initiative (ctd.)

Community Initiatives (number of CIPs)	Total cost	SF assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
Greece*	145,33	87,52	11,80	13%	9,14	78%
Spain*	361,13	90,39	38,53	43%	34,16	89%
France*	79,27	28,89	7,04	24%	3,42	49%
Ireland*	22,46	11,43	6,93	61%	4,06	59%
Italy	249,20	78,99	12,05	15%	6,03	50%
<i>Régions objectif 1*</i>	78,39	39,37	7,90	20%	3,95	50%
<i>Régions objectifs 2 et 5b*</i>	170,82	39,62	4,16	10%	2,08	50%
Netherlands - Twente	3,50	1,01	1,01	100%	0,51	50%
Portugal*	526,84	189,00	111,37	59%	63,06	57%
United Kingdom	78,15	36,60	29,96	82%	14,10	47%
<i>Northern Ireland</i>	8,40	4,20	3,75	89%	1,88	50%
<i>Great Britain</i>	69,75	32,40	26,21	81%	12,23	47%
URBAN (19)	822,93	384,76	157,37	41%	58,13	37%
Belgium	26,56	8,25	8,25	100%	4,12	50%
<i>Anvers</i>	15,24	2,58	2,58	100%	1,29	50%
<i>Charleroi</i>	11,33	5,66	5,66	100%	2,83	50%
Denmark	3,04	1,52	1,34	88%	0,40	30%
Germany	270,07	86,37	79,00	91%	23,19	29%
<i>Berlin</i>	31,05	16,10	16,10	100%	1,70	11%
<i>Bremen</i>	16,31	8,00	8,00	100%	0,74	9%
<i>Chemnitz</i>	141,31	9,20	9,20	100%	2,99	33%
<i>Dresden</i>	18,65	8,10	6,81	84%	2,04	30%
<i>Erfurt</i>	17,18	12,89	12,89	100%	3,91	30%
<i>Magdeburg</i>	19,94	12,88	8,92	69%	4,46	50%
<i>Rostock</i>	16,02	12,00	9,88	82%	4,94	50%
<i>Brandenburg</i>	9,61	7,20	7,20	100%	2,41	34%
Greece	67,17	45,20	4,52	10%	1,70	38%
Spain	248,68	162,60	22,85	14%	11,42	50%
Luxembourg	1,03	0,51	0,51	100%	0,04	8%
Netherlands	87,91	9,30	7,89	85%	2,37	30%
<i>Amsterdam</i>	19,68	4,65	3,67	78%	1,10	30%
<i>La Haye</i>	68,23	4,65	4,22	91%	1,27	30%
Austria - Vienne	31,93	9,77	6,84	70%	3,42	50%
Portugal	62,02	44,30	9,22	21%	4,61	50%
United Kingdom - Northern Ireland	24,52	16,95	16,95	100%	6,85	40%

* CIP adopted in 1993; Total cost and assistance 1993-97; Commitments and payments 1993-95

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 2: Presentation by Member State

Member State (number of CIPs)	Total cost	SF Assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
BELGIUM						
ADAPT (2)	91,95	31,20	5,69	18%	2,85	50%
EMPLOYMENT (2)	70,19	32,10	21,69	68%	10,85	50%
PESCA (1)	4,25	2,00	0,33	17%	0,17	50%
SME (1)	14,22	9,41	7,49	80%	2,25	30%
RECHAR (2)	58,05	15,68	15,68	100%	7,84	50%
KONVER (3)	30,43	11,45	11,45	100%	5,73	50%
RESIDER (2)	52,89	24,43	23,68	97%	5,58	24%
RETEX (1)	6,00	3,00	3,00	100%	1,50	50%
URBAN (2)	26,56	8,25	8,25	100%	4,12	50%
Total (16)	354,54	137,52	97,26	71%	40,87	42%
<i>INTERREG/REGEN (3)</i>						
DENMARK						
ADAPT (1)	65,68	29,50	5,31	18%	2,66	50%
EMPLOYMENT (1)	20,68	10,56	1,61	15%	0,80	50%
PESCA (1)	48,64	16,40	2,73	17%	1,37	50%
KONVER (1)	5,33	2,38	2,38	100%	1,19	50%
URBAN (1)	3,04	1,52	1,34	88%	0,40	30%
Total (5)	143,37	60,36	13,37	22%	6,41	48%
<i>INTERREG/REGEN (4)</i>						
GERMANY						
ADAPT (1)	480,43	228,80	42,92	19%	21,46	50%
EMPLOYMENT (1)	297,53	156,80	23,14	15%	11,57	50%
LEADER (13)	382,40	169,79	124,57	73%	38,82	31%
PESCA (1)	62,00	23,00	3,83	17%	1,92	50%
SME (9)	356,25	156,83	101,20	65%	30,85	30%
RECHAR (6)	400,81	128,38	55,86	44%	26,80	48%
KONVER (13)	342,33	144,54	130,61	90%	38,74	30%
RESIDER (8)	558,30	164,27	62,49	38%	31,25	50%
RETEX (7)*	284,34	65,87	22,87	35%	8,11	35%
URBAN (8)	270,07	86,37	79,00	91%	23,19	29%
Total (67)	3.434,47	1.324,64	646,51	49%	232,71	36%
<i>INTERREG/REGEN (17)</i>						
GREECE						
ADAPT (1)	44,59	30,10	7,14	24%	3,57	50%
EMPLOYMENT (1)	83,15	64,40	8,04	12%	4,02	50%
LEADER (1)	263,60	148,00	22,56	15%	11,28	50%
PESCA (1)	54,63	27,10	4,51	17%	2,26	50%
SME (1)	156,86	83,33	10,45	13%	5,23	50%
RECHAR (1)	2,03	1,52	1,37	90%	0,68	50%
KONVER (1)	20,27	12,91	11,48	89%	5,74	50%
RESIDER (1)	8,94	4,69	4,12	88%	2,06	50%
RETEX (1)	145,33	87,52	11,80	13%	9,14	78%
URBAN (1)	67,17	45,20	4,52	10%	1,70	38%
Total (10)	846,56	504,76	85,98	17%	45,68	53%
<i>INTERREG/REGEN (3)</i>						

* 1993-95

** 1993-1995

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 2: Presentation by Member State (ctd.)

Member State (number of CIPs)	Total cost	SF Assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
SPAIN						
ADAPT (1)	403,24	256,40	48,10	19%	24,05	50%
EMPLOYMENT (1)	576,75	386,60	58,63	15%	29,31	50%
LEADER (17)	1.161,93	354,81	112,10	32%	34,86	31%
PESCA (1)	95,66	41,50	6,91	17%	3,46	50%
REGIS (1)	385,49	216,93	28,01	13%	0,00	0%
RETEX (1)*	361,13	90,39	38,53	43%	34,16	89%
URBAN (1)	248,68	162,60	22,85	14%	11,42	50%
Total (23)	3.232,88	1.509,23	315,12	21%	137,26	44%
INTERREG/REGION (2)						
FRANCE						
ADAPT (1)	622,51	249,70	46,94	19%	23,47	50%
EMPLOYMENT (1)	384,42	146,50	22,27	15%	11,13	50%
LEADER (11)	318,97	122,89	95,56	78%	15,53	16%
PESCA (1)	81,33	28,30	18,78	66%	0,00	0%
SME (3)	139,22	58,49	15,41	26%	4,62	30%
RECHAR (6)	39,42	16,66	15,49	93%	1,78	12%
REGIS (1)	209,17	115,56	8,76	8%	4,38	50%
KONVER (17)	244,06	71,02	64,42	91%	31,99	50%
RESIDER (5)	105,75	42,62	38,51	91%	17,55	45%
RETEX (1)*	79,27	28,89	7,04	24%	3,42	49%
Total (47)	2.224,12	880,63	333,29	38%	113,88	34%
INTERREG/REGION (5)						
IRELAND						
ADAPT (1)	28,27	21,20	3,90	18%	1,95	50%
EMPLOYMENT (1)	99,49	76,10	7,61	10%	3,61	47%
LEADER (1)	165,58	67,92	7,50	11%	3,75	50%
PESCA (1)	12,18	6,70	1,11	17%	0,56	50%
SME (1)	53,20	28,79	26,49	92%	7,95	30%
RETEX (1)*	22,46	11,43	6,93	61%	4,06	59%
Total (6)	381,17	212,14	53,54	25%	21,87	41%
INTERREG/REGION (2)						
PEACE (1)						
ITALY						
ADAPT (1)	360,49	190,00	36,10	19%	18,05	50%
EMPLOYMENT (1)	589,08	348,70	51,47	15%	25,73	50%
LEADER (12)	435,96	183,20	28,62	16%	14,00	49%
PESCA (1)	81,19	34,17	4,42	13%	2,21	50%
RECHAR (2)	34,13	1,68	1,68	100%	0,39	23%
RETEX (2)*	249,20	78,99	12,05	15%	6,03	50%
Total (19)	1.750,04	836,74	134,35	16%	66,41	49%
INTERREG/REGION (2)						
LUXEMBOURG						
ADAPT (1)	0,80	0,30	0,05	18%	0,03	50%
EMPLOYMENT (1)	0,60	0,30	0,30	100%	0,15	50%
LEADER (1)	4,85	1,01	1,01	100%	0,41	40%
URBAN (1)	1,03	0,51	0,51	100%	0,04	8%
Total (4)	7,28	2,12	1,87	88%	0,62	33%
INTERREG/REGION (1)						

Annex III: Financial implementation of the Community Initiatives, 1994-95

Table 2: Presentation by Member State (ctd.)

Member State (number of CIPs)	Total cost	SF Assistance (1)	Commitments 1994-95 (2)	% (2)/(1)	ECU million	
					Payments 1994-95 (3)	% (3)/(2)
NETHERLANDS						
ADAPT (1)	142,80	57,55	11,51	20%	5,76	50%
EMPLOYMENT (1)	90,86	42,44	4,24	10%	2,12	50%
LEADER (4)	35,17	8,46	8,18	97%	2,45	30%
PESCA (1)	34,18	10,80	1,15	11%	0,58	50%
SME (1)	26,86	10,34	9,54	92%	2,86	30%
RESIDER (1)	51,50	18,10	18,10	100%	7,35	41%
RETEX (1)	3,50	1,01	1,01	100%	0,51	50%
URBAN (2)	87,91	9,30	7,89	85%	2,37	30%
Total (12)	472,77	158,00	61,63	39%	23,99	39%
INTERREG/REGEN (7)						
AUSTRIA						
ADAPT (1)	25,75	11,57	11,57	100%	5,79	50%
EMPLOYMENT (1)	49,37	23,01	23,01	100%	11,51	50%
LEADER (1)	6,50	2,57	2,01	78%	0,33	16%
URBAN (1)	31,93	9,77	6,84	70%	3,42	50%
Total (4)	113,55	46,92	43,43	93%	21,04	48%
INTERREG/REGEN (4)						
PORTUGAL						
ADAPT (1)	29,17	21,00	3,99	19%	2,00	50%
EMPLOYMENT (1)	55,55	40,30	5,67	14%	2,83	50%
LEADER (1)	156,80	117,59	6,74	6%	3,59	53%
PESCA (1)	47,17	25,60	4,26	17%	2,13	50%
SME (1)	235,90	123,98	13,22	11%	6,61	50%
RECHAR (1)	1,15	0,86	0,86	100%	0,26	30%
REGIS (1)	156,81	124,00	22,05	18%	17,64	80%
KONVER (1)	10,66	7,90	7,90	99%	3,95	50%
RESIDER (1)	10,77	6,91	6,91	100%	2,93	42%
RETEX (1)*	526,84	189,00	111,37	59%	63,06	57%
URBAN (1)	62,02	44,30	9,22	21%	4,61	50%
Total (11)	1.292,85	701,43	192,18	27%	109,60	57%
INTERREG/REGEN (2)						
FINLAND						
ADAPT (1)	42,90	19,70	19,70	100%	8,64	44%
EMPLOYMENT (1)	66,25	29,15	29,15	100%	14,58	50%
Total (2)	109,15	48,85	48,85	100%	23,21	48%
SWEDEN						
ADAPT (1)	21,72	11,25	11,25	100%	5,63	50%
EMPLOYMENT (1)	39,89	20,69	20,69	100%	10,35	50%
Total (2)	61,60	31,94	31,94	100%	15,97	50%
UNITED KINGDOM						
ADAPT (2)	650,60	286,60	53,49	19%	26,75	50%
EMPLOYMENT (2)	314,85	146,50	31,36	21%	15,68	50%
LEADER (5)	160,37	66,20	56,16	85%	4,82	9%
PESCA (1)	84,65	37,42	5,07	14%	2,54	50%
SME (4)	42,99	20,09	19,74	98%	7,34	37%
RECHAR (8)	364,59	163,25	81,57	50%	37,85	46%
KONVER (1)	230,61	101,94	9,99	10%	0,00	0%
RESIDER (2)	52,46	23,18	23,18	100%	11,59	50%
RETEX (2)	78,15	36,60	29,96	82%	14,10	47%
URBAN (1)	24,52	16,95	16,95	100%	6,85	40%
Total (28)	2.003,79	898,73	327,47	36%	127,52	39%
INTERREG/REGEN (3)						
PEACE (1)						

ANNEX IV:

Financial implementation of transitional and innovative measures

Annex IV: Financial implementation of transitional and innovative measures ***Table 1: Implementation in 1995**

ECU million		
Member State / Fund	Commitments	Payments
BELGIUM	25,05	20,02
ERDF	0,00	2,46
ESF	24,99	16,80
EAGGF	0,00	0,58
FIFG	0,06	0,18
DENMARK	1,25	2,85
ERDF	0,00	1,10
ESF	1,10	0,67
EAGGF	0,00	0,01
FIFG	0,16	1,06
GERMANY	6,40	13,24
ERDF	0,90	8,21
ESF	5,30	4,66
EAGGF	0,00	0,15
FIFG	0,21	0,22
GREECE	2,81	9,47
ERDF	0,01	0,00
ESF	1,63	3,19
EAGGF	0,02	4,98
FIFG	1,15	1,30
SPAIN	4,40	15,52
ERDF	0,00	2,28
ESF	0,52	7,44
EAGGF	0,00	3,08
FIFG	3,88	2,72
FRANCE	3,73	18,44
ERDF	0,00	1,51
ESF	2,38	7,46
EAGGF	0,01	8,40
FIFG	1,33	1,07
IRELAND	4,96	7,81
ERDF	0,00	0,00
ESF	4,16	4,87
EAGGF	0,01	2,63
FIFG	0,80	0,31
ITALY	13,89	36,85
ERDF	0,00	12,83
ESF	2,06	1,79
EAGGF	10,30	20,63
FIFG	1,54	1,59
LUXEMBOURG	0,95	0,58
ERDF	0,00	0,00
ESF	0,95	0,58
EAGGF	0,00	0,00
FIFG	0,00	0,00

* Budget headings B21800, B21810, B21820 and B21830, including carry-overs and appropriations made available again.

Annex IV: Financial implementation of transitional and innovative measures *

Table 1: Implementation in 1995 (ctd.)

ECU million		
Member State / Fund	Commitments	Payments
NETHERLANDS	2,67	3,05
ERDF	0,00	1,48
ESF	1,74	0,76
EAGGF	0,00	0,02
FIFG	0,92	0,79
AUSTRIA	0,26	0,15
ERDF	0,00	0,00
ESF	0,24	0,14
EAGGF	0,01	0,01
FIFG	0,00	0,00
PORTUGAL	7,86	25,02
ERDF	0,00	18,00
ESF	7,44	5,34
EAGGF	0,00	0,21
FIFG	0,42	1,46
FINLAND	0,29	0,11
ERDF	0,00	0,00
ESF	0,28	0,10
EAGGF	0,01	0,00
FIFG	0,00	0,00
SWEDEN	0,57	0,10
ERDF	0,00	0,00
ESF	0,22	0,10
EAGGF	0,02	0,00
FIFG	0,34	0,00
UNITED KINGDOM	6,54	6,14
ERDF	0,00	0,97
ESF	3,71	1,75
EAGGF	0,27	1,35
FIFG	2,56	2,07
COMMUNITY	30,30	34,50
ERDF	30,08	33,48
ESF	0,00	1,02
EAGGF	0,21	0,00
FIFG	0,01	0,00
TOTAL	111,92	193,85
ERDF	30,98	82,32
ESF	56,70	56,69
EAGGF	10,87	42,06
FIFG	13,37	12,77

* Budget headings B21800, B21810, B21820 and B21830, including carry-overs and appropriations made available again.

Annex IV: Financial implementation of transitional and innovative measures *

Table 2: Implementation in 1994-95

ECU million		
Member State / Fund	Commitments	Payments
BELGIUM	49,13	56,29
ERDF	0,00	6,61
ESF	45,34	48,52
EAGGF	3,20	0,80
FIFG	0,59	0,35
DENMARK	3,79	5,13
ERDF	0,00	2,40
ESF	1,75	1,20
EAGGF	0,00	0,21
FIFG	2,04	1,31
GERMANY	10,11	32,12
ERDF	1,27	24,88
ESF	6,63	5,59
EAGGF	1,33	1,01
FIFG	0,88	0,64
GREECE	33,68	33,20
ERDF	2,11	7,59
ESF	29,20	18,22
EAGGF	0,02	5,47
FIFG	2,35	1,92
SPAIN	68,00	52,54
ERDF	55,00	32,97
ESF	1,60	8,65
EAGGF	5,55	6,83
FIFG	5,85	4,10
FRANCE	11,38	53,89
ERDF	0,00	23,26
ESF	3,65	8,34
EAGGF	4,71	20,12
FIFG	3,02	2,17
IRELAND	6,32	12,19
ERDF	0,00	0,88
ESF	4,87	5,68
EAGGF	0,57	5,22
FIFG	0,88	0,41
ITALY	32,19	95,45
ERDF	0,00	32,39
ESF	8,81	12,28
EAGGF	20,97	47,69
FIFG	2,41	3,08
LUXEMBOURG	1,12	0,64
ERDF	0,00	0,00
ESF	1,12	0,63
EAGGF	0,00	0,00
FIFG	0,00	0,00

* Budget headings B21800, B21810, B21820 and B21830, including carry-overs and appropriations made available again.

Annex IV: Financial implementation of transitional and innovative measures *

Table 2: Implementation in 1994-95 (ctd.)

ECU million		
Member State / Fund	Commitments	Payments
NETHERLANDS	4,47	11,04
ERDF	0,00	8,29
ESF	1,95	1,25
EAGGF	0,00	0,44
FIFG	2,52	1,07
AUSTRIA	0,26	0,15
ERDF	0,00	0,00
ESF	0,24	0,14
EAGGF	0,01	0,01
FIFG	0,00	0,00
PORTUGAL	76,39	66,58
ERDF	59,01	52,51
ESF	7,99	5,72
EAGGF	6,33	6,44
FIFG	3,06	1,91
FINLAND	0,29	0,11
ERDF	0,00	0,00
ESF	0,28	0,10
EAGGF	0,01	0,00
FIFG	0,00	0,00
SWEDEN	0,57	0,10
ERDF	0,00	0,00
ESF	0,22	0,10
EAGGF	0,02	0,00
FIFG	0,34	0,00
UNITED KINGDOM	11,96	16,12
ERDF	0,00	2,88
ESF	5,26	8,08
EAGGF	0,27	2,59
FIFG	6,43	2,57
COMMUNITY	46,66	78,04
ERDF	46,28	76,01
ESF	0,01	2,03
EAGGF	0,21	0,00
FIFG	0,16	0,00
TOTAL	356,31	513,57
ERDF	163,67	270,68
ESF	118,92	126,54
EAGGF	43,20	96,82
FIFG	30,52	19,54

* Budget headings B21800, B21810, B21820 and B21830, including carry-overs and appropriations made available again.

ANNEX V:

Regional breakdown of financial implementation

Annex V: Regional breakdown of financial implementation

Table 1: Regional breakdown of commitments in 1995

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
BELGIUM	8,97	4,63	33,40	0,00	30,23	0,00	9,16	-	92,19	178,59
Brussels	-	-	1,90	0,00	0,27	-	-	-	1,73	3,89
Flanders	-	0,00	0,00	0,00	12,31	-	4,31	-	24,79	41,41
Wallonia	8,97	4,63	25,95	0,00	5,90	-	4,86	-	65,68	115,99
Multi-regional	-	-	5,55	0,00	11,75	0,00	-	-	0,00	17,30
DENMARK	-	6,00	41,00	5,00	16,73	23,28	3,36	-	9,03	104,40
Øst for Storebælt	-	0,00	-	-	-	-	-	-	0,00	0,00
Vest for Storebælt	-	6,00	-	-	-	-	-	-	0,00	6,00
Multi-regional	-	-	41,00	5,00	16,73	23,28	3,36	-	9,03	98,40
GERMANY	2.022,55	38,01	48,22	0,00	165,13	12,46	135,77	-	617,61	3.039,76
Mecklenburg-Western Pomerania	370,40	-	-	-	-	-	-	-	59,24	429,63
Brandenburg	272,79	-	-	-	-	-	-	-	24,41	297,20
Saxony-Anhalt	338,53	-	-	-	-	-	-	-	75,35	413,88
Saxony	461,58	-	-	-	-	-	-	-	65,28	526,86
Thuringia	297,82	-	-	-	-	-	-	-	93,96	391,78
Berlin	169,98	13,10	8,09	-	-	-	-	-	41,22	172,38
Schleswig-Holstein	-	0,00	6,12	-	0,49	-	10,69	-	6,19	23,49
Hamburg	-	-	0,00	-	0,68	-	-	-	1,24	1,92
Lower Saxony	-	6,49	0,00	-	4,74	-	15,60	-	48,79	75,62
Bremen	-	2,61	6,28	-	0,11	-	-	-	16,72	25,72
North Rhine-Westphalia	-	5,37	0,00	-	0,00	-	5,49	-	49,30	60,16
Hesse	-	1,20	7,90	-	3,33	-	14,05	-	19,47	45,95
Rhineand-Palatinate	-	3,10	5,04	-	0,00	-	7,97	-	17,59	33,70
Baden-Wuerttemberg	-	-	8,34	-	3,50	-	8,79	-	5,67	26,30
Bavaria	-	0,00	0,00	-	13,56	-	70,36	-	34,44	118,36
Saarland	-	6,14	6,45	-	0,50	-	2,82	-	15,81	31,72
Multi-regional	171,46	-	0,00	0,00	138,23	12,46	-	-	42,92	365,07
GREECE	2.653,04	-	-	-	-	-	-	-	61,64	2.714,68
Eastern Central and Islands(1)	195,86	-	-	-	-	-	-	-	0,00	195,86
Central and Western Macedonia	118,41	-	-	-	-	-	-	-	0,00	118,41
Peloponnese and Western Central Gr (2)	140,50	-	-	-	-	-	-	-	0,00	140,50
Thessaly	55,24	-	-	-	-	-	-	-	0,00	55,24
Crete	84,20	-	-	-	-	-	-	-	0,00	84,20
Epirus (3)	82,46	-	-	-	-	-	-	-	0,00	82,46
Thrace (4)	72,66	-	-	-	-	-	-	-	0,00	72,66
Eastern Aegean Islands (5)	91,25	-	-	-	-	-	-	-	0,00	91,25
Multi-regional	1 812,45	-	-	-	-	-	-	-	61,64	1.874,09
SPAIN	4.778,90	659,21	206,97	62,70	21,10	19,90	88,58	-	239,54	6.076,89
Galicia	589,88	-	-	-	-	-	-	-	2,90	592,78
Asturias	224,68	-	-	-	-	-	-	-	12,52	237,20
Cantabria	106,55	-	-	-	-	-	-	-	0,97	107,52
Basque Country	-	192,43	20,66	-	-	-	3,78	-	2,31	219,18
Navarre	-	22,83	6,78	-	-	-	10,11	-	4,17	43,89
Rioja	-	11,87	0,00	-	-	-	1,94	-	3,43	17,24
Aragon	-	13,86	0,00	-	-	-	40,95	-	24,18	78,99
Madrid	-	79,13	18,41	-	-	-	6,52	-	3,36	107,42
Castile-León	296,07	-	-	-	-	-	-	-	9,60	305,66
Castile-La Mancha	240,09	-	-	-	-	-	-	-	4,47	244,56
Extremadura	155,20	-	-	-	-	-	-	-	22,44	177,64
Catalonia	-	288,98	15,56	-	-	-	17,05	-	2,12	323,71
Valencia	589,60	-	-	-	-	-	-	-	3,12	592,72
Balearic Islands	-	10,37	0,00	-	-	-	8,21	-	3,07	21,65

(1) Including the OP for Attica

(2) Including the OPs for Central Greece, Western Greece and the Peloponnese

(3) Including the OPs for Epirus and the Ionian Islands

(4) Including the OPs for Thrace and Western Macedonia

(5) Including the OPs for the northern and southern islands of the Aegean

Annex V: Regional breakdown of financial implementation

Table 1: Regional breakdown of commitments in 1995 (ctd.)

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
Andalusia	700,29	-	-	-	-	-	-	-	9,85	710,14
Murcia	169,37	-	-	-	-	-	-	-	1,74	171,11
Ceuta and Melilla	25,42	-	-	-	-	-	-	-	0,00	25,42
Canary Islands	307,57	-	-	-	-	-	-	-	29,86	337,42
Multi-regional	1 374,18	39,75	145,56	62,70	21,10	19,90	-	-	99,43	1 762,61
FRANCE	222,44	313,09	396,80	0,00	252,08	31,62	110,46	-	307,12	1 633,61
Ile-de-France	-	-	-	-	-	-	-	-	4,74	4,74
Upper Normandy	-	45,19	-	-	-	-	0,00	-	0,00	45,19
Lower Normandy	-	17,08	-	-	-	-	12,80	-	11,13	41,02
Picardy	-	37,58	-	-	-	-	-	-	10,71	48,29
Champagne-Ardenne	-	0,00	-	-	-	-	0,00	-	1,96	1,96
Burgundy	-	13,91	-	-	-	-	20,35	-	10,86	45,12
Centre	-	0,00	-	-	-	-	1,12	-	3,92	5,04
Nord-Pas-de-Calais	9,40	12,02	-	-	-	-	-	-	7,40	28,82
Brittany	-	0,00	-	-	-	-	0,00	-	8,72	8,72
Loire Region	-	41,94	-	-	-	-	12,52	-	0,00	54,47
Poitou-Charentes	-	17,10	-	-	-	-	3,75	-	9,52	30,38
Lorraine	-	39,96	-	-	-	-	1,40	-	38,73	80,09
Alsace	-	0,00	-	-	-	-	0,21	-	4,04	4,25
Franche-Comté	-	2,10	-	-	-	-	6,86	-	4,97	13,93
Limousin	-	-	-	-	-	-	14,01	-	18,54	32,55
Aquitaine	-	3,82	-	-	-	-	2,84	-	26,92	33,58
Midi-Pyrénées	-	13,63	-	-	-	-	4,89	-	4,68	23,21
Auvergne	-	19,25	-	-	-	-	25,68	-	13,17	58,11
Rhône-Alpes	-	0,00	-	-	-	-	1,56	-	4,98	6,54
Languedoc-Roussillon	-	19,86	-	-	-	-	0,00	-	16,53	36,39
Provence-Alpes-Côte d'Azur	-	29,64	-	-	-	-	0,32	-	15,79	45,74
Corsica	14,25	-	-	-	-	-	-	-	5,65	19,90
Martinique	24,45	-	-	-	-	-	-	-	0,00	24,45
Guadeloupe	54,03	-	-	-	-	-	-	-	0,00	54,03
French Guiana	8,12	-	-	-	-	-	-	-	0,00	8,12
Réunion	112,20	-	-	-	-	-	-	-	8,76	120,96
Multi-regional	-	-	396,80	0,00	252,08	31,62	2,14	-	75,39	758,04
IRELAND	954,21	-	-	-	-	-	-	-	42,64	996,85
Multi-regional	954,21	-	-	-	-	-	-	-	42,64	996,85
ITALY	2 228,59	0,00	0,00	0,00	0,00	22,37	31,50	-	70,83	2 353,29
Piedmont	-	0,00	0,00	-	-	-	9,78	-	0,00	9,78
Valle d'Aosta	-	0,00	0,00	-	-	-	0,00	-	0,28	0,28
Lombardy	-	0,00	0,00	-	-	-	0,00	-	0,00	0,00
Trentino	-	-	0,00	-	-	-	0,00	-	4,26	4,26
Veneto	-	0,00	0,00	-	-	-	0,00	-	0,00	0,00
Friuli-Venezia Giulia	-	0,00	0,00	-	-	-	5,22	-	0,30	5,52
Liguria	-	0,00	0,00	-	-	-	4,19	-	0,00	4,19
Emilia-Romagna	-	0,00	0,00	-	-	-	3,39	-	0,69	4,08
Tuscany	-	0,00	0,00	-	-	-	0,00	-	0,90	0,90
Umbria	-	0,00	0,00	-	-	-	0,00	-	0,00	0,00
Marche	-	0,00	0,00	-	-	-	8,93	-	0,00	8,93
Lazio	-	0,00	0,00	-	-	-	0,00	-	0,00	0,00
Abruzzi	134,37	-	-	-	-	-	-	-	6,03	140,40
Molise	26,75	-	-	-	-	-	-	-	0,00	26,75
Campania	124,02	-	-	-	-	-	-	-	2,77	126,78
Apulia	203,67	-	-	-	-	-	-	-	6,04	209,71
Basilicata	51,65	-	-	-	-	-	-	-	1,72	53,37
Calabria	117,17	-	-	-	-	-	-	-	5,96	123,13
Sicily	189,39	-	-	-	-	-	-	-	0,00	189,39
Sardinia	50,95	-	-	-	-	-	-	-	1,35	52,30
Multi-regional	1 330,62	-	0,00	0,00	0,00	22,37	-	-	40,52	1 393,52

Annex V: Regional breakdown of financial implementation

Table 1: Regional breakdown of commitments in 1995 (ctd.)

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
LUXEMBOURG	-	0,00	3,29	0,27	5,47	0,89	0,00	-	1,83	11,75
Multi-regional	-	0,00	3,29	0,27	5,47	0,89	0,00	-	1,83	11,75
NETHERLANDS	17,20	9,15	143,83	0,00	4,89	1,40	7,31	-	57,38	241,16
North Netherlands	-	9,15	-	-	-	-	4,50	-	6,16	19,80
East Netherlands	17,20	0,00	-	-	-	-	1,42	-	3,03	21,65
West Netherlands	-	-	-	-	-	-	1,40	-	7,89	9,29
South Netherlands	-	0,00	-	-	-	-	-	-	0,00	0,00
Multi-regional	-	-	143,83	0,00	4,89	1,40	-	-	40,30	190,42
AUSTRIA	28,80	54,15	64,06	11,70	61,50	2,00	78,33	-	43,43	343,97
East Austria	28,80	22,41	-	-	-	-	21,18	-	8,85	81,24
South Austria	-	11,12	-	-	-	-	27,21	-	0,00	38,33
West Austria	-	20,62	-	-	-	-	29,94	-	0,00	50,56
Multi-regional	-	-	64,06	11,70	61,50	2,00	-	-	34,58	173,84
PORTUGAL	1,379,72	-	-	-	-	-	-	-	147,98	1,527,70
North	97,80	-	-	-	-	-	-	-	0,00	97,80
Centre	59,99	-	-	-	-	-	-	-	0,00	59,99
Lisbon and the Tagus valley	93,98	-	-	-	-	-	-	-	9,22	103,20
Alentejo	57,69	-	-	-	-	-	-	-	0,00	57,69
Algarve	24,88	-	-	-	-	-	-	-	0,00	24,88
Azores	84,70	-	-	-	-	-	-	-	0,00	84,70
Madeira	82,35	-	-	-	-	-	-	-	0,00	82,35
Multi-regional	878,33	-	-	-	-	-	-	-	138,76	1,017,09
FINLAND	-	31,10	60,33	14,83	61,42	23,00	32,81	81,00	48,85	353,34
Continental Finland	-	-	-	-	-	-	30,48	-	0,00	30,48
Islands	-	-	-	-	-	-	2,33	-	0,00	2,33
Multi-regional	-	31,10	60,33	14,83	61,42	23,00	-	81,00	48,85	320,53
SWEDEN	-	105,78	73,00	-	13,72	40,00	-	44,92	31,94	309,36
South Sweden	-	15,00	-	-	-	-	-	-	0,00	15,00
West Sweden	-	24,00	-	-	-	-	-	-	0,00	24,00
Central Norrland	-	18,00	-	-	-	-	-	-	0,00	18,00
Upper Norrland	-	48,78	-	-	-	-	-	-	0,00	48,78
Multi-regional	-	-	73,00	-	13,72	40,00	-	44,92	31,94	203,58
UNITED KINGDOM	218,60	518,25	497,00	-	22,80	0,00	74,59	-	305,86	1,637,10
North	-	0,00	-	-	-	-	-	-	0,00	0,00
Yorkshire and Humberside	-	103,79	-	-	-	-	-	-	4,36	108,16
East Midlands	-	6,55	-	-	-	-	7,51	-	4,24	18,29
East Anglia	-	-	-	-	-	-	1,39	-	0,00	1,39
South East	-	6,13	-	-	-	-	-	-	0,00	6,13
South West	-	0,00	-	-	-	-	5,11	-	0,00	5,11
West Midlands	-	122,96	-	-	-	-	-	-	10,13	133,09
North East England	-	95,65	-	-	-	-	2,16	-	23,46	121,27
North West	50,17	32,70	-	-	-	-	-	-	5,88	88,75
Wales	-	15,58	-	-	-	-	27,08	-	42,98	85,64
Scotland	39,14	134,89	-	-	-	-	23,77	-	51,30	249,11
Northern Ireland	129,29	-	-	-	-	-	-	-	46,62	175,91
Gibraltar	-	0,00	-	-	-	-	-	-	0,00	0,00
Multi-regional	-	-	497,00	-	22,80	0,00	7,57	-	116,89	644,26
COMMUNITY	-	-	-	-	-	-	-	-	588,78	588,78
TOTAL	14.513,03	1.739,37	1.567,91	94,50	655,08	176,92	571,86	125,92	2.666,65	22.111,23

Annex V: Regional breakdown of financial implementation

Table 2: Regional breakdown of commitments in 1994-95

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
BELGIUM	107,00	62,16	97,77	4,63	53,03	4,08	9,16	-	97,26	435,09
Brussels	-	-	1,73	0,29	0,27	-	-	-	1,73	6,02
Flanders	-	38,32	30,40	3,45	16,10	-	4,31	-	26,59	119,17
Wallonia	107,00	23,84	52,73	0,27	9,63	-	4,86	-	68,61	266,94
Multi-regional	-	-	10,91	0,62	27,03	4,08	-	-	0,33	42,97
DENMARK	-	30,29	85,00	6,00	38,67	46,59	9,79	-	13,37	229,70
Øst for Storebælt	-	9,52	-	-	-	-	-	-	0,00	9,52
Vest for Storebælt	-	20,77	-	-	-	-	-	-	0,00	20,77
Multi-regional	-	-	85,00	6,00	38,67	46,59	9,79	-	13,37	199,41
GERMANY	3.892,08	286,85	307,77	29,61	322,72	24,87	261,74	-	646,51	5.772,15
Mecklenburg-Western Pomerania	625,34	-	-	-	-	-	-	-	59,24	684,58
Brandenburg	568,39	-	-	-	-	-	-	-	24,41	592,81
Saxony-Anhalt	673,61	-	-	-	-	-	-	-	75,35	748,96
Saxony	916,10	-	-	-	-	-	-	-	65,28	981,38
Thuringia	571,53	-	-	-	-	-	-	-	93,96	665,49
Berlin	211,42	49,19	15,88	-	-	-	-	-	41,22	317,71
Schleswig-Holstein	-	15,39	12,20	-	0,49	-	20,91	-	6,19	55,18
Hamburg	-	-	5,99	-	0,68	-	-	-	1,24	7,92
Lower Saxony	-	13,52	18,58	-	4,74	-	44,41	-	48,79	130,05
Bremen	-	14,94	12,33	-	0,11	-	-	-	16,72	44,09
North Rhine-Westphalia	-	115,00	43,02	-	4,85	-	5,49	-	49,47	217,82
Hesse	-	21,26	15,50	-	3,33	-	23,66	-	19,74	83,49
Rhineland-Palatinate	-	23,46	10,17	-	3,02	-	20,17	-	17,59	74,40
Baden-Württemberg	-	-	16,37	-	3,50	-	8,79	-	5,90	34,56
Bavaria	-	13,64	8,66	-	13,56	-	135,49	-	35,70	207,04
Saarland	-	20,46	13,01	-	0,50	-	2,82	-	15,81	52,61
Multi-regional	325,70	-	136,05	29,61	287,95	24,87	-	-	69,90	874,08
GREECE	4.544,89	-	-	-	-	-	-	-	85,98	4.630,87
Eastern Central and Islands(1)	298,72	-	-	-	-	-	-	-	0,00	298,72
Central and Western Macedonia	239,23	-	-	-	-	-	-	-	0,00	239,23
Peloponnese and Western Central Gr. (2)	284,40	-	-	-	-	-	-	-	0,00	284,40
Thessaly	111,61	-	-	-	-	-	-	-	0,00	111,61
Crete	131,00	-	-	-	-	-	-	-	0,00	131,00
Epirus (3)	143,54	-	-	-	-	-	-	-	0,00	143,54
Thrace (4)	146,81	-	-	-	-	-	-	-	0,00	146,81
Eastern Aegean Islands (5)	156,40	-	-	-	-	-	-	-	0,00	156,40
Multi-regional	3.033,18	-	-	-	-	-	-	-	85,98	3.119,17
SPAIN	8.372,41	659,21	426,59	118,10	101,86	39,83	162,09	-	315,12	10.195,22
Galicia	937,94	-	-	-	-	-	-	-	2,90	940,84
Asturias	338,64	-	-	-	-	-	-	-	12,52	351,16
Cantabria	155,98	-	-	-	-	-	-	-	0,97	156,95
Basque Country	-	192,43	41,32	-	-	-	6,43	-	2,31	242,50
Navarre	-	22,83	13,44	-	-	-	16,43	-	4,17	56,87
Rioja	-	11,87	4,34	-	-	-	6,20	-	3,43	25,83
Aragon	-	13,86	20,04	-	-	-	78,53	-	24,18	136,91
Madrid	-	79,13	36,76	-	-	-	11,32	-	3,36	130,57
Castile-León	537,87	-	-	-	-	-	-	-	9,60	547,46
Castile-La Mancha	407,00	-	-	-	-	-	-	-	4,47	411,47
Extremadura	284,96	-	-	-	-	-	-	-	22,44	307,41
Catalonia	-	288,98	31,12	-	-	-	34,60	-	2,12	356,88
Valencia	886,02	-	-	-	-	-	-	-	3,12	889,14
Balearic Islands	-	10,37	12,95	-	-	-	8,21	-	3,07	34,60

(1) Including the OP for Attica

(2) Including the OPs for Central Greece, Western Greece and the Peloponnese

(3) Including the OPs for Epirus and the Ionian Islands

(4) Including the OPs for Thrace and Western Macedonia

(5) Including the OPs for the northern and southern islands of the Aegean

Annex V: Regional breakdown of financial implementation
Table 2: Regional breakdown of commitments in 1994-95(ctd.)

Member State / Region	Objective								ECU million	
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6	CI	Total
Andalusia	1,337,33	-	-	-	-	-	-	-	9,85	1,347,18
Murcia	263,91	-	-	-	-	-	-	-	1,74	265,65
Ceuta and Melilla	44,19	-	-	-	-	-	-	-	0,00	44,19
Canary Islands	453,00	-	-	-	-	-	-	-	29,86	482,86
Multi-regional	2,725,59	39,75	266,62	118,10	101,86	39,83	-	-	175,01	3,466,76
FRANCE	497,61	904,39	778,40	95,39	678,61	63,27	373,18	-	333,29	3,724,14
Ile-de-France	-	-	-	-	-	-	-	-	4,74	4,74
Upper Normandy	-	91,59	-	-	-	-	1,09	-	0,00	92,68
Lower Normandy	-	35,45	-	-	-	-	31,54	-	11,13	78,13
Picardy	-	76,49	-	-	-	-	-	-	10,73	87,20
Champagne-Ardenne	-	24,64	-	-	-	-	4,12	-	1,99	30,72
Burgundy	-	29,61	-	-	-	-	29,69	-	10,86	70,16
Centre	-	24,20	-	-	-	-	5,09	-	3,92	33,21
Nord-Pas-de-Calais	69,87	114,06	-	-	-	-	-	-	7,40	191,33
Brittany	-	28,52	-	-	-	-	26,19	-	8,72	63,44
Loire Region	-	85,14	-	-	-	-	27,78	-	0,00	112,91
Poitou-Charentes	-	34,04	-	-	-	-	20,85	-	9,52	64,42
Lorraine	-	80,44	-	-	-	-	10,20	-	38,73	129,36
Alsace	-	19,60	-	-	-	-	6,75	-	4,04	30,39
Franche-Comté	-	17,30	-	-	-	-	13,92	-	4,97	36,18
Limousin	-	-	-	-	-	-	32,02	-	18,54	50,57
Aquitaine	-	37,86	-	-	-	-	34,39	-	26,92	99,16
Midi-Pyrénées	-	27,17	-	-	-	-	33,89	-	4,68	65,75
Auvergne	-	38,68	-	-	-	-	44,88	-	13,17	96,72
Rhône-Alpes	-	31,69	-	-	-	-	24,91	-	4,98	61,58
Languedoc-Roussillon	-	42,27	-	-	-	-	11,65	-	16,53	70,45
Provence-Alpes-Côte d'Azur	-	65,65	-	-	-	-	12,09	-	15,79	93,52
Corsica	48,49	-	-	-	-	-	-	-	5,65	54,13
Martinique	57,57	-	-	-	-	-	-	-	0,00	57,57
Guadeloupe	100,61	-	-	-	-	-	-	-	0,00	100,61
French Guiana	26,87	-	-	-	-	-	-	-	0,00	26,87
Réunion	194,21	-	-	-	-	-	-	-	8,76	202,97
Multi-regional	-	-	778,40	95,39	678,61	63,27	2,14	-	101,56	1,719,37
IRELAND	1,680,13	-	-	-	-	-	-	-	53,54	1,733,67
Multi-regional	1,680,13	-	-	-	-	-	-	-	53,54	1,733,67
ITALY	3,024,71	299,95	200,47	60,61	117,47	44,77	107,00	-	134,35	3,989,32
Piedmont	-	65,15	18,32	-	-	-	9,78	-	0,00	93,25
Valle d'Aosta	-	6,60	1,86	-	-	-	0,59	-	0,28	8,73
Lombardy	-	23,00	26,25	-	-	-	4,79	-	0,00	54,04
Trentino	-	-	7,90	-	-	-	6,23	-	4,26	18,39
Veneto	-	22,57	16,23	-	-	-	17,30	-	0,00	56,09
Friuli-Venezia Giulia	-	24,00	8,00	-	-	-	5,22	-	0,30	37,52
Liguria	-	30,53	6,33	-	-	-	4,19	-	0,00	41,05
Emilia-Romagna	-	12,00	27,54	-	-	-	6,78	-	0,65	47,11
Tuscany	-	40,36	9,84	-	-	-	15,79	-	0,90	66,89
Umbria	-	35,00	4,57	-	-	-	10,75	-	0,00	50,32
Marche	-	21,00	5,51	-	-	-	8,93	-	0,00	35,44
Lazio	-	20,34	18,30	-	-	-	16,66	-	0,00	55,31
Abruzzi	150,90	-	-	-	-	-	-	-	6,03	156,93
Molise	37,74	-	-	-	-	-	-	-	9,00	37,74
Campania	177,22	-	-	-	-	-	-	-	2,77	179,99
Apulia	203,67	-	-	-	-	-	-	-	6,04	209,71
Basilicata	98,05	-	-	-	-	-	-	-	1,72	99,77
Calabria	189,15	-	-	-	-	-	-	-	5,96	195,11
Sicily	189,39	-	-	-	-	-	-	-	0,00	189,39
Sardinia	170,58	-	-	-	-	-	-	-	1,35	171,93
Multi-regional	1,808,01	-	49,71	60,61	117,47	44,77	-	-	104,04	2,184,61

Annex V: Regional breakdown of financial implementation
Table 2: Regional breakdown of commitments in 1994-95(ctd.)

Member State / Region	Objective								Ct	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
LUXEMBOURG	-	7,97	6,46	0,53	12,21	1,10	0,84	-	1,87	30,98
Multi-regional	-	7,97	6,46	0,53	12,21	1,10	0,84	-	1,87	30,98
NETHERLANDS	37,20	105,02	282,27	22,23	25,27	9,16	25,61	-	61,63	568,38
North Netherlands	-	33,38	-	-	-	-	16,85	-	6,16	56,40
East Netherlands	37,20	36,48	-	-	-	-	3,28	-	3,03	79,99
West Netherlands	-	-	-	-	-	-	3,18	-	7,89	11,07
South Netherlands	-	35,16	-	-	-	-	2,29	-	0,00	37,45
Multi-regional	-	-	282,27	22,23	25,27	9,16	-	-	44,54	383,47
AUSTRIA	28,80	54,15	64,06	11,70	61,50	2,00	78,33	-	43,43	343,97
East Austria	28,80	22,41	-	-	-	-	21,18	-	8,85	81,24
South Austria	-	11,12	-	-	-	-	27,21	-	0,00	38,33
West Austria	-	20,62	-	-	-	-	29,94	-	0,00	50,56
Multi-regional	-	-	64,06	11,70	61,50	2,00	-	-	34,58	173,84
PORTUGAL	4.548,75	-	-	-	-	-	-	-	192,18	4.740,93
North	210,00	-	-	-	-	-	-	-	0,00	210,00
Centre	126,00	-	-	-	-	-	-	-	0,00	126,00
Lisbon and the Tagus valley	124,54	-	-	-	-	-	-	-	9,22	133,76
Alentejo	78,62	-	-	-	-	-	-	-	0,00	78,62
Algarve	28,48	-	-	-	-	-	-	-	0,00	28,48
Azores	216,21	-	-	-	-	-	-	-	0,00	216,21
Madeira	148,65	-	-	-	-	-	-	-	0,00	148,65
Multi-regional	3.616,26	-	-	-	-	-	-	-	182,95	3.799,22
FINLAND	-	31,10	60,33	14,83	61,42	23,00	32,81	81,00	48,85	353,34
Continental Finland	-	-	-	-	-	-	30,48	-	0,00	30,48
Islands	-	-	-	-	-	-	2,33	-	0,00	2,33
Multi-regional	-	31,10	60,33	14,83	61,42	23,00	-	81,00	48,85	320,53
SWEDEN	-	105,78	73,00	-	13,72	40,00	-	44,92	31,94	309,36
South Sweden	-	15,00	-	-	-	-	-	-	0,00	15,00
West Sweden	-	24,00	-	-	-	-	-	-	0,00	24,00
Central Norrland	-	18,00	-	-	-	-	-	-	0,00	18,00
Upper Norrland	-	48,78	-	-	-	-	-	-	0,00	48,78
Multi-regional	-	-	73,00	-	13,72	40,00	-	44,92	31,94	203,58
UNITED KINGDOM	532,32	1.250,05	975,00	-	85,16	14,78	120,70	-	327,47	3.305,48
North	-	25,00	-	-	-	-	-	-	0,00	25,00
Yorkshire and Humberside	-	204,44	-	-	-	-	-	-	4,36	208,81
East Midlands	-	31,66	-	-	-	-	7,51	-	4,24	43,40
East Anglia	-	-	-	-	-	-	8,59	-	0,00	8,59
South East	-	43,65	-	-	-	-	-	-	0,00	43,65
South West	-	29,00	-	-	-	-	31,17	-	0,00	60,17
West Midlands	-	240,88	-	-	-	-	-	-	10,13	251,01
North East England	-	193,55	-	-	-	-	15,01	-	23,46	232,02
North West	162,13	137,26	-	-	-	-	-	-	5,88	305,27
Wales	-	75,34	-	-	-	-	27,08	-	42,98	145,40
Scotland	81,89	264,27	-	-	-	-	23,77	-	51,30	421,23
Northern Ireland	288,30	-	-	-	-	-	-	-	47,79	336,09
Gibraltar	-	5,00	-	-	-	-	-	-	0,00	5,00
Multi-regional	-	-	975,00	-	85,16	14,78	7,57	-	137,33	1.219,84
COMMUNITY	-	-	-	-	-	-	-	-	589,06	589,06
TOTAL	27.265,91	3.796,91	3.357,12	363,63	1.571,64	313,45	1.181,25	125,92	2.975,84	40.951,67

Annex V: Regional breakdown of financial implementation

Table 3: Regional breakdown of payments in 1995

Member State / Region	Objective								CF	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
BELGIUM	29,57	11,75	42,33	0,00	12,75	1,22	4,58	-	38,33	140,54
Brussels	-	-	1,49	0,00	0,13	-	-	-	0,86	2,48
Flanders	-	0,00	9,39	0,00	8,21	-	2,15	-	12,39	32,15
Wallonia	29,57	11,75	26,00	0,00	4,40	-	2,43	-	25,08	99,23
Multi-regional	-	-	5,45	0,00	0,00	1,22	-	-	0,00	6,68
DENMARK	-	8,35	39,04	2,50	16,49	18,63	2,45	-	4,25	91,70
Øst for Storebælt	-	0,00	-	-	-	-	-	-	0,00	0,00
Vest for Storebælt	-	8,35	-	-	-	-	-	-	0,00	8,35
Multi-regional	-	-	39,04	2,50	16,49	18,63	2,45	-	4,25	83,36
GERMANY	1.251,97	32,52	104,48	0,00	160,90	9,93	71,21	-	218,18	1.849,20
Mecklenburg-Western Pomerania	247,43	-	-	-	-	-	-	-	14,18	261,62
Braundenburg	228,36	-	-	-	-	-	-	-	7,63	235,99
Saxony-Anhalt	165,63	-	-	-	-	-	-	-	22,73	188,37
Saxony	298,53	-	-	-	-	-	-	-	27,43	325,96
Thuringia	129,16	-	-	-	-	-	-	-	36,96	166,12
Berlin	47,19	11,90	8,81	-	-	-	-	-	10,15	78,04
Schleswig-Holstein	-	0,00	6,72	-	0,24	-	1,84	-	1,83	10,63
Hamburg	-	-	1,80	-	0,34	-	-	-	0,00	2,14
Lower Saxony	-	3,25	0,00	-	2,37	-	11,30	-	20,75	37,66
Bremen	-	4,22	6,84	-	0,05	-	-	-	5,10	16,21
North Rhine-Westphalia	-	2,68	12,91	-	1,45	-	2,75	-	22,58	42,37
Hesse	-	0,60	6,23	-	1,67	-	7,99	-	3,10	19,58
Rhineland-Palatinate	-	1,55	4,06	-	0,91	-	6,37	-	3,92	16,80
Baden-Württemberg	-	-	6,58	-	1,75	-	4,39	-	1,70	14,42
Bavaria	-	2,55	2,60	-	6,78	-	34,86	-	12,43	59,22
Saarland	-	5,77	7,13	-	0,25	-	1,72	-	6,24	21,11
Multi-regional	135,67	-	40,82	0,00	145,09	9,93	-	-	21,46	352,97
GREECE	1.705,79	-	-	-	-	-	-	-	30,26	1.736,05
Eastern Central and Islands(1)	106,54	-	-	-	-	-	-	-	0,00	106,54
Central and Western Macedonia	124,56	-	-	-	-	-	-	-	0,00	124,56
Peloponnese and Western Central Gr (2)	119,65	-	-	-	-	-	-	-	0,00	119,65
Thessaly	59,56	-	-	-	-	-	-	-	0,00	59,56
Crete	49,68	-	-	-	-	-	-	-	0,00	49,68
Epirus (3)	50,41	-	-	-	-	-	-	-	0,00	50,41
Thrace (4)	74,40	-	-	-	-	-	-	-	0,00	74,40
Eastern Aegean Islands (5)	59,42	-	-	-	-	-	-	-	0,00	59,42
Multi-regional	1.061,57	-	-	-	-	-	-	-	30,26	1.091,83
SPAIN	3.772,23	447,96	169,65	38,13	27,65	0,00	81,69	-	94,42	4.631,72
Galicia	390,88	-	-	-	-	-	-	-	1,45	392,33
Asturias	132,54	-	-	-	-	-	-	-	2,45	134,99
Cantabria	42,03	-	-	-	-	-	-	-	0,48	42,52
Basque Country	-	148,42	15,54	-	-	-	3,25	-	0,69	167,87
Navarre	-	16,72	6,72	-	-	-	10,92	-	1,25	35,61
Rioja	-	5,93	0,62	-	-	-	1,82	-	1,03	9,41
Aragon	-	6,93	2,10	-	-	-	37,83	-	4,51	51,36
Madrid	-	29,46	13,45	-	-	-	5,37	-	1,01	49,28
Castile-León	300,55	-	-	-	-	-	-	-	4,80	305,35
Castile-La Mancha	252,77	-	-	-	-	-	-	-	2,24	255,00
Extremadura	147,46	-	-	-	-	-	-	-	4,39	151,85
Catalonia	-	220,40	18,51	-	-	-	15,75	-	1,06	255,72
Valencia	429,69	-	-	-	-	-	-	-	1,56	431,25
Balearic Islands	-	5,18	0,00	-	-	-	6,76	-	1,22	13,16

(1) Including the OP for Attica

(2) Including the OPs for Central Greece, Western Greece and the Peloponnese

(3) Including the OPs for Epirus and the Ionian Islands

(4) Including the OPs for Thrace and Western Macedonia

(5) Including the OPs for the northern and southern islands of the Aegean

Annex V: Regional breakdown of financial implementation

Table 3: Regional breakdown of payments in 1995 (ctd.)

Member State / Region	Objective						CI	Total	
	1	2	3	4	5(a) (agr.)	5(a) (fish.)			5b
Andalusia	638,23	-	-	-	-	-	-	4,93	643,15
Murcia	101,59	-	-	-	-	-	-	0,87	102,46
Ceuta and Melilla	22,33	-	-	-	-	-	-	0,00	22,33
Canary Islands	254,35	-	-	-	-	-	-	0,92	255,28
Multi-regional	1.059,82	14,92	112,72	38,13	27,65	0,00	-	59,56	1.312,80
FRANCE	147,44	145,06	312,88	0,00	242,14	25,31	76,57	100,79	1.050,19
Ile de France	-	-	-	-	-	-	-	2,37	2,37
Upper Normandy	-	18,49	-	-	-	-	0,00	0,00	18,49
Lower Normandy	-	12,15	-	-	-	-	7,77	1,51	21,43
Picardy	-	30,47	-	-	-	-	-	4,99	35,45
Champagne-Ardenne	-	0,00	-	-	-	-	0,00	0,98	0,98
Burgundy	-	0,00	-	-	-	-	9,40	3,21	12,60
Centre	-	0,00	-	-	-	-	0,51	1,96	2,47
Nord-Pas-de-Calais	8,94	11,74	-	-	-	-	-	2,44	23,12
Brittany	-	0,00	-	-	-	-	3,08	3,51	6,59
Loire Region	-	22,85	-	-	-	-	4,16	0,00	27,01
Poitou-Charentes	-	6,74	-	-	-	-	2,57	2,29	11,60
Lorraine	-	15,48	-	-	-	-	1,23	14,10	30,81
Alsace	-	0,00	-	-	-	-	0,00	2,02	2,02
Franche-Comté	-	1,10	-	-	-	-	4,80	1,49	7,38
Limousin	-	-	-	-	-	-	12,46	5,14	17,61
Aquitaine	-	2,59	-	-	-	-	3,42	7,18	13,19
Midi-Pyrénées	-	2,11	-	-	-	-	3,65	1,82	7,59
Auvergne	-	15,62	-	-	-	-	18,98	2,74	37,34
Rhône-Alpes	-	0,00	-	-	-	-	1,55	2,14	3,69
Languedoc-Roussillon	-	5,71	-	-	-	-	0,00	2,28	8,00
Provence-Alpes-Côte d'Azur	-	0,00	-	-	-	-	1,92	6,01	7,93
Corsica	10,45	-	-	-	-	-	-	1,32	11,78
Martinique	21,89	-	-	-	-	-	-	0,00	21,89
Guadeloupe	32,40	-	-	-	-	-	-	0,00	32,40
French Guiana	7,60	-	-	-	-	-	-	0,00	7,60
Réunion	66,16	-	-	-	-	-	-	4,38	70,55
Multi-regional	-	-	312,88	0,00	242,14	25,31	1,07	26,90	608,30
IRELAND	856,47	-	-	-	-	-	-	16,42	872,89
Multi-regional	856,47	-	-	-	-	-	-	16,42	872,89
ITALY	1.176,10	0,00	0,00	0,00	0,00	0,00	15,75	34,65	1.226,50
Piedmont	-	0,00	0,00	-	-	-	4,89	0,00	4,89
Valle d'Aosta	-	0,00	0,00	-	-	-	0,00	0,08	0,08
Lombardy	-	0,00	0,00	-	-	-	0,00	0,00	0,00
Trentino	-	-	0,00	-	-	-	0,00	1,87	1,87
Veneto	-	0,00	0,00	-	-	-	0,00	0,00	0,00
Friuli-Venezia Giulia	-	0,00	0,00	-	-	-	2,61	0,15	2,76
Liguria	-	0,00	0,00	-	-	-	2,09	0,00	2,09
Emilia-Romagna	-	0,00	0,00	-	-	-	1,69	0,34	2,04
Tuscany	-	0,00	0,00	-	-	-	0,00	0,00	0,00
Umbria	-	0,00	0,00	-	-	-	0,00	0,00	0,00
Marche	-	0,00	0,00	-	-	-	4,46	0,00	4,46
Lazio	-	0,00	0,00	-	-	-	0,00	0,00	0,00
Abruzzi	68,22	-	-	-	-	-	-	3,02	71,23
Molise	15,52	-	-	-	-	-	-	0,00	15,52
Campania	63,21	-	-	-	-	-	-	1,38	64,59
Apulia	92,91	-	-	-	-	-	-	3,02	95,93
Basilicata	29,20	-	-	-	-	-	-	0,00	30,06
Calabria	60,93	-	-	-	-	-	-	2,98	63,91
Sicily	74,06	-	-	-	-	-	-	0,00	74,06
Sardinia	25,47	-	-	-	-	-	-	0,68	26,15
Multi-regional	746,59	-	0,00	0,00	0,00	0,00	-	20,25	766,85

Annex V: Regional breakdown of financial implementation

Table 3: Regional breakdown of payments in 1995 (ctd.)

Member State / Region	Objective								C1	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
LUXEMBOURG	-	0,00	4,00	0,21	2,00	0,06	0,21	-	0,60	7,10
Multi-regional	-	0,00	4,00	0,21	2,00	0,06	0,21	-	0,60	7,10
NETHERLANDS	9,56	12,30	142,57	0,00	1,96	2,33	9,45	-	21,87	200,04
North Netherlands	-	12,30	-	-	-	-	5,78	-	1,85	19,93
East Netherlands	9,56	0,00	-	-	-	-	1,24	-	1,11	11,91
West Netherlands	-	-	-	-	-	-	2,00	-	2,37	4,37
South Netherlands	-	0,00	-	-	-	-	0,43	-	0,00	0,43
Multi-regional	-	-	142,57	0,00	1,96	2,33	-	-	16,54	163,40
AUSTRIA	14,40	21,42	32,03	5,85	30,75	0,20	39,16	-	21,04	164,85
East Austria	14,40	7,62	-	-	-	-	10,59	-	3,75	36,36
South Austria	-	5,56	-	-	-	-	13,60	-	0,00	19,16
West Austria	-	8,24	-	-	-	-	14,97	-	0,00	23,21
Multi-regional	-	-	32,03	5,85	30,75	0,20	-	-	17,29	86,12
PORTUGAL	1.667,01	-	-	-	-	-	-	-	79,35	1.746,36
North	77,75	-	-	-	-	-	-	-	0,00	77,75
Centre	47,03	-	-	-	-	-	-	-	0,00	47,03
Lisbon and the Tagus valley	65,08	-	-	-	-	-	-	-	4,61	69,70
Alentejo	27,04	-	-	-	-	-	-	-	0,00	27,04
Algarve	15,90	-	-	-	-	-	-	-	0,00	15,90
Azores	96,87	-	-	-	-	-	-	-	0,00	96,87
Madeira	74,80	-	-	-	-	-	-	-	0,00	74,80
Multi-regional	1.262,54	-	-	-	-	-	-	-	74,74	1.337,28
FINLAND	-	15,55	30,17	7,42	30,71	6,90	15,94	40,50	23,21	170,39
Continental Finland	-	-	-	-	-	-	15,24	-	0,00	15,24
Islands	-	-	-	-	-	-	0,70	-	0,00	0,70
Multi-regional	-	15,55	30,17	7,42	30,71	6,90	-	40,50	23,21	154,45
SWEDEN	-	38,06	36,50	-	6,86	12,00	-	22,46	15,97	131,85
South Sweden	-	5,04	-	-	-	-	-	-	0,00	5,04
West Sweden	-	8,20	-	-	-	-	-	-	0,00	8,20
Central Norrland	-	6,16	-	-	-	-	-	-	0,00	6,16
Upper Norrland	-	18,66	-	-	-	-	-	-	0,00	18,66
Multi-regional	-	-	36,50	-	6,86	12,00	-	22,46	15,97	93,79
UNITED KINGDOM	163,81	152,96	436,17	-	22,43	4,43	46,39	-	116,71	942,91
North	-	0,00	-	-	-	-	-	-	0,00	0,00
Yorkshire and Humberside	-	19,31	-	-	-	-	-	-	2,18	21,49
East Midlands	-	5,85	-	-	-	-	3,97	-	2,12	11,94
East Anglia	-	-	-	-	-	-	0,96	-	0,00	0,96
South East	-	4,37	-	-	-	-	-	-	0,00	4,37
South West	-	0,00	-	-	-	-	8,79	-	0,00	8,79
West Midlands	-	19,10	-	-	-	-	-	-	5,07	24,17
North East England	-	37,38	-	-	-	-	1,67	-	11,73	50,77
North West	44,47	27,54	-	-	-	-	-	-	0,00	72,01
Wales	-	14,33	-	-	-	-	15,26	-	18,11	47,70
Scotland	16,55	25,09	-	-	-	-	11,66	-	17,06	70,36
Northern Ireland	102,78	-	-	-	-	-	-	-	17,61	120,39
Gibraltar	-	0,00	-	-	-	-	-	-	0,00	0,00
Multi-regional	-	-	436,17	-	22,43	4,43	4,09	-	42,84	509,97
COMMUNITY	-	-	-	-	-	-	-	-	244,31	244,31
TOTAL	10.794,35	885,91	1.349,83	54,11	554,64	81,02	363,41	62,96	1.060,37	15.206,61

Annex V: Regional breakdown of financial implementation

Table 4: Regional breakdown of payments in 1994-95

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
BELGIUM	79,77	29,31	74,52	2,32	16,51	3,26	4,58	-	40,87	251,14
Brussels	-	-	2,40	0,15	0,13	-	-	-	0,86	3,55
Flanders	-	17,56	24,59	1,73	10,11	-	2,15	-	13,29	69,44
Wallonia	79,77	11,75	39,39	0,13	6,27	-	2,43	-	26,54	166,28
Multi-regional	-	-	8,13	0,31	0,00	3,26	-	-	0,17	11,87
DENMARK	-	19,99	74,24	3,00	19,19	30,29	5,66	-	6,41	158,78
Øst for Storebælt	-	4,26	-	-	-	-	-	-	0,00	4,26
Vest for Storebælt	-	15,73	-	-	-	-	-	-	0,00	15,73
Multi-regional	-	-	74,24	3,00	19,19	30,29	5,66	-	6,41	138,79
GERMANY	2.470,05	156,94	234,26	14,81	209,83	16,13	134,20	-	232,71	3.468,92
Mecklenburg-Western Pomerania	402,99	-	-	-	-	-	-	-	14,18	417,18
Brandenburg	422,32	-	-	-	-	-	-	-	7,63	429,95
Saxony-Anhalt	355,83	-	-	-	-	-	-	-	22,73	378,57
Saxony	618,89	-	-	-	-	-	-	-	27,43	646,32
Thuringia	306,05	-	-	-	-	-	-	-	36,96	343,01
Berlin	107,01	29,94	12,71	-	-	-	-	-	10,15	159,80
Schleswig-Holstein	-	7,70	9,76	-	0,24	-	6,95	-	1,83	26,48
Hamburg	-	-	4,80	-	0,34	-	-	-	0,00	5,14
Lower Saxony	-	6,76	9,29	-	2,37	-	35,71	-	20,75	64,87
Bremen	-	10,38	9,87	-	0,05	-	-	-	5,10	25,40
North Rhine-Westphalia	-	57,50	34,41	-	3,88	-	2,75	-	22,66	121,20
Hesse	-	10,63	10,03	-	1,67	-	12,79	-	3,32	38,44
Rhineland-Palatinate	-	11,73	6,62	-	2,41	-	12,47	-	3,92	37,15
Baden-Württemberg	-	-	10,60	-	1,75	-	4,39	-	1,81	18,55
Bavaria	-	9,37	6,93	-	6,78	-	67,43	-	13,05	103,56
Saarland	-	12,93	10,41	-	0,25	-	1,72	-	6,24	31,55
Multi-regional	256,96	-	108,84	14,81	190,08	16,13	-	-	34,95	621,77
GREECE	2.760,70	-	-	-	-	-	-	-	45,68	2.806,38
Eastern Central and Islands(1)	157,97	-	-	-	-	-	-	-	0,00	157,97
Central and Western Macedonia	184,97	-	-	-	-	-	-	-	0,00	184,97
Peloponnese and Western Central Gr. (2)	191,60	-	-	-	-	-	-	-	0,00	191,60
Thessaly	87,74	-	-	-	-	-	-	-	0,00	87,74
Crete	73,08	-	-	-	-	-	-	-	0,00	73,08
Epirus (3)	80,95	-	-	-	-	-	-	-	0,00	80,95
Thrace (4)	111,47	-	-	-	-	-	-	-	0,00	111,47
Eastern Aegean Islands (5)	92,00	-	-	-	-	-	-	-	0,00	92,00
Multi-regional	1.780,92	-	-	-	-	-	-	-	45,68	1.826,60
SPAIN	5.570,03	447,96	244,54	65,83	80,25	9,97	118,44	-	137,26	6.674,27
Galicia	561,98	-	-	-	-	-	-	-	1,45	563,43
Asturias	188,19	-	-	-	-	-	-	-	2,45	190,64
Cantabria	66,75	-	-	-	-	-	-	-	0,48	67,23
Basque Country	-	148,42	25,87	-	-	-	4,55	-	0,69	179,53
Navarre	-	16,72	10,05	-	-	-	14,08	-	1,25	42,10
Rioja	-	5,93	0,62	-	-	-	3,95	-	1,03	11,54
Aragon	-	6,93	2,58	-	-	-	56,77	-	4,51	70,78
Madrid	-	29,46	22,62	-	-	-	7,77	-	1,01	60,86
Castile-León	421,46	-	-	-	-	-	-	-	4,80	426,25
Castile-La Mancha	335,25	-	-	-	-	-	-	-	2,24	337,49
Extremadura	212,34	-	-	-	-	-	-	-	4,39	216,73
Catalonia	-	220,40	23,03	-	-	-	24,56	-	1,06	269,04
Valencia	570,72	-	-	-	-	-	-	-	1,56	572,28
Balearic Islands	-	5,18	1,02	-	-	-	6,76	-	1,22	14,19

(1) Including the OP for Attica

(2) Including the OPs for Central Greece, Western Greece and the Peloponnese

(3) Including the OPs for Epirus and the Ionian Islands

(4) Including the OPs for Thrace and Western Macedonia

(5) Including the OPs for the northern and southern islands of the Aegean

Annex V: Regional breakdown of financial implementation
Table 4: Regional breakdown of payments in 1994-95 (ctd.)

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
Andalusia	956,74	-	-	-	-	-	-	-	4,93	961,67
Murcia	148,12	-	-	-	-	-	-	-	0,87	148,99
Ceuta and Melilla	31,71	-	-	-	-	-	-	-	0,00	31,71
Canary Islands	327,07	-	-	-	-	-	-	-	0,92	327,99
Multi-regional	1 749,70	14,92	158,75	65,83	80,25	9,97	-	-	102,40	2 181,82
FRANCE	286,71	423,29	503,68	47,70	402,85	41,13	207,93	-	113,88	2 027,17
Ile de France	-	-	-	-	-	-	-	-	2,37	2,37
Upper Normandy	-	41,69	-	-	-	-	0,54	-	0,00	42,24
Lower Normandy	-	21,34	-	-	-	-	17,14	-	1,51	39,99
Picardy	-	49,92	-	-	-	-	-	-	4,99	54,90
Champagne-Ardenne	-	12,32	-	-	-	-	2,06	-	0,98	15,36
Burgundy	-	7,85	-	-	-	-	14,06	-	3,21	25,12
Centre	-	12,10	-	-	-	-	2,50	-	1,96	16,56
Nord-Pas-de-Calais	40,02	62,76	-	-	-	-	-	-	2,44	105,23
Brittany	-	14,26	-	-	-	-	16,18	-	3,51	33,95
Loire Region	-	27,03	-	-	-	-	11,79	-	0,00	38,82
Poitou-Charentes	-	15,21	-	-	-	-	11,12	-	2,29	28,62
Lorraine	-	35,72	-	-	-	-	5,63	-	14,10	55,45
Alsace	-	9,80	-	-	-	-	3,27	-	2,02	15,09
Franche-Comté	-	8,69	-	-	-	-	8,53	-	1,49	18,51
Limousin	-	-	-	-	-	-	21,47	-	5,14	26,61
Aquitaine	-	19,61	-	-	-	-	19,19	-	7,18	45,98
Midi-Pyrénées	-	8,88	-	-	-	-	18,15	-	1,82	28,86
Auvergne	-	25,33	-	-	-	-	28,57	-	2,74	56,65
Rhône-Alpes	-	15,85	-	-	-	-	13,23	-	2,14	31,21
Languedoc-Roussillon	-	16,92	-	-	-	-	5,83	-	2,28	25,03
Provence-Alpes-Côte d'Azur	-	18,01	-	-	-	-	7,81	-	6,01	31,83
Corsica	27,36	-	-	-	-	-	-	-	1,32	28,69
Martinique	38,45	-	-	-	-	-	-	-	0,00	38,45
Guadeloupe	55,99	-	-	-	-	-	-	-	0,00	55,99
French Guiana	17,00	-	-	-	-	-	-	-	0,00	17,00
Reunion	107,87	-	-	-	-	-	-	-	4,38	112,25
Multi-regional	-	-	503,68	47,70	402,85	41,13	1,07	-	39,99	1 036,41
IRELAND	1 369,63	-	-	-	-	-	-	-	21,87	1 391,50
Multi-regional	1 369,63	-	-	-	-	-	-	-	21,87	1 391,50
ITALY	1 555,41	149,97	100,23	30,31	58,73	11,20	53,50	-	66,41	2 025,77
Piedmont	-	32,57	9,16	-	-	-	4,89	-	0,00	46,62
Valle d'Aosta	-	3,00	0,93	-	-	-	0,30	-	0,08	4,31
Lombardy	-	11,50	13,12	-	-	-	2,39	-	0,00	27,02
Trentino	-	-	3,95	-	-	-	3,11	-	1,87	8,94
Veneto	-	11,28	8,11	-	-	-	8,65	-	0,00	28,05
Friuli-Venezia Giulia	-	12,00	4,00	-	-	-	2,61	-	0,15	18,76
Liguria	-	15,27	3,16	-	-	-	2,09	-	0,00	20,52
Emilia-Romagna	-	6,00	13,82	-	-	-	3,59	-	0,34	23,55
Tuscany	-	20,18	4,92	-	-	-	7,90	-	0,00	33,00
Umbria	-	17,50	2,29	-	-	-	5,37	-	0,00	25,16
Marche	-	10,50	2,73	-	-	-	4,46	-	0,00	17,72
Lazio	-	10,17	9,15	-	-	-	8,33	-	0,00	27,65
Abruzzi	76,48	-	-	-	-	-	-	-	3,02	79,50
Molise	19,32	-	-	-	-	-	-	-	0,00	19,32
Campania	89,81	-	-	-	-	-	-	-	1,38	91,19
Apulia	92,91	-	-	-	-	-	-	-	3,02	95,93
Basilicata	52,40	-	-	-	-	-	-	-	0,86	53,26
Calabria	78,26	-	-	-	-	-	-	-	2,98	81,24
Sicily	74,06	-	-	-	-	-	-	-	0,00	74,06
Sardinia	86,90	-	-	-	-	-	-	-	0,68	87,57
Multi-regional	985,28	-	24,86	30,31	58,73	11,20	-	-	52,02	1 162,40

Annex V: Regional breakdown of financial implementation
Table 4: Regional breakdown of payments in 1994-95 (ctd.)

Member State / Region	Objective								CI	Total
	1	2	3	4	5(a) (agr.)	5(a) (fish.)	5b	6		
LUXEMBOURG	-	3,99	5,59	0,34	5,37	0,17	0,42	-	0,62	16,50
Multi-regional	-	3,99	5,59	0,34	5,37	0,17	0,42	-	0,62	16,50
NETHERLANDS	19,63	52,51	253,32	11,12	12,15	6,21	12,56	-	23,99	391,48
North Netherlands	-	16,69	-	-	-	-	7,27	-	1,85	25,81
East Netherlands	19,63	18,24	-	-	-	-	1,64	-	1,11	40,61
West Netherlands	-	-	-	-	-	-	2,50	-	2,37	4,87
South Netherlands	-	17,58	-	-	-	-	1,15	-	0,00	18,73
Multi-regional	-	-	253,32	11,12	12,15	6,21	-	-	18,66	301,46
AUSTRIA	14,40	21,42	32,03	5,85	30,75	0,20	39,16	-	21,04	164,85
East Austria	14,40	7,62	-	-	-	-	10,59	-	3,75	36,36
South Austria	-	5,56	-	-	-	-	13,60	-	0,00	19,16
West Austria	-	8,24	-	-	-	-	14,97	-	0,00	23,21
Multi-regional	-	-	32,03	5,85	30,75	0,20	-	-	17,29	86,12
PORTUGAL	3,263,42	-	-	-	-	-	-	-	109,60	3,373,01
North	148,28	-	-	-	-	-	-	-	0,00	148,28
Centre	88,34	-	-	-	-	-	-	-	0,00	88,34
Lisbon and the Tagus valley	89,53	-	-	-	-	-	-	-	4,61	94,14
Alentejo	43,78	-	-	-	-	-	-	-	0,00	43,78
Algarve	18,78	-	-	-	-	-	-	-	0,00	18,78
Azores	181,16	-	-	-	-	-	-	-	0,00	181,16
Madeira	123,80	-	-	-	-	-	-	-	0,00	123,80
Multi-regional	2 569,75	-	-	-	-	-	-	-	104,98	2 674,73
FINLAND	-	15,55	30,17	7,42	30,71	6,90	15,94	40,50	23,21	170,39
Continental Finland	-	-	-	-	-	-	15,24	-	0,00	15,24
Islands	-	-	-	-	-	-	0,70	-	0,00	0,70
Multi-regional	-	15,55	30,17	7,42	30,71	6,90	-	40,50	23,21	154,45
SWEDEN	-	38,06	36,50	-	6,86	12,00	-	22,46	15,97	131,85
South Sweden	-	5,04	-	-	-	-	-	-	0,00	5,04
West Sweden	-	8,20	-	-	-	-	-	-	0,00	8,20
Central Norrland	-	6,16	-	-	-	-	-	-	0,00	6,16
Upper Norrland	-	18,66	-	-	-	-	-	-	0,00	18,66
Multi-regional	-	-	36,50	-	6,86	12,00	-	22,46	15,97	93,79
UNITED KINGDOM	331,36	518,85	818,57	-	41,73	11,82	69,45	-	127,52	1,919,31
North	-	12,50	-	-	-	-	-	-	0,00	12,50
Yorkshire and Humberside	-	69,63	-	-	-	-	-	-	2,18	71,82
East Midlands	-	18,40	-	-	-	-	3,97	-	2,12	24,49
East Anglia	-	-	-	-	-	-	4,56	-	0,00	4,56
South East	-	23,13	-	-	-	-	-	-	0,00	23,13
South West	-	14,50	-	-	-	-	21,82	-	0,00	36,32
West Midlands	-	78,06	-	-	-	-	-	-	5,07	83,13
North East England	-	86,33	-	-	-	-	8,09	-	11,73	106,15
North West	100,46	79,82	-	-	-	-	-	-	0,00	180,27
Wales	-	44,21	-	-	-	-	15,28	-	18,11	77,58
Scotland	40,69	89,78	-	-	-	-	11,66	-	17,06	159,18
Northern Ireland	190,21	-	-	-	-	-	-	-	18,19	208,40
Gibraltar	-	2,50	-	-	-	-	-	-	0,00	2,50
Multi-regional	-	-	818,57	-	41,73	11,82	4,09	-	53,06	929,28
COMMUNITY	-	-	-	-	-	-	-	-	244,31	244,31
TOTAL	17,721,10	1,877,84	2,407,65	188,68	914,93	149,28	661,85	62,96	1,231,34	25,215,63

ANNEX VI:

Major projects adopted in 1995

Annex VI: Major projects adopted in 1995 *

ECU million									
	Obj.	Total cost	ERDF assistance (1)	National public contribution	Private contribution	Commitments 1995 (2)	% (2)/(1)	Payments 1995 (3)	% (3)/(2)
IRELAND									
Tallaght Hospital (Dublin)	1	131,24	39,37	91,87	0,00	39,37	100%	31,50	80%
ITALY									
Gioia Tauro Port (Calabria)	1	120,00	40,00	0,00	80,00	40,00	100%	0,00	0%

* Major projects within the meaning of Article 16(2) of the Coordination Regulation.

ANNEX VII:

Distribution of ESF financing by measure, theme, beneficiaries

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 1: EUR15

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	74%	50%	20.008,9	75%
Employment support	6%	62%	820,0	3%
Technical assistance	5%	57%	482,4	2%
Other support measures	15%	47%	5.403,5	20%
Total	100%	51%	26.714,8	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	19%			
b. Occupational Integration of young persons seeking employment	20%			
c. Integration of persons exposed to exclusion from the labour market	11%			
d. Promoting equal opportunities for men and women	3%			
2. Adaptation of workers to industrial change	10%			
3. a. Supporting employment growth and stability	19%			
b. Boosting human potential in research, science, and technology	2%			
4. a. Strengthen and improve education and training systems	12%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	3%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	13,9	19%		
b. Occupational Integration of young persons seeking employment	14,5	20%		
c. Integration of persons exposed to exclusion from the labour market	7,3	10%		
d. Promoting equal opportunities for men and women	1,9	3%		
2. Adaptation of workers to industrial change	8,9	12%		
3. a. Supporting employment growth and stability	11,7	16%		
b. Boosting human potential in research, science, and technology	0,7	1%		
4. a. Strengthen and improve education and training systems	11,5	16%		
b. Training of public officials	1,7	2%		
Technical assistance/Multipurpose	1,3	2%		
Total	73,4	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 2: Belgium

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	80%	38%	371,5	86%
Employment support	4%	35%	23,6	5%
Technical assistance	6%	44%	11,4	3%
Other support measures	9%	43%	23,2	5%
Total	100%	39%	429,7	100%

Distribution of ESF financing by theme (1994 prices)	%
1. a. Occupational Integration of persons exposed to long-term unemployment	24%
b. Occupational Integration of young persons seeking employment	14%
c. Integration of persons exposed to exclusion from the labour market	20%
d. Promoting equal opportunities for men and women	4%
2. Adaptation of workers to industrial change	10%
3. a. Supporting employment growth and stability	8%
b. Boosting human potential in research, science, and technology	5%
4. a. Strengthen and improve education and training systems	9%
b. Training of public officials	0%
Technical assistance/Multipurpose	7%
Total	100%

Beneficiaries per 1000 inhabitants by theme	Bfc/1000 pers	%
1. a. Occupational Integration of persons exposed to long-term unemployment	16,1	37%
b. Occupational Integration of young persons seeking employment	8,2	19%
c. Integration of persons exposed to exclusion from the labour market	4,8	11%
d. Promoting equal opportunities for men and women	1,0	2%
2. Adaptation of workers to industrial change	5,2	12%
3. a. Supporting employment growth and stability	4,0	9%
b. Boosting human potential in research, science, and technology	1,3	3%
4. a. Strengthen and improve education and training systems	1,8	4%
b. Training of public officials	0,0	0%
Technical assistance/Multipurpose	1,1	3%
Total	43,5	100%

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 3: Denmark

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	93%	47%	56,5	97%
Employment support	3%	50%	1,4	2%
Technical assistance	4%	49%	0,4	1%
Other support measures	0%	0%	0,0	0%
Total	100%	47%	58,4	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	41%			
b. Occupational Integration of young persons seeking employment	17%			
c. Integration of persons exposed to exclusion from the labour market	19%			
d. Promoting equal opportunities for men and women	1%			
2. Adaptation of workers to industrial change	10%			
3. a. Supporting employment growth and stability	7%			
b. Boosting human potential in research, science, and technology	0%			
4. a. Strengthen and improve education and training systems	1%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	4%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	4,4	38%		
b. Occupational Integration of young persons seeking employment	2,1	18%		
c. Integration of persons exposed to exclusion from the labour market	2,0	17%		
d. Promoting equal opportunities for men and women	0,1	1%		
2. Adaptation of workers to industrial change	1,1	10%		
3. a. Supporting employment growth and stability	1,6	14%		
b. Boosting human potential in research, science, and technology	0,0	0%		
4. a. Strengthen and improve education and training systems	0,1	1%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,1	1%		
Total	11,5	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 4: Germany

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	79%	48%	1.214,1	81%
Employment support	1%	52%	9,3	1%
Technical assistance	5%	58%	0,0	0%
Other support measures	15%	58%	275,0	18%
Total	100%	50%	1.498,5	100%
Distribution of ESF financing by theme (1994 prices)		%		
1. a. Occupational Integration of persons exposed to long-term unemployment		16%		
b. Occupational Integration of young persons seeking employment		16%		
c. Integration of persons exposed to exclusion from the labour market		6%		
d. Promoting equal opportunities for men and women		6%		
2. Adaptation of workers to industrial change		2%		
3. a. Supporting employment growth and stability		43%		
b. Boosting human potential in research, science, and technology		2%		
4. a. Strengthen and improve education and training systems		3%		
b. Training of public officials		0%		
Technical assistance/Multipurpose		4%		
Total		100%		
Beneficiaries per 1000 inhabitants by theme		Bfc/1000 pers	%	
1. a. Occupational Integration of persons exposed to long-term unemployment		3,2	17%	
b. Occupational Integration of young persons seeking employment		2,3	12%	
c. Integration of persons exposed to exclusion from the labour market		1,2	6%	
d. Promoting equal opportunities for men and women		1,4	8%	
2. Adaptation of workers to industrial change		1,3	7%	
3. a. Supporting employment growth and stability		8,1	44%	
b. Boosting human potential in research, science, and technology		0,3	2%	
4. a. Strengthen and improve education and training systems		0,7	4%	
b. Training of public officials		0,0	0%	
Technical assistance/Multipurpose		0,0	0%	
Total		18,5	100%	

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 5: Greece

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	79%	66%	1.050,3	91%
Employment support	0%	0%	0,0	0%
Technical assistance	2%	76%	3,0	0%
Other support measures	19%	74%	98,1	9%
Total	100%	68%	1.151,4	100%
Distribution of ESF financing by theme (1994 prices)	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	4%			
b. Occupational Integration of young persons seeking employment	3%			
c. Integration of persons exposed to exclusion from the labour market	10%			
d. Promoting equal opportunities for men and women	2%			
2. Adaptation of workers to industrial change	15%			
3. a. Supporting employment growth and stability	8%			
b. Boosting human potential in research, science, and technology	1%			
4. a. Strengthen and improve education and training systems	54%			
b. Training of public officials	2%			
Technical assistance/Multipurpose	0%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme	Rfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	4,9	4%		
b. Occupational Integration of young persons seeking employment	4,6	4%		
c. Integration of persons exposed to exclusion from the labour market	11,7	11%		
d. Promoting equal opportunities for men and women	2,5	2%		
2. Adaptation of workers to industrial change	27,3	25%		
3. a. Supporting employment growth and stability	8,1	7%		
b. Boosting human potential in research, science, and technology	0,4	0%		
4. a. Strengthen and improve education and training systems	31,7	29%		
b. Training of public officials	19,2	17%		
Technical assistance/Multipurpose	0,3	0%		
Total	110,7	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 6: Spain

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	67%	61%	6.630,6	85%
Employment support	21%	69%	496,4	6%
Technical assistance	6%	64%	433,8	6%
Other support measures	6%	62%	213,9	3%
Total	100%	63%	7.774,8	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	26%			
b. Occupational Integration of young persons seeking employment	24%			
c. Integration of persons exposed to exclusion from the labour market	10%			
d. Promoting equal opportunities for men and women	3%			
2. Adaptation of workers to industrial change	10%			
3. a. Supporting employment growth and stability	9%			
b. Boosting human potential in research, science, and technology	3%			
4. a. Strengthen and improve education and training systems	15%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	0%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	29,0	14%		
b. Occupational Integration of young persons seeking employment	28,0	13%		
c. Integration of persons exposed to exclusion from the labour market	10,8	5%		
d. Promoting equal opportunities for men and women	5,1	2%		
2. Adaptation of workers to industrial change	38,5	18%		
3. a. Supporting employment growth and stability	22,1	11%		
b. Boosting human potential in research, science, and technology	3,8	2%		
4. a. Strengthen and improve education and training systems	58,2	28%		
b. Training of public officials	2,7	1%		
Technical assistance/Multipurpose	11,1	5%		
Total	209,3	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 7: France

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	36%	33%	2.264,3	35%
Employment support	0%	0%	0,0	0%
Technical assistance	5%	52%	0,2	0%
Other support measures	58%	43%	4.155,1	65%
Total	100%	39%	6.419,6	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	15%			
b. Occupational Integration of young persons seeking employment	25%			
c. Integration of persons exposed to exclusion from the labour market	18%			
d. Promoting equal opportunities for men and women	1%			
2. Adaptation of workers to industrial change	20%			
3. a. Supporting employment growth and stability	14%			
b. Boosting human potential in research, science, and technology	0%			
4. a. Strengthen and improve education and training systems	0%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	7%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	27,3	25%		
b. Occupational Integration of young persons seeking employment	42,9	39%		
c. Integration of persons exposed to exclusion from the labour market	16,8	15%		
d. Promoting equal opportunities for men and women	0,8	1%		
2. Adaptation of workers to industrial change	8,9	8%		
3. a. Supporting employment growth and stability	14,0	13%		
b. Boosting human potential in research, science, and technology	0,1	0%		
4. a. Strengthen and improve education and training systems	0,2	0%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,0	0%		
Total	111,0	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 8: Ireland

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	89%	44%	897,6	90%
Employment support	1%	75%	3,7	0%
Technical assistance	1%	80%	0,0	0%
Other support measures	9%	63%	95,1	10%
Total	100%	46%	996,4	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	12%			
b. Occupational Integration of young persons seeking employment	44%			
c. Integration of persons exposed to exclusion from the labour market	22%			
d. Promoting equal opportunities for men and women	1%			
2. Adaptation of workers to industrial change	4%			
3. a. Supporting employment growth and stability	13%			
b. Boosting human potential in research, science, and technology	0%			
4. a. Strengthen and improve education and training systems	4%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	0%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	22,8	8%		
b. Occupational Integration of young persons seeking employment	74,0	26%		
c. Integration of persons exposed to exclusion from the labour market	82,5	29%		
d. Promoting equal opportunities for men and women	10,7	4%		
2. Adaptation of workers to industrial change	43,5	15%		
3. a. Supporting employment growth and stability	45,0	16%		
b. Boosting human potential in research, science, and technology	0,0	0%		
4. a. Strengthen and improve education and training systems	4,2	1%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,0	0%		
Total	282,7	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 9: Italy

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	90%	57%	1.856,4	98%
Employment support	0%	0%	0,0	0%
Technical assistance	6%	51%	5,9	0%
Other support measures	3%	61%	37,3	2%
Total	100%	56%	1.899,6	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	19%			
b. Occupational Integration of young persons seeking employment	27%			
c. Integration of persons exposed to exclusion from the labour market	8%			
d. Promoting equal opportunities for men and women	5%			
2. Adaptation of workers to industrial change	11%			
3. a. Supporting employment growth and stability	11%			
b. Boosting human potential in research, science, and technology	5%			
4. a. Strengthen and improve education and training systems	7%			
b. Training of public officials	2%			
Technical assistance/Multipurpose	6%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	7,8	23%		
b. Occupational Integration of young persons seeking employment	8,2	25%		
c. Integration of persons exposed to exclusion from the labour market	1,4	4%		
d. Promoting equal opportunities for men and women	1,1	3%		
2. Adaptation of workers to industrial change	2,4	7%		
3. a. Supporting employment growth and stability	3,7	11%		
b. Boosting human potential in research, science, and technology	0,7	2%		
4. a. Strengthen and improve education and training systems	5,6	17%		
b. Training of public officials	2,4	7%		
Technical assistance/Multipurpose	0,1	0%		
Total	33,4	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 10: Luxemburg

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	82%	45%	8,6	86%
Employment support	12%	45%	1,4	14%
Technical assistance	5%	45%	0,0	0%
Other support measures	0%	45%	0,0	0%
Total	100%	45%	10,0	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	22%			
b. Occupational Integration of young persons seeking employment	12%			
c. Integration of persons exposed to exclusion from the labour market	40%			
d. Promoting equal opportunities for men and women	5%			
2. Adaptation of workers to industrial change	4%			
3. a. Supporting employment growth and stability	8%			
b. Boosting human potential in research, science, and technology	0%			
4. a. Strengthen and improve education and training systems	6%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	4%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	2,9	11%		
b. Occupational Integration of young persons seeking employment	2,7	10%		
c. Integration of persons exposed to exclusion from the labour market	3,6	14%		
d. Promoting equal opportunities for men and women	2,5	10%		
2. Adaptation of workers to industrial change	3,6	14%		
3. a. Supporting employment growth and stability	9,5	37%		
b. Boosting human potential in research, science, and technology	0,0	0%		
4. a. Strengthen and improve education and training systems	1,2	5%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,0	0%		
Total	26,0	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 11: Netherlands

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	62%	41%	292,7	81%
Employment support	0%	45%	1,0	0%
Technical assistance	5%	46%	0,0	0%
Other support measures	33%	42%	66,9	19%
Total	100%	42%	360,6	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	42%			
b. Occupational Integration of young persons seeking employment	27%			
c. Integration of persons exposed to exclusion from the labour market	3%			
d. Promoting equal opportunities for men and women	1%			
2. Adaptation of workers to industrial change	17%			
3. a. Supporting employment growth and stability	10%			
b. Boosting human potential in research, science, and technology	0%			
4. a. Strengthen and improve education and training systems	0%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	0%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	10,9	46%		
b. Occupational Integration of young persons seeking employment	0,1	0%		
c. Integration of persons exposed to exclusion from the labour market	0,3	1%		
d. Promoting equal opportunities for men and women	0,1	0%		
2. Adaptation of workers to industrial change	8,1	34%		
3. a. Supporting employment growth and stability	4,0	17%		
b. Boosting human potential in research, science, and technology	0,0	0%		
4. a. Strengthen and improve education and training systems	0,0	0%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,0	0%		
Total	23,5	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 12: Austria

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	63%	41%	128,7	81%
Employment support	13%	44%	17,2	11%
Technical assistance	5%	48%	0,0	0%
Other support measures	18%	42%	12,7	8%
Total	100%	42%	158,7	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	20%			
b. Occupational Integration of young persons seeking employment	4%			
c. Integration of persons exposed to exclusion from the labour market	17%			
d. Promoting equal opportunities for men and women	11%			
2. Adaptation of workers to industrial change	17%			
3. a. Supporting employment growth and stability	23%			
b. Boosting human potential in research, science, and technology	1%			
4. a. Strengthen and improve education and training systems	0%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	6%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	3,9	20%		
b. Occupational Integration of young persons seeking employment	0,9	5%		
c. Integration of persons exposed to exclusion from the labour market	1,5	8%		
d. Promoting equal opportunities for men and women	1,4	7%		
2. Adaptation of workers to industrial change	7,1	36%		
3. a. Supporting employment growth and stability	4,9	25%		
b. Boosting human potential in research, science, and technology	0,3	2%		
4. a. Strengthen and improve education and training systems	0,0	0%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,0	0%		
Total	20,0	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 13: Portugal

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	82%	74%	1,917,1	82%
Employment support	4%		60,0	3%
Technical assistance	3%	76%	0,3	0%
Other support measures	11%	75%	362,8	16%
Total	100%	74%	2,340,2	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	14%			
b. Occupational Integration of young persons seeking employment	9%			
c. Integration of persons exposed to exclusion from the labour market	7%			
d. Promoting equal opportunities for men and women	0%			
2. Adaptation of workers to industrial change	2%			
3. a. Supporting employment growth and stability	15%			
b. Boosting human potential in research, science, and technology	5%			
4. a. Strengthen and improve education and training systems	46%			
b. Training of public officials	1%			
Technical assistance/Multipurpose	1%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	35,7	15%		
b. Occupational Integration of young persons seeking employment	7,8	3%		
c. Integration of persons exposed to exclusion from the labour market	10,6	4%		
d. Promoting equal opportunities for men and women	0,0	0%		
2. Adaptation of workers to industrial change	2,7	1%		
3. a. Supporting employment growth and stability	34,7	15%		
b. Boosting human potential in research, science, and technology	0,5	0%		
4. a. Strengthen and improve education and training systems	125,0	53%		
b. Training of public officials	20,8	9%		
Technical assistance/Multipurpose	0,0	0%		
Total	237,8	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 14: Finland

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	56%	31%	132,7	66%
Employment support	6%	48%	4,9	2%
Technical assistance	2%	49%	0,0	0%
Other support measures	36%	31%	63,0	31%
Total	100%	31%	200,6	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	33%			
b. Occupational Integration of young persons seeking employment	19%			
c. Integration of persons exposed to exclusion from the labour market	5%			
d. Promoting equal opportunities for men and women	1%			
2. Adaptation of workers to industrial change	22%			
3. a. Supporting employment growth and stability	12%			
b. Boosting human potential in research, science, and technology	3%			
4. a. Strengthen and improve education and training systems	4%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	1%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	11,4	12%		
b. Occupational Integration of young persons seeking employment	10,4	11%		
c. Integration of persons exposed to exclusion from the labour market	1,2	1%		
d. Promoting equal opportunities for men and women	0,4	0%		
2. Adaptation of workers to industrial change	64,6	67%		
3. a. Supporting employment growth and stability	5,7	6%		
b. Boosting human potential in research, science, and technology	1,4	1%		
4. a. Strengthen and improve education and training systems	0,9	1%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,0	0%		
Total	96,0	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 15: Sweden

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	93%	37%	281,3	99%
Employment support	0%	0%	0,0	0%
Technical assistance	7%	50%	3,5	1%
Other support measures	0%	0%	0,0	0%
Total	100%	37%	284,7	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational integration of persons exposed to long-term unemployment	26%			
b. Occupational integration of young persons seeking employment	16%			
c. Integration of persons exposed to exclusion from the labour market	12%			
d. Promoting equal opportunities for men and women	1%			
2. Adaptation of workers to industrial change	27%			
3. a. Supporting employment growth and stability	7%			
b. Boosting human potential in research, science, and technology	6%			
4. a. Strengthen and improve education and training systems	2%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	4%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational integration of persons exposed to long-term unemployment	9,0	11%		
b. Occupational integration of young persons seeking employment	5,2	6%		
c. Integration of persons exposed to exclusion from the labour market	3,4	4%		
d. Promoting equal opportunities for men and women	0,1	0%		
2. Adaptation of workers to industrial change	60,5	75%		
3. a. Supporting employment growth and stability	1,6	2%		
b. Boosting human potential in research, science, and technology	0,3	0%		
4. a. Strengthen and improve education and training systems	0,0	0%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,4	0%		
Total	80,5	100%		

* Situation mid 1996.

Annex VII: Distribution of ESF financing by measure, theme, beneficiaries*

Table 16: United Kingdom

Distribution of ESF financing by measure	ESF Finance		Beneficiaries	
	%	% of total costs	1000 pers	%
Training	89%	41%	2.906,5	93%
Employment support	5%	43%	200,9	6%
Technical assistance	3%	51%	23,7	1%
Other support measures	2%	71%	0,5	0%
Total	100%	42%	3.131,6	100%
Distribution of ESF financing by theme (1994 prices)				
	%			
1. a. Occupational Integration of persons exposed to long-term unemployment	16%			
b. Occupational Integration of young persons seeking employment	14%			
c. Integration of persons exposed to exclusion from the labour market	15%			
d. Promoting equal opportunities for men and women	4%			
2. Adaptation of workers to industrial change	9%			
3. a. Supporting employment growth and stability	38%			
b. Boosting human potential in research, science, and technology	1%			
4. a. Strengthen and improve education and training systems	0%			
b. Training of public officials	0%			
Technical assistance/Multipurpose	4%			
Total	100%			
Beneficiaries per 1000 inhabitants by theme				
	Bfc/1000 pers	%		
1. a. Occupational Integration of persons exposed to long-term unemployment	12,4	23%		
b. Occupational Integration of young persons seeking employment	9,5	18%		
c. Integration of persons exposed to exclusion from the labour market	8,7	16%		
d. Promoting equal opportunities for men and women	3,0	6%		
2. Adaptation of workers to industrial change	2,8	5%		
3. a. Supporting employment growth and stability	17,1	32%		
b. Boosting human potential in research, science, and technology	0,2	0%		
4. a. Strengthen and improve education and training systems	0,0	0%		
b. Training of public officials	0,0	0%		
Technical assistance/Multipurpose	0,4	1%		
Total	54,1	100%		

* Situation mid 1996.

ABBREVIATIONS AND ACRONYMS

ADAPT	Community Initiative for the adaptation of workers to industrial change
AFETT	Association for European training of workers in new technologies
CAP	Common agricultural policy
CEEP	Centre européen de l'entreprise publique (European Centre for Public Enterprise)
CES	European confederation of trade unions
CI	Community Initiative
CIP	Community Initiative programme
CSF	Community support framework
EAGGF	European Agricultural Guidance and Guarantee Fund
ECOS-OUVERTURE	Cooperation network with central and eastern European cities
ECSC	European Coal and Steel Community
EFTA	European Free Trade Association
EIB	European Investment Bank
EIF	European Investment Fund
EMPLOYMENT	Community Initiative for the development of human resources
ENVIREG	Community Initiative for the environment
ERDF	European Regional Development Fund
ESDP	European Spatial Development Perspective
ESF	European Social Fund
EUROCHAMBRES	Association of European Chambers of Commerce and Industry
EUROFORM	Community Initiative to develop new qualifications
EUROPARTENARIAT	Events to promote contacts between businesses in regions eligible under the Structural Funds and businesses elsewhere in the Community and/or non-member countries
FIFG	Financial Instrument for Fisheries Guidance
Forcem	Foundation for continuing training (Spain)
GG	Global grant
HORIZON	Community Initiative for the occupational integration of handicapped and disadvantaged persons
INTERREG	Community Initiative for the promotion of cross-border and inter-regional cooperation
ISDN	Integrated Services Digital Network
KONVER	Community Initiative for the conversion of regions dependent on the defence sector
LEADER	Community Initiative for rural development projects
NOW	Community Initiative for the occupational integration of women
OP	Operational programme
PACTE	Programme for sharing of experience among local and regional authorities of Europe
PEACE	Community Initiative for reconciliation and peace in Northern Ireland and in the border counties of Ireland
PERIFRA	Action programme for the remoter regions and declining activities
PESCA	Community Initiative for the fishing industry
PHARE	Programme of aid for the economic conversion of central and eastern European countries
PRISMA	Community Initiative to prepare for the single market
RECHAR	Community Initiative for the conversion of coal-mining areas
RECITE	Programme to create networks among the regions and cities of Europe
REGEN	Community Initiative for energy networks

REGIS	Community Initiative for the most remote regions
RESIDER	Community Initiative for the conversion of steel-making areas
RETEX	Community Initiative for the diversification of economic activities in regions heavily dependent on the textiles and clothing industry
RTD	Research and technological development
SME	Community Initiative for the adjustment of SMEs to the Single Market
SME(s)	Small and medium-sized firm(s)
SPD	Single programming document
STRIDE	Community Initiative on science and technology for regional innovation and development
TELEMATIQUE	Community Initiative to promote the use of advanced telecommunications services in the least-favoured regions
TEN(s)	Trans-European network(s)
UCLAF	Unité de coordination de la lutte anti-fraude (anti-fraud unit at the Commission)
UNICE-CONPRI	Union des industries de la Communauté européenne - employers' federation for industrial relations
URBAN	Community Initiative to assist declining urban areas
YOUTHSTART	Community Initiative for the occupational integration of young people