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REPORT

drawn up on behalf of the Committee on Social Affairs and  
Employment

on the Commission's guidelines for the management of the  
European Social Fund in the financial years 1987-1989

Rapporteur: Mr A. RAGGIO

WG(VS1)/3221E  
It.-kmc.

PE 103.291/fin.



By letter of 17 February 1986<sup>1</sup>, the Commission requested the Committee on Social Affairs and Employment, pursuant to Article 6(2) of Council Decision No. 83/516/EEC, to deliver an opinion on the guidelines for the management of the European Social Fund in the financial years 1987-1989.

The Commission's request for an opinion is one of the results of the conciliation procedure on the ESF that has been followed since 1983 between Parliament and the Council. In order to obviate the difficulties encountered in 1984 and 1985 when drawing up an opinion on the guidelines for the management of the ESF, and pending clear definition of the details of the consultation<sup>2</sup>, the Committee on Social Affairs and Employment requested authorization to draw up a report on the subject in a letter dated 6 February 1986.

The committee was authorized to draw up the report on 18 February 1986.

At its meeting of 17-18 December 1985, the Committee on Social Affairs and Employment appointed Mr Raggio rapporteur.

The committee considered the draft report at its meetings of 30-31 January and 24-25 February 1986.

At the latter meeting the committee adopted the motion for a resolution, which constitutes Parliament's opinion, with one vote against and one abstention.

The following took part in the vote: Mr WELSH, chairman, Mrs SALISCH, first vice-chairman; Mr McCARTIN, second vice-chairman; Mr RAGGIO, rapporteur; Mr ALVAREZ DE PAZ, Mrs d'ANCONA, Mr BACHY, Mr BARROS MOURA (deputizing for Mr Alavanos), Mr CABRERA BAZAN, Mrs CASSANMAGNAGO CERRETTI, Mr CONDESSO (deputizing for Mr Pininfarina), Mr CHRISTIANSEN, Mr CRESPO, Mrs DURY, Mr FITZGERALD, Mrs GIANNAKOU-KOUTSIKOU, Mr HARLIN, Mr HERRERO MEREDIZ, Mr LACERDA DE QUEIROZ, Mrs LARIVE-GROENENDAAL, Mr MacMAHON (deputizing for Mr Dido'), Mrs MAIJ-WEGGEN, Mrs MARINARO (deputizing for Mrs Hoffmann), Mr MEGAHY, Mr MONFORTE ARREGUI, Mr PAPAKYRIAZIS, Mr PORDEA (deputizing for Mr Le Chevallier), Mr SAKELLARIOU (deputizing for Mr Peters), Mr SUAREZ GONZALEZ and Mr TUCKMAN.

The explanatory statement will be presented orally.

The report was tabled on 27 February 1986.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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<sup>1</sup>See Annex I to this report

<sup>2</sup>See paragraph 33 of this report

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The Committee on Social Affairs and Employment hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

concluding the procedure for consultation of the European Parliament on the Commission's guidelines for the management of the European Social Fund in the financial years 1987-1989

The European Parliament,

- having regard to the guidelines for the management of the European Social Fund in the financial years 1986-1988<sup>1</sup> adopted by the Commission pursuant to Article 6(1) of Council Decision 83/516/EEC<sup>2</sup>, and Council Decision 85/518/EEC amending these guidelines in view of the accession of Spain and Portugal<sup>3</sup>,
  - having been consulted by the Commission pursuant to Article 6(2) of Council Decision 83/516/EEC by letter of 17.2.1986,
  - having regard to its resolution on the guidelines for the management of the European Social Fund for the years 1986-1988<sup>4</sup>,
  - having regard to the results of the hearing on the operation of the European Social Fund held by its relevant committee on 30 January 1986,
  - having regard to the report of the Committee on Social Affairs and Employment (Doc. A 2-225/85),
1. Notes that there has been no improvement in the labour market situation in the Community in 1985 and that the number of unemployed in the ten Member States is now more than 3% higher than in 1984;
  2. Once again draws attention to the fact that unemployment is an unending problem in the two Member States that became full members of the Community on 1 January 1986;
  3. Is firmly convinced that if the Fund is to live up to the expectations of the Member States and become a more active instrument to promote employment policy, it must make a tangible contribution towards attaining employment objectives, helping to overcome regional imbalances on the labour market and at the same time stimulating national economies;
  4. Confirms that the management guidelines, in conjunction with a fair statistical mechanism, are among the fundamental components of the Fund's rules and that their main function is to establish a set of criteria that will serve as a guide when selecting options and provide the operators with a clear and reliable frame of reference;

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1 OJ No. L 133, 22.5.1985, p. 26  
2 OJ No. L 289, 22.10.1983, p. 38  
3 OJ No. L 317, 28.11.1985, p. 37  
4 OJ No. C 94, 15.4.1985, p. 147

5. Acknowledges that with its current guidelines, the Commission has sought to gear vocational training to jobs actually available, as repeatedly requested by the European Parliament;
6. Points out that the management guidelines for the financial years 1986-1988 adopted by the Commission in Decision 85/261/EEC will not be applicable until applications are submitted this year, so that it is not possible at this stage to assess whether, with these new criteria, the Commission has succeeded in creating conditions that will guarantee a better selection of applications and a greater concentration of resources;
7. Notes that the hearing revealed serious limitations and deficiencies in the management of the Fund indicating
  - a state of uncertainty among operators,
  - discontinuity of operations,
  - insufficient transparency in management;
8. Regrets the fact that in spite of the many suggestions, put forward by the European Parliament in particular, concerning improvements to the management of the European Social Fund, the results remain disappointing, particularly from the point of view of those most concerned, the users and beneficiaries, and are not always commensurate with the financial outlay involved;
9. Draws attention to the widespread concern, particularly of small operators, both at the consequences of the indiscriminate application of the linear reduction and at the delay in the payment of advances and balances; insists that the actual payment of ESF monies - both advance payments and final allocations - be speeded up so that operators can no longer be placed in severe financial difficulty as a result of being allocated appropriations subject to lengthy administrative delays;
10. Is convinced that the management deficiencies can be eliminated or greatly reduced through the appropriate exercise of the powers which the Commission already possesses, such as the adoption of the guidelines and the administrative organization of management;
11. Considers it essential that adjustments be made to the guidelines currently in force with a view to guaranteeing clearer criteria for the selection of applications and, therefore, transparent management;
12. Takes the view that priority should be given to projects aimed at increasing employment opportunities for the long-term unemployed;
13. Advocates a special further training programme for the least-skilled workers, as this group is among the weakest in our society;
14. Calls for more opportunities for experimental programmes set up by the Member States in cooperation with the social partners in the area of reduction of working hours and reorganization of working time;
15. Is convinced that vocational training should be increasingly organized around training courses adapted to the requirements of new technologies which for instance require a high level of qualification and greater professional mobility;

16. Again stresses that the creation of a technological Europe demands higher and more diversified professional qualifications and that in this respect the Fund should fulfil its role as regards national policies;
17. Draws attention to the fact that a greater impetus should be given to operations forming part of an integrated programme involving assistance from and the coordination of one or more Community financial instruments since such operations enable many public bodies and private operators to contribute to the common objective of boosting the economy and make the impact of Community aid more effective by ensuring a better use of public resources;
18. Recalls the proposal put forward by the European Parliament for increased cooperation between the Directorates-General responsible for management of the European Social Fund, particularly Economic and Financial Affairs (DG II), Industrial Affairs (DG III), Competition (DG IV) and Employment and Social Affairs (DG V);
19. Nevertheless wishes to point out that the implementation of integrated operations requires not only more effort but also greater discipline as regards the coordination of aid, and that adequate incentives are needed for this; therefore calls on the Commission not to apply the linear reduction to the operations listed in points 1.7.1 and 4.1 of Decision 85/261/EEC;
20. Notes once again the disparity between men and women on the labour market and requests that the linear reduction not be applied to projects concerned with the integration or reintegration of women into non-traditional productive activities;
21. Stresses also the importance of supporting programmes and measures designed to benefit local microeconomic schemes;
22. Again draws attention to the need for instruments that comply with the provisions of the regulation on integrated Mediterranean programmes as regards the role of the European Social Fund;
23. Also considers that in the new guidelines the Commission should draw up a list of priorities to be applied when a shortage of appropriations forces it to decide which payments to effect;
24. Calls on the Commission to work out, in time for the next regulation, a procedure whereby projects can be selected in such a way that the linear reduction need no longer be applied;
25. Welcomes Decision 85/518/EEC which extends to Spain and Portugal the derogations made for Greece in the guidelines currently in force;
26. Repeats what it said in its resolution of 15 March 1985 as regards the need to make the Fund more democratic by giving Parliament a greater say in its operation and to this end requests that its committee responsible be able to meet the members of the Social Fund Committee at least once a year;

27. Points out that the Fund has a European vocation as well as a social vocation; emphasizes therefore the need to bring the ESF closer to its users to overcome the very real difficulties caused by the lack of transparency as regards access to the ESF and to ensure that the ESF is not used for exclusively national purposes;
28. Stresses the need for the Commission to draw up as soon as possible an 'adequate handbook for appraisal and interpretation, drawn up prior to the lodging of aid applications'. As the Court of Auditors rightly points out in its latest annual report<sup>1</sup>, 'such a handbook would be an invaluable aid for the national authorities responsible for appraising applications';
29. Requests that in the next guidelines the Commission clearly define the scope and the range, for the purposes of managing the Fund, of the criteria relating to the new technologies, and specify the professional profile of the development agent;
30. Expresses concern at the fact that assessment of the ESF is still too often based on a strict accountant's approach and does not include any precise evaluation of the specific effects of the operations and their economic and social repercussions; considers that the Commission should equip itself with the necessary investigative machinery to enable it to report in more detail and with greater precision on the management of the ESF;
31. Urges that ESF support for academic training courses be geared to relevant academic years, so that organizers and staff can plan without encountering the uncertainty of split authorization and the double administrative burden which this involves;
32. Requests that more importance should be attached to continuity of authorization over several years to ensure that full advantage be gained from ESF funding by individual operators;
33. Regrets that again in Decision 85/261/EEC the Commission has not mentioned the opinion of the European Parliament, and requests its President to decide as soon as possible along with the President of the Commission exactly how Parliament is to be consulted on the guidelines for the management of the Fund;
34. Lastly, insists that, in accordance with the undertaking given by Commissioner Sutherland at the sitting of 12.12.1985, the Commission draw up an opinion this year providing an overall review of the Fund rules so that it fully corresponds to the requirements of a Community of twelve;
35. Instructs its President to forward this resolution to the Commission and the governments of the Member States.

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<sup>1</sup> OJ No. C 326, 16.12.1985, p. 73



COMMISSION  
DES  
COMMUNAUTÉS EUROPÉENNES  
Manuel Marin, Vicepresidente

Brussels le 17 February 1986.

Mr M. Welsh  
Chairman  
European Parliament  
Committee on Social Affairs  
97 rue Belliard  
1040 Bruxelles

Mr President,

The Guidelines for the management of the Social Fund for the period 1987-1987 are due to be adopted by the Commission by 1 May 1986 in conformity with Article 6 (1) of the Council Decision 83/516/EEC. In preparing these Guidelines, the Commission will take account of any views expressed by the European Parliament in accordance with Article 6 (2) of the same Decision.

With a view to facilitating the expression of the Committee's views on the Guidelines, I would suggest that the existing text of the Guidelines for the period 1986-1988 would provide an appropriate basis for discussion. Without prejudice of course to the final decision by the Commission on the new Guidelines, I can nevertheless inform you that I do not envisage making any major changes to the existing text, particularly given the need for some degree of continuity and stability for promoters.

Yours sincerely,

Sgd. Manuel Marin

## II

*(Acts whose publication is not obligatory)*

## COMMISSION

## COMMISSION DECISION

of 30 April 1985

on the guidelines for the management of the European Social Fund in the financial years 1986 to 1988

(85/261/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Decision 83/516/EEC of 17 October 1983 on the tasks of the European Social Fund<sup>(1)</sup>, and in particular Article 6 thereof,

HAS ADOPTED THE FOLLOWING GUIDELINES:

1. **General**

1.1. Fund assistance will be concentrated on operations to further employment in:

1.1.1. the absolute priority regions as defined in Council Decision 83/516/EEC — Greece, the French overseas departments, Ireland, the Mezzogiorno, Northern Ireland;

1.1.2. areas of industrial and sectoral restructuring made up of zones assisted or proposed by the Commission to be assisted from the non-quota section of the European Regional Development Fund or assisted under Article 56 of the ECSC Treaty (see Appendix);

1.1.3. areas of high and long-term unemployment drawn up by reference to unemployment rates and gross domestic product (see Appendix).

1.2. Priority operations limited to the absolute priority regions are indicated by the letters 'AR'; those limited to these regions and the regions listed in the Appendix are marked 'R'; priority operations without regional limitation are marked 'N'.

1.3. Persons unemployed for more than 12 months are considered to be long-term unemployed.

1.4. Priority will be given to vocational training operations which:

1.4.1. equip trainees with the skills required for one or more specific types of job;

<sup>(1)</sup> OJ No L 289, 22. 10. 1983, p. 38.

- 1.4.2. have a minimum duration of 200 hours apart from whatever preparatory training which may be included ;
  - 1.4.3. include 40 hours devoted to training broadly related to new technologies, which are counted in the calculation of the minimum duration of training ; this will not apply to operations for the mentally disabled ;
  - 1.4.4. in the case of operations which further employment in Greece, the minimum duration in 1.4.2 will be reduced to 100 hours and the requirement related to new technologies in 1.4.3 will not apply.
  - 1.5. Priority will be given to theoretical instruction forming part of apprenticeship training only in the absolute priority regions or elsewhere where it concerns the disabled and the members of the families of migrant workers.
  - 1.6. Priority will not be given to assist the salary costs of public agents in the case of operations for instructors, vocational guidance or placement experts or development agents.
  - 1.7. Applications will be approved by budget item. Where appropriations are insufficient to cover priority operations, a linear reduction will be applied, calculated in proportion to the financial volume of remaining applications by each Member State. This system will also apply to a surplus of non-priority operations. In the application of the reduction preference will be given to :
    - 1.7.1. operations forming part of an integrated programme involving assistance from two or more Community financial instruments, in particular integrated Mediterranean programmes (N) ;
    - 1.7.2. operations of vocational training leading directly to specific jobs in enterprises employing less than 500 persons and linked with the application of new technology which is the subject of Community programmes of research and development (N) ;
    - 1.7.3. operations particularly dependent on Fund assistance for their implementation (N).
  - 1.8. Decisions on applications for assistance will be consistent with Community policies and will take account of compliance with Community rules.
2. Priority operations for young people under 25
- 2.1. Vocational training for persons under 18 years of at least 800 hours duration including work experience of at least 200 hours but not exceeding 400 hours and offering substantial prospects of employment (R) ; for operations to further employment in Greece the minimum work experience required will be 100 hours.
  - 2.2. Vocational training for persons whose qualifications have through experience proved to be inadequate or inappropriate preparing them for skilled jobs requiring the use of new technology (N) or in occupations offering substantial prospects of employment (AR).
  - 2.3. Recruitment to additional jobs of indeterminate duration (R) or to additional jobs of at least six months duration which fulfil a public need (AR).
3. Priority operations for persons over 25
- 3.1. Vocational training of the long-term unemployed geared to their needs and including motivation and guidance (R).

- 3.2. Vocational training for staff of undertakings with fewer than 500 employees requiring retraining with a view to the introduction of new technology or improvement of management techniques (R); by derogation of 1.4.2 a minimum duration of 100 hours will be required.
- 3.3. Recruitment of the long-term unemployed to additional jobs of indeterminate duration or to additional jobs of at least six months duration which fulfil a public need (AR).
4. Priority operations which have no age requirements
  - 4.1. Operations forming part of an integrated programme involving assistance from two or more Community financial instruments (N).
  - 4.2. Operations carried out jointly by bodies in two or more Member States (N).
  - 4.3. Vocational training linked to operations to restructure undertakings because of technological modernization or fundamental changes in demand in the sector concerned; the restructuring must substantially affect the numbers and skills requirements of the workforce. The training may relate to workers being retrained for continued employment in the undertaking, or those becoming redundant and needing jobs elsewhere (R). Priority will be given outside the priority regions where the restructuring is of an exceptional scale and is located in an area of particularly high unemployment or where the public authorities have introduced exceptional measures to support vocational training or job creation (N).
  - 4.4. Operations of vocational training leading directly to specific jobs in enterprises employing less than 500 persons and linked with the application of new technology which is the subject of Community programmes of research and development (N).
  - 4.5. Recruitment to additional full-time or part-time jobs linked to the reorganization or redistribution of work, as agreed between the social partners (N).
  - 4.6. Vocational training or recruitment to additional jobs through employment initiatives taken by local groups, with the assistance, as appropriate, of local or regional authorities, and in the context of a local expansion of employment opportunities (R).
  - 4.7. Vocational training or recruitment to additional jobs for women in occupations in which they are under-represented (N).
  - 4.8. Operations for migrant workers and members of their families :
    - 4.8.1. to assist their integration into the host country with vocational training combined with language training (N);
    - 4.8.2. to maintain knowledge of the mother tongue and provide vocational training combined, if necessary, with refresher language courses when they wish to return to the labour market of their country of origin, this applying solely to nationals of Member States (N).
  - 4.9. Operations for disabled people capable of working in the open labour market (R); vocational training for disabled people combined with a substantial degree of adaptation of work places (N).

- 4.10. Vocational training of at least 400 hours duration for persons with a minimum of three years work experience for employment as instructors, vocational guidance experts, placement experts or development agents (for the promotion of local initiatives):
- 4.10.1. in the absolute priority regions (AR);
- 4.10.2. elsewhere to further the employment and integration of migrant workers, the employment of women and the employment of the disabled (N).

5. **Priorities for specific innovatory operations**

Innovatory operations for not more than 100 persons which represent a potential basis for future Fund assistance. These should test new approaches to content, methods or organization of operations eligible for Fund assistance (N). The limitation of 100 persons will not apply to operations coming within integrated Mediterranean programmes.

Done at Brussels, 30 April 1985.

*For the Commission*

Peter SUTHERLAND

*Member of the Commission*

