

EUROPEAN PARLIAMENT

Working Documents

1983 - 1984

---

25 April 1983

DOCUMENT 1-129/83

Report

drawn up on behalf of the Committee on Regional  
Policy and Regional Planning

on Community intervention in the Naples metropolitan  
area and in the inland areas of Campania and Basilicata  
devastated by the earthquake of 23 November 1980

Rapporteur: Mr G. TRAVAGLINI

In its resolution of 7 May 1981 on 'Community intervention in favour of the Naples metropolitan area'<sup>1</sup>, the European Parliament instructed its Committee on Regional Policy and Regional Planning 'to promote...coordinated initiatives for the definition and implementation of Community actions capable of making an effective contribution to an appropriate and incisive solution to the structural, employment and environmental problems of the city and region.'<sup>2</sup>

At its meeting of 24 September 1981, the Committee on Regional Policy and Regional Planning decided to draw up a report on Community intervention in the Naples metropolitan area and in the inland areas of Campania and Basilicata devastated by the earthquake of 23 November 1980 and appointed Mr Giovanni Travaglini rapporteur.

At its sitting of 17 December 1981 the European Parliament referred the motion for a resolution by Mr Costanzo and others on specific Community regional development action for areas of southern Italy devastated by the earthquake of 23 November 1980 (Doc. 1-894/81) to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Budgets for its opinion, pursuant to Rule 47 of the Rules of Procedure. At its meeting of 23 February 1982, the Committee on Regional Policy and Regional Planning decided to consider the abovementioned motion for a resolution in this report.

At its sitting of 10 May 1982, the European Parliament referred the motion for a resolution by Mr Almirante and others on the earthquake in the regions of southern Italy (Doc. 1-197/82) to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Budgets for its opinion, pursuant to Rule 47 of the Rules of Procedure. At its meeting of 23 June 1982, the Committee on Regional Policy and Regional Planning decided to consider the abovementioned resolution in this report.

-----  
<sup>1</sup> See OJ No. C 144 of 15.6.1981, page 88.

<sup>2</sup> See paragraph 2 of this resolution.

The draft report was considered at the meetings of 3 November 1982, 28 January 1983, 24 February 1983 and 18 March 1983. At the last of these meetings the motion for a resolution was unanimously adopted with 2 abstentions. The following took part in the vote: Mr Costanzo, acting chairman; Mr Travaglini, rapporteur; Mr Berkhouwer (deputizing for Mrs Martin), Mr Blaney (deputizing for Mr Gendebien). Mrs Boot, Mr Chanterie (deputizing for Mr I. Friedrich), Mr Griffiths, Mr Harris, Mr Hutton, Mr Kazazis, Mr Klinkenborg (deputizing for Mr Karl Schön), Mr Muntingh (deputizing for Mr Treacy), Mr Konstantinos Nikolaou, Mr O'Donnell (deputizing for Mr Giummarra), Mr Vandewiele (deputizing for Mr Verroken), Mr Von der Vring and Mr Ziagas (deputizing for Mr Hume).

The opinion of the committee asked for its opinion will be published separately.

The report was tabled on 7 April 1983.

## C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION .....	5
B. EXPLANATORY STATEMENT .....	10
I - INTRODUCTION .....	10
II - THE ECONOMY OF THE MEZZOGIORNO AND COMMUNITY REGIONAL POLICY.....	12
III - THE SOCIO-ECONOMIC SITUATION OF CAMPANIA .....	22
IV - THE EARTHQUAKE-STRICKEN ZONES .....	27
V - COMMUNITY INTERVENTION IN CAMPANIA AND THE EARTHQUAKE- STRICKEN ZONES .....	30
VI - THE NAPLES METROPOLITAN AREA - THE INTEGRATED DEVELOPMENT OPERATION..	37
VII - CONCLUSIONS .....	45

ANNEX I : Resolution of the European Parliament of 7 May 1981  
(OJ No. C 144 of 15.6.1981, p. 88)

ANNEX II : Motion for a resolution tabled by Mr Papapietro, Mr Lezzi,  
Mr Travaglini and others (Doc. 1-140/81)

ANNEX III : Motion for a resolution tabled by  
Mr Costanzo, Mr Travaglini and others  
(Doc. 1-894/81)

ANNEX IV : Motion for a resolution tabled by Mr Almirante and others  
(Doc. 1-197/82)

The Committee on Regional Policy and Regional Planning hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

on Community intervention in the Naples metropolitan area and in the inland areas of Campania and Basilicata devastated by the earthquake of 23 November 1980

The European Parliament,

- having regard to its resolution of 7 May 1981 on Community intervention in favour of the Naples metropolitan area<sup>1</sup>, which was adopted on the basis of the motion for a resolution on the same subject tabled by Mr Papapietro, Mr Lezzi, Mr Travaglini and others with request for urgent debate (Doc. 1-140/81),
- having regard in particular to paragraph 2 of the aforesaid resolution,
- having regard to the motion for a resolution tabled by Mr Costanzo, Mr Travaglini and others on specific Community regional development action for areas of southern Italy devastated by the earthquake of 23 November 1980 (Doc. 1-894/81),
- having regard to the motion for a resolution tabled by Mr Almirante and others on the earthquake in the regions of southern Italy (Doc. 1-197/82),
- taking into account the motion for a resolution tabled by Mr Romualdi and others on the crisis in the Italian steel industry, particularly in the region of Naples (Doc. 1-685/82),
- having regard to the Protocol concerning Italy, which was signed by the Member States at the same time as the Treaty establishing the European Economic Community and is annexed to that Treaty,
- having regard to the report of the Committee on Regional Policy and Regional Planning (Doc. 1-129/83 ),

---

<sup>1</sup> OJ No. C 144, 15.6.1981, p.88

1. Reaffirms the Community's commitment to solving the regional development problems of the less favoured regions of the Community through the coordinated deployment of the Community's financial instruments and the coordination of Community and Member States' regional policies;
2. Reaffirms the effectiveness of the integrated development operations designed to assist the Naples metropolitan area and Belfast and hopes that this particular aid mechanism will gradually be extended to other areas in which regional development problems are particularly acute;
3. Urgently requests the Commission and the Council to step up Community aid to Naples and its metropolitan area by:
  - (a) instituting a dynamic programme of action aimed at promoting and strengthening the forward planning capacity of the authorities involved in the implementation of the integrated operation, not least by impressing on the Italian State and the regions concerned the need to adopt special procedures to reduce the time required to give effect to the various programmes. Because of the scale of the work involved, it is all the more important for the practical coordination measures - which, it is recognized, have so far been effective - to be strengthened, ensuring their optimum application through extensive and permanent liaison with the authorities and institutions responsible for the aid schemes. It is likewise necessary for the authorities in question to strengthen their operating structures.
  - (b) introducing specific measures similar to those which were proposed by the commission for Belfast<sup>1</sup> and approved by Parliament in a resolution of 14 May 1982<sup>2</sup> to promote urban redevelopment schemes and regional planning in the Neopolitan area, or, alternatively, authorizing a part of Italy's ERDF quota to be granted as interest subsidies on loans contracted to the Italian State for the financing of such schemes,
  - (c) recommending that the EIB should foster the development of the Naples metropolitan area by increasing its financial support for industrial productive activity and recommending that the Commission should make contributions which genuinely supplement the productive investments fostered by national regional policy incentives, especially with a view to strengthening the position of small and medium-sized undertakings.
  - (d) reconsidering the possibility of increasing the Community's contribution to interest subsidies on loans for the reconstruction of the areas devastated by the earthquake to one-third of the interest on such loans,

-----  
<sup>1</sup> See OJ No. C 346, 31.12.1981, p. 1

<sup>2</sup> See OJ No. C 149, 14.6.1982, p. 142.

- (e) allocating to the Naples metropolitan area and the other earthquake-stricken areas sufficient resources from the European Social Fund to cope with the serious employment problems of these areas and to meet their special vocational training needs,
  - (f) ensuring that the Community authorities make a coordinated and more positive effort, within the framework of the current integrated operation, to increase the number, the size and the development potential of the services in the Naples metropolitan area providing technical aid to the productive sectors, to develop appropriate structures for the provision of real services and, in general, to bring the standard of the area's information services up to a more satisfactory level,
  - (g) providing special assistance for the restructuring of the Naples steel industry and placing special emphasis on the Community's ad hoc measures<sup>1</sup> for areas such as the province of Naples with a view to maintaining overall employment levels, particularly in the event of the restructuring process resulting in redeployment;
4. Calls on the Commission and the Council to give priority to the introduction of an integrated operation for the development of the areas of Campania and Basilicata which were devastated or severely damaged by the earthquake in November 1980. The central objective of this integrated operation should be to strengthen the entire infrastructure, to protect and improve rural life in the broadest sense of the term, to promote tourist activities, to foster the growth of the craft sector, small businesses, the agri-foodstuffs industry and animal husbandry and to encourage the spread of facilities and structures which could strengthen hill and mountain farming in the areas in question;
5. Since the integrated operations must also be more effectively developed in the medium and the long term, calls on the Commission and the Council:
- (a) to carry out an early and comprehensive review of the common policies in accordance with the mandate of 30 May 1980, while ensuring that the development of the less favoured regions (which obviously include the Italian Mezzogiorno and, in particular, Campania and Basilicata) is their prime objective, in line with what has been consistently advocated by the present Parliament,

<sup>1</sup> See Regulation (EEC) No. 2616/80 instituting a specific Community regional development measure contributing to overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the steel industry (OJ No. L 271, 15.10.1980).

- (b) within the framework of the integrated development operations, to raise to 30% points the increased rate of the Regional Fund's contribution provided for by Article 29 of the proposal for a regulation amending Regulation 724/75<sup>1</sup>, in order to surmount the difficulties encountered by the authorities responsible for implementing the integrated operations in raising the necessary financial resources. Again within the framework of the integrated development operations, the European Parliament must take a firm political stand and urge the European Investment Bank to make the requisite funds available. The European Regional Development Fund would cover half the rate applied to the interest subsidy on the loans granted.
- (c) to further assist in the improvement of the quality of Mediterranean agricultural production and to implement without further delay an appropriate common policy for the strengthening of agricultural structures,
- (d) to act in accordance with Parliament's resolution of 16 February 1982<sup>2</sup> and create a Development Fund for the Mediterranean Regions,
- (e) to establish a Community transport policy which, by making Community financial support available for the strengthening of transport infrastructures and providing for the adoption of a tariff policy in conformity with Article 80 of the Treaty, would ensure that transport was no longer a serious drain on the economic resources of the peripheral regions of the Community,
- (f) to launch a Community industrial strategy which would enable the less favoured regions to realize their full potential through the increased use of indigenous resources and a more systematic exploitation of the complementarity that exists between regions in the same and in other Member States. In this connection, the Mediterranean programmes, which should be generously financed, must in future be made to incorporate development projects which go far beyond the Commission's initial recommendations and also take sufficient account of non-agricultural sectors;

-----  
1 see OJ No C 336, 23.12.1981, p. 60 ff.

2 OJ No C 66, 15.3.1982: Pottering report, Doc. 1-736/81



6. Instructs its President to forward this resolution and the report of its committee to the Council and the Commission, the regional and provincial authorities of Campania and Basilicata and the authorities of the Commune of Naples.

EXPLANATORY STATEMENTI - INTRODUCTION

1. At its sitting of 7 May 1981, the European Parliament adopted a motion for a resolution tabled by Mr Papapietro, Mr Lezzi, Mr Travaglini and others on Community intervention in favour of the Naples metropolitan area,<sup>1</sup> instructing the Committee on Regional Policy and Regional Planning to 'promote, in common with the other responsible parliamentary committees and with the national and local authorities, coordinated initiatives for the definition and implementation of Community actions capable of making an effective contribution to an appropriate and incisive solution to the structural, employment and environmental problems of the city and region'.<sup>2</sup>

The present report is intended as a response to that mandate.

2. On 23 February 1982<sup>3</sup>, the Committee on Regional Policy and Regional Planning decided to deal in the same context with the problems raised by the motion for a resolution tabled by Mr Costanzo, Mr Travaglini and others on specific Community regional development action for the areas of southern Italy devastated by the earthquake of 23 November 1980<sup>4</sup>.
3. The authors of the motion urge the Commission 'to draw up as a matter of extreme urgency, a proposal for a regulation concerning specific Community regional development action for those areas of the southern Apennines most seriously affected by the earthquake of 23 November 1980, under Art. 13 of the EEC Regulation 75/724'<sup>5</sup> so as to 'ensure higher levels of employment and improved income and living conditions for the local people, with a view to recovery and balanced development in all areas of production, through structural and infrastructural aid for agriculture, industry, handicrafts and tourism'.<sup>6</sup>

-----  
<sup>1</sup> OJ No. C 144, 15.6.1981, p.88 - Doc. 1-140/81

<sup>2</sup> Ibid. para. 2 of the resolution

<sup>3</sup> Minutes of meeting of 23/24 February 1982, PE 77.500, p.3

<sup>4</sup> Doc. 1-894/81

<sup>5</sup> Ibid. letter (a)

<sup>6</sup> Ibid. letter (b)

4. On 23 June 1982<sup>1</sup>, the Committee on Regional Policy and Regional Planning adopted a decision similar to the one mentioned above, in respect of the motion for a resolution by Mr Almirante and others on the earthquake in the regions of southern Italy<sup>2</sup>, which, following the earthquake of 21 March 1982 which again struck the regions of the Mezzogiorno, called on the Council and the Commission 'to review the aid programmes set up after the previous earthquake of November 1980, to take account of the new disaster that has struck these people'.<sup>3</sup>

Finally, on 3 November 1982,<sup>4</sup> the Committee on Regional Policy decided that the motion for a resolution by Mr Romualdi and others on the crisis in the Italian steel industry, particularly in the region of Naples,<sup>5</sup> could also be dealt with in the same context.

5. As a result, the scope of the present report, as defined by the European Parliament's resolution of 7 May 1981, will be extended to deal with the problems raised by the three abovementioned motions for resolutions.
6. In order to decide on the Community actions and initiatives to be promoted, it is first necessary to analyse current joint Community and national measures and to assess their effectiveness and suitability as regards the socio-economic situation of Naples and its region in particular, and of the Mezzogiorno in general - an already serious situation which has deteriorated considerably following the two earthquakes of 23 November 1980 and 21 March 1982 respectively.

-----  
<sup>1</sup> Minutes of meeting of 22/23 June 1982, PE 79.700

<sup>2</sup> Doc. 1-197/82

<sup>3</sup> Ibid. para. 2

<sup>4</sup> Minutes PE 81.779, p.11

<sup>5</sup> Doc. 1-685/82

## II - THE ECONOMY OF THE MEZZOGIORNO AND COMMUNITY REGIONAL POLICY

7. 'The results of the most recent studies of the social situation of the South and the trend in the principal socio-economic indicators both suggest that the southern question in relation to the country as a whole is no longer merely a 'general priority' or 'central concern' as in the past, but a matter of whether the Mezzogiorno is capable of 'holding out' in the face of the impending risk of irreparable damage to its socio-cultural fabric.' These are the opening words of the Regional Development Programme for the Mezzogiorno 1977-1980, which was proposed to the EEC as a regional development programme for Italy and adopted by the Community in the context of its regional policy.

At that time, only five years ago, 625,000 Southern Italians were in search of employment, including 402,000 young people between the ages of 15 and 29. In the fifteen years preceding that date, 4,046,000 Southern Italians had left the Mezzogiorno.

Yet the country had made considerable efforts to prevent the progressive decline of the South: in the decade 1964-74, investment as a percentage of GDP was higher than in the rest of the country - 28.6% against 20.8% in the Centre-North.

In 1982 there were 1,331,882 registered unemployed in Southern Italy, almost a million of whom were young people.<sup>1</sup> Half of Italy's total unemployment is concentrated in the Mezzogiorno. In 1980, the gross domestic product of the Mezzogiorno at market prices was 23.7% of that of the whole country, a value which had remained unchanged by comparison with previous years, while per capita GDP, which was 70.6% of the average for the whole country in 1973, had fallen to 68.2%. Investment in the Mezzogiorno fell from 31.7% of total investment in Italy in 1973 to 29.8% in 1980, with an alarming drop in industrial investment: placing the value of industrial investment at 100 in 1973, by 1980 the index had fallen to 70% for the Mezzogiorno, having dropped as low as 54% in 1978, while in the Centre-North the index rose to 17% above the 1973 value.

-----  
<sup>1</sup> Figures supplied by the Italian Ministry of Employment

The number of those employed in industry, in the strict sense, per thousand inhabitants in the Mezzogiorno (a very significant indicator for assessing the degree of industrialization in the various areas and its development) is half the figure for the Centre-North (56.1 against 128.8).<sup>1</sup>

8. The trend in per capita GDP gives a succinct picture of the development of the internal economy of the Mezzogiorno. The following table<sup>2</sup> shows the levels of per capita GDP and the growth rates in the period following the oil crisis for the various regions of the Mezzogiorno. The Abruzzi, Molise and Basilicata recorded very high growth rates, while Calabria was at the other extreme.

Regions	Level of per capita GDP (Italy = 100)		Growth rate of per capita GDP 1974-1980 (%)
	1973	1980	
- Abruzzi	76.9	80.9	2.88
- Molise	61.3	74.2	5.01
- Campania	69.6	67.1	1.85
- Apulia	73.4	69.4	1.36
- Basilicata	66.5	73.1	4.04
- Calabria	59.5	56.0	1.10
- Sicily	72.1	67.0	1.40
- Sardinia	76.2	75.5	2.05
- Mezzogiorno	70.6	68.2	1.79
- Centre-North	115.8	117.6	2.45
- Italy	100.0	100.0	2.24

The average annual rates of increase in GDP in the Mezzogiorno for the period 1970-73 (3.9%) and the period 1974-80 (1.79%) were little different from the Community average. Particularly for this second period, if the very low values recorded in Denmark and the United Kingdom are excluded, the figures are clearly comparable.

<sup>1</sup>SVIMEZ (Association for the development of industry in the Mezzogiorno): Report on the economy of the Mezzogiorno, 1981.

<sup>2</sup>SVIMEZ, *ibid.*

9. If the disparity is measured in terms of the relationship between the various GDP, it does not vary, the annual rate of increase being equal. However, if it is measured - still with an equal annual rate of increase - in terms of the actual difference in GDP (an unusual, but brutally realistic method of assessing the situation), the richer countries emerge more favourably; a trend towards balance would only occur if the annual rates of increase were considerably higher for the less prosperous countries or regions.
10. The comparison is still less favourable if applied to the various regions of the Community countries. At present the ratio between the per capita GDP of Calabria and that of the richest regions of the Community of Nine (Stuttgart, Hamburg, etc.) is of the order of 1:6! the average citizen of Calabria has an average income equal to one-sixth of that of the average citizen of Hamburg.

In addition, the ratio between the average per capita GDP of the ten richest and ten poorest regions of the Community has risen over a period of eight years from a value of 3.05 to one of 4.3, an increase of about 50%. This is a clear and significant indication of the growing disparity in the development of the regions of Europe. All the regions of the Mezzogiorno figure among the ten poorest regions of the Community.

11. Guidelines for a more effective development policy in the Mezzogiorno were laid down some time ago. The SVIMEZ reiterates them in the report referred to above.

Although unemployment is on a similar scale and the work force is less dynamic than in the 1950s, the Mezzogiorno undoubtedly has a much wider, more modern industrial base than at that time. An industrial presence has developed which is extremely well structured in terms of both regional distribution and scale.

However, it is also true that industrialization has been extremely uneven in southern Italy with a large part of the area being excluded, that by comparison with the North a relatively high proportion of existing industry is in serious difficulty and, above all, that the revival in industrial investment is more halting in the Mezzogiorno, an indication of its continuing status as a less profitable zone for the siting of industry and thus of the continuing need for a differentiated industrial policy, particularly in respect of incentives.

12. In the Mezzogiorno as elsewhere, only the non-agricultural sectors can have a decisive impact on the growth of employment. The possibility of reducing the disparity between the two parts of the country depends to a large extent on a more intensive development of these sectors in the Mezzogiorno than in the Centre-North. This can only be achieved through a revival of the process of industrialization.

However much its development can and must be stepped up, agriculture can make only a limited contribution to the growth of GDP in the Mezzogiorno. (At present, agricultural output in the Mezzogiorno accounts for 12-13% of overall GDP. This means that even if agricultural output increased at a very high rate, say 4%, the effect on overall GDP would be less than 0.6% per annum).

13. On what scale is intervention needed to attenuate the serious employment situation in the Mezzogiorno?

The SVIMEZ study estimates that 1,500,000 new jobs need to be created in the Mezzogiorno in the next decade in the non-agricultural sectors merely to reduce the present rate of unemployment by half. It is difficult to quantify the investment required because, in assessing the cost of creating jobs, account must be taken not only of the diversity of the sectors of production but also of investments in restructuring and reconversion which are also extremely variable. Furthermore, the expansion of industrial production will not in future necessarily mean an increase in the labour force. The application of technical progress and new technologies will mean that, for the same level of production, the workforce will be reduced and the number of those employed in planning, research and development, and promotion and marketing will increase. The development of industrialization involves all these new aspects of industrial production.

14. The financial commitment needed to attain satisfactory results in developing the process of industrialization in the Mezzogiorno is of such magnitude as to require a genuine display of Community solidarity on a scale far greater than has yet been achieved.

The Community openly acknowledges that the regions most seriously affected by regional problems are those in the south of Italy and, in particular, Calabria (the poorest region in Europe) and Campania.

Using as indicators the per capita GDP at current exchange rate prices and the long-term unemployment rate (6 months) and with the EUR 9 index equal to 100, the First Periodic report on the social and economic situation of the regions of the Community<sup>1</sup> produced a scale of the relative intensity of regional problems for the various regions of the Community, which showed particularly significant results for the Mezzogiorno:

<u>Region</u>	<u>Index</u>	<u>Region</u>	<u>Index</u>
- Calabria	18.32 (the poorest region in Europe)	- Italy	55.32
- Campania	25.58	- Scotland	69.17
- Sicily	29.46	- Languedoc	76.41
- Sardinia	32.16	- Midi Pyrenees	81.63
- Apulia	32.34	- Brittany	83.04
- Molise	34.62	- ...EUR 9	100
- Basilicata	35.38	- Lombardy	108.04
- Ireland	38.01	- Stuttgart	211.99
- Abruzzi	38.25	- Hamburg	227.56
- Northern Ireland	43.80	- Luxembourg	281.64

The figures speak for themselves: the situation in the Mezzogiorno is one which requires action as an absolute priority.

15. In addition, the gravity of the regional problems of the Mezzogiorno was well known, in general terms at least, at the time of the signing of the Treaties, when the need for a special Community commitment was recognized in the Protocol on Italy, an act attached to the Treaties under which the Community undertook to make special efforts to assist the southern regions of Italy. Taking note of Italy's development programme for the Mezzogiorno and its campaign against unemployment, the Member States considered that 'the institutions of the Community should, in applying this Treaty, take account of the sustained effort to be made by the Italian economy in the coming years and of the desirability of avoiding dangerous stresses in particular within the balance of payments or the level of employment, which might jeopardise the application of this Treaty in Italy.'

<sup>1</sup>-----  
COM(80) 816 final



16. Twenty-five years later, the regional policy of the Community has not achieved satisfactory results.

The Treaty did not make explicit provision for a 'regional development policy' among the common policies listed in Article 3. Nevertheless, the fact remains that regional development and redistribution is one of the fundamental justifications for the European construction and one of the very reasons why the decision to launch the Community was taken. The founder members, 'anxious to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less favoured regions',<sup>1</sup> and for the other well-known motives of great political and social importance, set Europe on the road to integration.

The Treaty stipulated that the aims of the Community should be achieved by promoting a harmonious development of economic activities and a continuous and balanced expansion, through the establishment of a common market and the progressive approximation of economic policies, thereby establishing, unequivocally, that the common market is only a means, not an end in itself.

In the communiqué issued following the 1972 Paris Summit, the Heads of State or Government agreed that 'a high priority should be given to the aim of correcting, in the Community, the structural and regional imbalances which might affect the realization of Economic and Monetary Union'. The Heads of State or Government undertook to coordinate their regional policies and 'desirous of directing that effort towards finding a Community solution to regional problems', decided on the establishment of the European Regional Development Fund (ERDF).

This decision by the 1972 Summit amounts to an open acknowledgement of the inadequacy of 'indirect' measures, those measures deriving from the general and sectoral policies previously implemented in pursuance of the objective of regional redistribution.

---

<sup>1</sup>Preamble to the EEC Treaty

By that time, in fact, the disparity between the richer and less favoured regions of the Community had already grown. The creation of a financial instrument specifically intended to promote development in the less favoured areas was the inevitable consequence of this situation. However, this decision was certainly not intended to transfer to the Fund the entire process of and full responsibility for regional development and redistribution. It was clear - although in practice this did not happen - that all the common policies were meant to develop within their own individual sectors, while at the same time making a contribution to regional development.

17. Furthermore, a close examination of the Treaties shows that the regional component should have been a constant point of reference for all the common policies laid down, as far as criteria and, in some cases, methods of intervention are concerned.

Following a wide-ranging and detailed debate, Parliament confirmed definitively the validity of this interpretation of the Community's tasks. In its resolution of 19 September 1980<sup>1</sup> on the regional development programmes, which was adopted unanimously, Parliament pointed out that the abovementioned aim of reducing the differences between the regions was one of the reasons for the existence of the Community and one of its fundamental objectives and confirmed that 'the improvement of the productive structures of the least prosperous regions is one of the essential conditions for the attainment of economic convergence'<sup>2</sup> and that 'all the common policies must be more effectively developed and properly coordinated so as to ensure that they make a decisive contribution to the process of developing the less favoured regions'.<sup>3</sup> In the same resolution Parliament also affirmed the value of the regional development programmes as instruments for coordinating all Community, national and regional measures for the integrated development of the regions concerned.

-----  
<sup>1</sup>OJ No. C 265, 13.10.1980, p. 71 - Doc. 1-347/80

<sup>2</sup>Para. 3 of the abovementioned resolution

<sup>3</sup>Ibid. para. 4

18. In brief, it can be said that the ERDF has acted effectively to promote the development of the least favoured regions of the Community and that it is continuing to do so. Launched cautiously as recently as 1975 with funds that were totally inadequate for its institutional functions, the ERDF has performed consistently in recent years. As a result of unanimous and effective appeals by Parliament, the funds granted to it, initially in the region of 300 m ECU, now amount to about 2,000 m ECU. Italy receives a quota (for the Mezzogiorno only) equal to 35.49%, the equivalent of 620.48 m ECU in 1982.

This is slightly less than 10% of the annual appropriation provided for in the bill submitted to the Italian Parliament for special intervention in the Mezzogiorno for the period 1983-1990.

The contribution of the Community's sectoral policies, however, has not been of the same magnitude.

19. The common agricultural policy has failed to provide adequate support for Mediterranean products and the improvement of agricultural structures. Although Mediterranean products account for almost 20% of the Community's agricultural output, they received contributions amounting to about 7-8% of the Community's agricultural spending until only a few years ago, when they were raised to 14-15%. Community support for the improvement of agricultural structures is derisory: the funds allocated to the EAGGF, Guidance Section, the Fund set up for this purpose, have been reduced from the equivalent of one quarter of the Community's agricultural spending in the early 1970s to one fifteenth, despite increases in recent years obtained through Parliament's insistence.

20. The Community's industrial structures policy has been totally inadequate. The Member States are going ahead with the restructuring and reconversion of their productive apparatus in complete isolation, without exploiting the national and regional complementarity which alone can give the Community's productive system unity. It is clear that one of the consequences is that the Community is less able to contribute to extending the industrial productive apparatus into the less favoured regions.

Recently the Commission and Council have shown greater interest in the Community's industrial structures policy. Parliament has acted vigorously to stimulate and promote action in this field, the most recent, and perhaps most significant instance being its resolution of 17 June 1982<sup>1</sup> in which it called strongly for a Community industrial strategy based not only on the liberalization of the internal market, but also and mainly on the organization of common measures in the production sector, in the field of incentives to investment, in the sectors of energy policy and research, in the organization of labour, in taxation and in the capital market. The Commission's new proposals are being considered by the Council.

21. Another Community policy which has failed to yield positive results is transport. Parliament has decided<sup>2</sup> to bring an action before the Court of Justice against the Council for failure to act. Particularly serious in this connection is the absence of a Council decision on the proposal for a regulation on support for projects of Community interest in transport infrastructure, which has been before the Council since 1976. It is evident that the peripheral regions of the Community are more severely affected by the absence of Community initiatives in the transport sector.
22. Despite these shortcomings, the Community's specific regional policy instrument, the ERDF, and the European Investment Bank have so far played an important role in coordinating the Member States' efforts to develop the less favoured regions.

The overall action taken by these two institutions is reflected in the following figures:

-----  
<sup>1</sup> Resolution on a Community industrial strategy, in particular para.1, OJ No. C 182, 19.7.1982, p. 57 - Doc. 1-350/82

<sup>2</sup> Resolution of 16 September 1982 on the institution of proceedings against the Council of the European Communities for failure to act in the field of transport policy (OJ No. C 267, 11.10.1982, p. 62 - Doc. 1-420/82) and statement by the President of the European Parliament at the sitting of 13 January 1983

Year	ERDF Total commitment appropriations <sup>1</sup>	Appropriations earmarked for projects in the Mezzogiorno <sup>2</sup>
1975	300	95.76
1976	500	137.22
1977	500	108.22
1978	581	226.18
1979	945	381.01
1980	1,165	458.91
1981	1,540	721.97
1982	1,759	620.48
1983	2,010	...

<sup>1</sup> Figures up to 1978 are given in m UA; figures for subsequent years are in m ECU

<sup>2</sup> Figures given in m ECU

(in m ECU)

European Investment Bank		
Total finance from 1959 to 1981		
EEC	Italy	Mezzogiorno
* 1,2 18,243.6	7,864.7 <sup>2</sup>	5,945.5 <sup>3</sup>

\* Of this total, 12,866 m ECU was allocated for development aid - see table 4, pp. 30 & 31 of the EIB annual report for 1981

<sup>1</sup> At 1981 prices about Lit 34,000,000 million

<sup>2</sup> See table 7, p. 46 of the EIB annual report for 1981

<sup>3</sup> Figure obtained from EIB estimates; of the amount shown, 489.9 m ECU was allocated from NCI resources.

### III - THE SOCIO-ECONOMIC SITUATION OF CAMPANIA

23. For Campania, where most of the area concerned by the integrated operation and the earthquake intervention measures is situated, the European regional map provides the following characteristic data (some of which have been updated by the results of the most recent surveys):

population density	350 inhabitants/km <sup>2</sup>	(EUR 9 = 171)
annual population increase (1976-79)	4%	( " 2%)
birth rate (1979)	15%	( " 12.2%)
unemployment rate (1981)	13.7%	( " ) <sup>1</sup>
youth unemployment rate (1981)	16.2%	( " ) <sup>1</sup>
index of gross value added per inhabitant (1978)	85%	( " 100)
index of gross value added per person employed (1978)	85%	( " 100)
quota of agriculture in gross value added (1977)	10%	( " 4.1%)
quota of industry in gross value added (1977)	35%	( " 41.2%)
quota of services in gross value added (1977)	55-60%	( " 54.7%)

Other more specific and more recent data confirm the serious degree to which the area is retarded:

Gross value added 1979  
(at current exchange rate prices)

	<u>ECU</u>
<u>Naples</u> (province)	2738
<u>Campania</u>	2702
<u>Italy</u>	4037
EUR 9	6150

-----  
<sup>1</sup> Figures not yet available at Community level

Unemployed

(registered at employment exchanges)

Naples (province) 332,800 (February 1982)  
variation February 82/February 81 : + 32.1%

Campania 572,500 (February 1982)  
variation February 82/February 81 : + 35.7%

Italy 2,304,400 (February 1982)  
variation February 82/February 81 : + 18.2%

EUR\_9  
variation June 82/June 81 : + 22%

By way of a summary of some of the most indicative overall statistics,  
it can be noted that:

the region of Campania represents 4.5% of the total surface area  
of Italy  
9.6% of the resident Italian  
population  
and only 6.4% of the value added;  
the rate of unemployment (13%)  
is almost double that of Italy  
(7.6%)

It should also be noted that in Campania the quotas of total value added

agriculture 10.7%  
industry 30.7%  
services 58.4%

and the distribution of the working population (1979)

agriculture 20.4%  
industry 31.9%  
services 47.7%

by comparison with the Italian and Community averages show:

- (a) a strong incidence of agriculture (Italian quota  
of value added 7.4%)  
EUR 9 quota: 1977 value  
added 4.1%  
Italian quota of farming  
activities 13.9%  
EUR 9 quota of farming  
activities 6.7%)

(b) industrial backwardness	Italian quota of value added	40%
EUR 9 1977	" " " "	41.2%
	Italian quota of industrial activities	31.9%
	EUR 9 quota of industrial activities	40.2%

A closer look at the data relating to agriculture shows that, despite the importance of sectors with high quotas of value added per unit, at macro-economic level Campania's agriculture is marked by flaws and backwardness. The following figures, taken from the large-scale structural survey performed by the Community in 1975 are very significant:

	<u>Campania</u>	<u>Italy</u>	<u>EUR_9</u>
% of farm managers over the age of 55	46	49	33
% of farms with land areas of less than 10 ha.	96	89	64
average land area of farms in ha.	3.1	6.2	14.8
index of value added per person employed	75	100	
Community parameter of economic size of farms	2.3	3.2	6.8
% of animal products out of total final production	21.1	40.4	58.4
number of cattle per 100 ha. of UAA	53	54	90
% of farms using tractors	47	57	73

24. The two following tables show the most significant economic data concerning Campania, with a breakdown by individual province. The relevance of these data as far as the past is concerned and the trends they display will be examined in the following chapters.



Average annual rates of variation (%) 1973-1980

Indicators	Caserta	Benevento	Naples	Avellino	Salerno	Campania	Mezzogiorno	Ital
Value added per inhabitant (constant prices)	1.9	2.2	1.1	3.0	1.8	1.6	1.6	2.0
Total value added (constant prices)	3.2	2.5	2.1	3.4	2.6	2.5	2.5	2.5
Industrial value added (constant prices)	4.0	6.8	1.5	9.1	4.4	3.0	3.2	2.3
Resident population	1.2	0.2	0.9	0.3	0.8	0.9	0.8	0.5
Workforce	2.5	-0.7	1.9	0.6	1.3	1.6	1.2	1.0
Employed	1.8	-0.5	1.4	0.8	0.5	1.1	0.9	0.8
Unemployed	7.2	-3.1	5.4	-0.9	8.0	5.4	4.4	3.8
Beds in medical institutions	-0.7	2.8	-0.4	2.5	-1.7	-0.5	0.6	-0.7
Rooms	4.5	2.5	2.7	0.9	3.0	2.9	3.8	3.1
Telephone subscribers	12.4	11.0	4.6	9.3	10.0	6.3	7.3	6.2
Road-building								
Motor vehicles	4.5	5.8	2.2	7.1	5.7	3.6	4.7	4.1
<b>Bank branches</b>	<b>1.3</b>	<b>0.4</b>	<b>1.1</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>1.2</b>	<b>1.1</b>

Sources: ISTAT: (1) added value: National Accountancy Yearbook; (2) employment and unemployment: Monthly statistical bulletin; (3) Infant mortality, medical institutions, road-building, motor vehicles: Italian statistical yearbook; (4) Rooms: Information bulletin.

Telephone subscribers: UNIONCAMERE - The income produced in the Italian provinces

Bank branches: BANK OF ITALY - Bulletin.

Socio-economic indicators for 1980

Indicators	Caserta	Benevento	Naples	Avellino	Salerno	Campania	Mezzogiorno	Italy
Value added per inhabitant (Lit 1,000 1981)	4,389	3,912	4,238	3,675	4,305	4,209	4,282	6,180
% of total value added:								
- agriculture	20.0	19.6	5.4	14.9	15.3	10.7	12.9	7.4
- industry	30.7	25.1	31.5	30.7	30.7	30.9	30.6	40.0
- commercial services	35.3	37.9	45.1	36.7	39.6	41.7	38.6	39.8
- non-commercial services	14.0	17.4	18.0	17.7	14.4	16.7	17.9	12.8
Workforce (1000 units)	296	112	951	165	381	1,905	7,023	22,280
Employed (1000 units)	252	104	825	150	326	1,657	6,207	20,582
Unemployed as % of workforce	14.9	7.1	13.2	9.1	14.4	13.0	11.6	7.6
Deaths per thousand during first year of life	17.4	14.2	17.9	18.6	15.3	17.3	17.2	14.4
Beds in medical institutions per 1000 inhabitants	6.7	4.6	7.9	4.5	8.7	7.4	8.0	9.6
Rooms per 100 inhabitants	126.3	138.4	98.9	112.6	124.1	110.5	136.1	153.9
Telephone subscribers per 100 inhabitants	11.6	12.2	20.1	8.8	12.9	16.2	15.0	21.3
Road-building per 100 km <sup>2</sup> of surface area	102	166	215	134	87	123	82	98
Motor vehicles per 100 inhabitants	18.5	19.3	19.2	16.8	19.5	19.0	21.0	30.0
Bank branches per 100,000 inhabitants	7.5	12.8	9.6	7.5	9.8	9.4	14.3	21.3

Sources: ISTAT: (1) added value: National Accountancy Yearbook; (2) employment and unemployment: Monthly statistical bulletin; (3) Infant mortality, medical institutions, road-building, motor vehicles: Italian statistical yearbook; (4) Rooms: Information bulletin.

Telephone subscribers: UNIONCAMERE - The income produced in the Italian provinces

Bank branches: BANK OF ITALY - Bulletin.

#### IV - THE EARTHQUAKE-STRICKEN ZONES

25. In October 1981 the Italian Ministry for the Budget and Economic Planning submitted to the CIPE<sup>1</sup> its report on the earthquake, with an estimate of the damage caused to housing as a result of the earthquake of 23 November 1980 in the regions of Basilicata, Campania and Apulia:

27,627 dwellings destroyed, including 23,177 in Campania and 4,318 in Basilicata,  
292,018 dwellings seriously damaged,  
470,729 dwellings slightly damaged.

More than Lit 9,000,000 million will be required to rebuild or repair these dwellings, in addition to the damage running to millions of lire to factories, agriculture and structures in the tertiary sector. The entire productive structure is in disarray over a vast area and there are immense problems in providing temporary shelter for the homeless. The initial phase of the emergency, which was marked by great difficulties, has been overcome and rebuilding has begun. The task is arduous and will require time.

26. The earthquake severely affected the inland areas of Campania and Basilicata, which, after years of underdevelopment, had just begun a slow and difficult process of recovery.

In the period 1974-80, Basilicata as a whole recorded an annual growth rate in per capita GDP of more than 4% against an average of 1.8% for the Mezzogiorno and 2.4% for the country, raising the per capita GDP from 66% of the national average to 73%.

Campania as a whole experienced a marked regression (from 69.6 to 67.1% with an annual growth rate of 1.85%). However, the province of Avellino, the most severely affected by the earthquake, recorded a growth rate in value added per inhabitant (at constant prices) of 3% (as against only 1.1% for Naples), practically double the average for the Mezzogiorno, and a rate of 8.1% for value added in industry against a national average of 2.3%. Avellino and Benevento were among the few provinces in which the annual rate of increase in unemployment was negative during the same period.

-----  
<sup>1</sup> Interministerial Committee for Economic Planning

The number of those employed in undertakings with more than ten workers, insignificant in the past, reached 25.1 per thousand inhabitants in the province of Avellino in 1980.

The industrial development of the earthquake-stricken inland zones of Campania and Basilicata will centre on the establishment of twenty industrial areas (twelve in Campania, eight in Basilicata). The infrastructures are under construction and a vast promotional operation is being undertaken by a development agency to encourage the settlement of productive activities in these areas.

The productive potential of the earthquake-stricken areas will certainly not be exhausted by industry. Agriculture and the services will remain essential components of the activities in these communities.

27. The share of agriculture<sup>1</sup> in the formation of value added in the provinces of Campania is as follows: Caserta 20%, Benevento 19.6%, Naples 5.4%, Avellino 14.9%, Salerno 15.4%, Mezzogiorno 12.9% and Italy 7.4%. The average productivity for agriculture in the Mezzogiorno is 62% of that of the Centre-North (in 1951 it was 86%).<sup>1</sup> These figures are sufficient to show, on the one hand, the importance of agriculture in the economies of the southern regions, particularly Campania, and, on the other, the structural difficulties which characterize it and the major commitment required to reduce them as a result.

Despite the considerable efforts being made to combat them, the major difficulties are again found in the inland regions, mainly as a result of the harshness of the land and the reluctance to make use of technical and productive innovations, which have nevertheless allowed considerable development in the lowland areas.

There is no need to reiterate the by now widely accepted guidelines on the measures required to develop agriculture in the inland zones of the Mezzogiorno. Of priority importance are those measures aimed at:

(a) gradually restoring the value added of agricultural production by the association of producers (already taking place to a large extent), thereby involving them more closely in the marketing and processing of products; this would make it possible to expand the market to include

-----  
<sup>1</sup> Data and remarks taken from the recent study by SVIMEZ (Association for the development of industry in the Mezzogiorno) on Development prospects in the Mezzogiorno, Rome, 1982.

products which are already plentiful in hill and mountain areas (in 1981 the province of Avellino alone produced 470,000 quintals of hazelnuts, 375,000 quintals of cherries and 1,200,000 quintals of grain);

(b) developing integrated agri-food systems, centred on the agricultural processing industry in the area and organized by undertakings (especially cooperatives) with the direct participation of producers themselves;

(c) developing zootechnics, for which there are extensive potential outlets on the internal market.

28. As far as the tertiary sector is concerned, it should be stressed that commercial services are constantly expanding in the inland provinces of Campania:

% of total value added (1980)

	Caserta	Benevento	Naples	Avellino	Salerno	Mezzogiorno	Italy
Commercial services	35.3	37.9	45.1	36.7	39.6	38.6	39.8
Non-commercial services	14.0	17.4	18.0	17.7	14.4	17.9	12.8

This is a further indication of waning welfare dependence and the improvement of the indigenous capacity for development. In the earthquake-stricken areas, this process has been halted by the disaster. Community assistance could have a decisive impact on the resumption of development in these areas, through the promotion of an appropriate integrated operation.

V - COMMUNITY INTERVENTION IN CAMPANIA AND THE EARTHQUAKE-STRICKEN AREAS

Given below are the data relating to intervention in Campania by the Community's various financial instruments. However, it should first be specified that:

- (a) because of currency and exchange-rate fluctuations the figures are not totally accurate;
- (b) with the sole exception of the ECSC, where they refer to payments made, the figures refer to the sums committed under the various financial instruments;
- (c) in some cases, and particularly for 1981, the figures given may differ from those which may be obtained from other sources; this is because there is a time lapse between the date when a measure is decided and the date when it is fed into and processed by the computer memory;
- (d) a distinction has of course been made between 'Subsidies' and 'Loans'.

. Subject to the reservations expressed above, the Community intervention referred to includes the integrated development operation in Naples.

. The Community financial instruments applicable to Campania are as follows:

- European Regional Development Fund (ERDF)
- European Social Fund (ESF)
- European Agricultural Guidance and Guarantee Fund (Guidance Section) (EAGGF)
- specific measures for the energy sector
- aid for the conversion and restructuring of the man-made fibres industry (Art. 375)
- emergency aid for the victims of natural disasters
- European Investment Bank (EIB)
- interest rebates under the European Monetary System (EMS)
- financial assistance from the European Coal and Steel Community (ECSC)
- loans under the New Community Instrument (NCI)

. Up to 1981 Campania received a total of Lit 690,601 million<sup>1</sup> in direct subsidies and Lit 714,941 million in loans. In addition, the region received a total of Lit 49,861 million in multiregional subsidies and Lit 841,200 million in multiregional loans.

<sup>1</sup> ESF aids granted before 1976 cannot be broken down at regional level and are therefore not included in the present total.

(i) Subsidies

31. EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF)

- . Between 1975 and the end of 1981, the Regional Fund allocated (committed) a total of Lit 560,510 m in subsidies to Campania for 830 projects. This sum represents about 23% of total ERDF subsidies (commitments) to Italy since 1975. Almost 90% of the subsidies for Campania went to finance 634 infrastructure projects, while the remaining 10% of the aid was used for 198 industrial and services projects. There were 7 study projects, which received an overall subsidy of Lit 4,820 m.
- . Out of the total of 839 projects, 34 involved investments exceeding 10 m ECU. These large-scale projects included the creation of infrastructures for industrial installations in Naples and Caserta, road and rail links around Naples, hydraulic and water purification projects, the construction of new factories for copper rods and refrigerators, a cement works and the new urban centre of Naples.

32. ERDF - SPECIFIC COMMUNITY ACTIONS IN PROGRESS IN THE MEZZOGIORNO AND THE EARTHQUAKE-STRIKEN AREAS

- . Of the five measures making up the 'non-quota' section of the ERDF, which have already been dealt with in general in the working document on the definition of the Community's regional financing instruments, in particular the integrated development operations<sup>1</sup>, three relate either wholly or in part to the areas in question here. Given below are the available data on the progress made with each of the three measures in the abovementioned zones.

(i) Specific Community measure contributing to the development of certain French and Italian regions in the context of Community enlargement (Regulation (EEC) No. 2615/80)<sup>2</sup>

- . In the context of this measure and in application of the relevant regulation, the Italian Government has submitted to the Commission a special programme of measures to assist small and medium-sized undertakings, craft industries and rural tourism in the Mezzogiorno, aimed at

-----  
<sup>1</sup>PE 81.687, p. 36

<sup>2</sup>OJ No. L 271, 15.10.1980

developing economic activities outside agriculture and creating alternative jobs, in order to offset the unfavourable effects of Community enlargement on the region's competitiveness.

- . The Mezzogiorno, with its predominance of agriculture, specializes in the same type of agricultural production as Greece, Spain and Portugal and the enlargement of the Community to include these countries will mean greater competition for the region's agriculture and is likely to aggravate its problems still further.
- . The contribution from the Regional Fund ('non-quota' section) to the abovementioned special measure is 65 m ECU (about Lit 78,840 m) for the period 1981-1985. The total cost of the initiatives is 114.75 m ECU (about Lit 137,726 m).
- . After consulting the Regional Fund Committee, the Commission approved the programme in question on 3 December 1981 and on 23 December committed the first annual quota, for the financial year 1981, of about 16 m ECU. At the present time (May 1982) no payments have yet been made.

(ii) Specific Community measure contributing to overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the steel industry (Regulation (EEC) No. 2616/80)<sup>1</sup>

- . This measure concerns a number of regions in Belgium, Italy and the United Kingdom. With regard to Italy, the basic regulation stipulates that the area concerned is the province of Naples.
- . In this area as elsewhere the aim of Community support from the 'non-quota' section of the Regional Fund will be to provide aid for the reclamation of derelict sites, housing, advice on management or organization, innovation and access to risk capital for small and medium-sized undertakings.

-----  
<sup>1</sup>OJ No. L 271, 15.10.1980



- . The total scheduled ERDF contribution is 43 m ECU for the period 1981-1985, of which only 4 m ECU is intended for the Naples area.
- . At the present time (May 1982), the Italian Government has not yet submitted the special programme, requested in the basic regulation, concerning initiatives in the abovementioned sectors for the province of Naples.
- (iii) Specific Community measure contributing to improving security of energy supply in certain Community regions by way of improved use of new techniques for hydro-electrical power and alternative energy sources (Regulation (EEC) No. 2618/80)<sup>1</sup>
- . This measure concerns the mountain areas of the Italian Mezzogiorno.
- . In these areas the aim of Community support from the 'non-quota' section of the Regional Fund will be to contribute to the installation of mini-turbines, generators and equipment, demonstration projects and feasibility studies and technical innovation.
- . To this end, the Italian Government submitted a special programme to the Commission, approved by the latter on 10 June 1981 following consultation of the Regional Fund Committee.
- . The programme makes provision for the following measures: construction of hydro-electric power stations, research into small-scale hydraulic resources and experiments with wind and biogas energy.
- . The total cost of these measures, which are to be implemented in the period 1980-1984, is estimated at 34 m ECU (about Lit 43,269 m).
- . The scheduled Community contribution from the 'non-quota' section of the Regional Fund for the abovementioned period is 16 m ECU (about Lit 20,188 m.)
- . Of this amount, an initial quota of ERDF aid of about 5 m ECU has already been committed, of which 30% had already been paid on 30 December 1980.

-----  
<sup>1</sup> OJ No. L 271, 15.10.1980

33. EUROPEAN SOCIAL FUND (ESF)

- . Between 1976 and 1981 Campania received direct aid from the Social Fund totalling Lit 84,960 million for the retraining of around 66,000 people, (the figures for the period prior to 1976 cannot be broken down by region). In addition, the region received indirect grants from national and multi-regional organizations such as GEPI, IRI, ENAIP, the Fund for Southern Italy, etc., which distribute aid throughout Italy.
- . The direct aid breaks down into two categories:
  - Lit 82,164 million (97% of the total), granted pursuant to Article 5 (Regions) for conventional programmes of training for the unemployed organized by regional bodies. These programmes involved 65,308 people;
  - the other Lit 2,189 million, allocated to projects concerning young people (Article 4).

34. EUROPEAN AGRICULTURAL GUIDANCE AND GUARANTEE FUND (EAGGF) - GUIDANCE SECTION (direct measures)

- . Between 1964, when it was set up, and the end of 1980 the EAGGF, Guidance Section granted Lit 30,123 million to Campania (direct measures). Around 56% of this total was allocated between 1964 and 1979 in accordance with Regulation 17/64, which provided for funds to be granted to improve conditions in agriculture and to market agricultural products. In Campania eighty-five projects received aid under this regulation.
- . The remaining 44% was granted to ten projects between 1978 and 1981, pursuant to Regulation 355/77, which provides that the EAGGF, Guidance Section may help to finance improvements in the processing and marketing of agricultural products.

- . In 1981 for the first time Lit 500 million was allocated for irrigation work under Regulation 1362/78 and Lit 321 million for the restructuring of the inshore fishing industry under Regulation 1852/78.
- . In accordance with Regulation 269/79 Lit 1,060 million was granted for the first part of a special programme of forestry measures in Campania.
- . Lists of the projects financed by the EAGGF, Guidance Section are published in the Official Journal.

35. SPECIFIC ENERGY MEASURES

- . Since 1975 Community aid totalling Lit 1,254 million has been granted to a specific energy project in Campania for the two phases of the exploitation of the Mofete geothermal field.

36. CONVERSION AND RESTRUCTURING OF THE MAN-MADE FIBRES INDUSTRY  
ARTICLE 375

- . In 1979, on the basis of this article, a project in Campania received aid totalling Lit 3,108 million for the construction of a factory producing polyester fibre for use in preconditioned polyester.

37. EMERGENCY AID FOR VICTIMS OF NATURAL DISASTERS

- . In February 1981 the Council adopted Decision 81/19, providing for loans to be granted to Italy in the context of the new Community instrument to construct production capacity and infrastructures in the earthquake-stricken areas of Campania and Basilicata. These loans and those granted by the European Investment Bank for the same purpose will together amount to around Lit 1,200,000 million and will carry a 3% interest rebate.

38. EMS INTEREST REBATES

- . Two of the Campania projects financed by the EIB between 1979 and 1981 benefitted from the 3% interest rebate available for projects undertaken in the less prosperous countries of the Community which participate fully in the EMS. Campania received Lit 13,685 million through this channel. In 1981 Campania benefitted from interest rebates of 3%

for multiregional projects - Lit 45,766 million granted by the EIB for four projects and Lit 2,277 million by the NCI for one project.

(ii) Loans

39. EUROPEAN INVESTMENT BANK (EIB) and NEW COMMUNITY INSTRUMENT (NCI)

. The aid granted to Campania since the introduction of the Community's two financial instruments is summarized below:

AID TO CAMPANIA (1958-30.6.1982) PRINCIPAL DATA -----			
	Number	Lit 1,000 m	m_ECU
AID FROM EIB RESOURCES			
- investments in Campania	301	743.7	782.9
of which small and medium-scale initiatives	228	137.1	124.1
- multiregional investments (i.e. involving Campania and other regions)	8	323.7	280.2
- reconstruction of earthquake-stricken areas (Campania and Basilicata)	6	105.0	81.4
-----			
TOTAL	315	1,172.4	1,144.5
-----			
AID FROM NEW COMMUNITY INSTRUMENT RESOURCES			
- investments in Campania	1	20.0	15.8
- reconstruction of earthquake-stricken areas (Campania and Basilicata)	5	376.0	296.4
-----			
TOTAL	6	396.0	312.2
-----			
GRAND TOTAL	321	1,568.4	1,456.7
-----			
of which			
- investments in Campania	302	763.7	798.7
- multiregional investments	8	323.7	280.2
- reconstruction of earthquake-stricken areas	11	481.0	377.8
-----			

40. ECSC LOANS

- . Loans granted to Campania from the ECSC Fund totalled Lit 53,781 million between the Fund's inception and the end of 1981. In 1981 a loan of Lit 33,063 million was allocated to a project in the Campania region. All sums were granted to industry pursuant to Article 54.

VI - THE NAPLES METROPOLITAN AREA - THE INTEGRATED DEVELOPMENT OPERATION

41. In the ten years 1971-1981 the population of Campania rose by 349,000, or 6.9%, which was virtually double the increase in Italy as a whole (3.9%). Within Campania the province of Naples showed a record increase of 8.9%, almost two and a half times the average in the Community of Nine (3.9%). The increase did not occur in the city of Naples, whose population fell by 1.3% over the same period, but in the communes outside the capital of the province, which saw their population rise at the unprecedented rate of 17.1%. The population density in the conurbation comprising Naples and the band of neighbouring communes reached the astronomical figure of 6,358/km<sup>2</sup>.

There has been a massive shift of population from the urban centres, which are in severe decline, to the areas outside the administrative capital.

The substantial efforts to expand and rationalize the peripheral road system, which is nevertheless not yet complete, have not been backed up by prompt large-scale intervention to develop the railway network, particularly within the conurbation. 'The high population density, the lack or inadequacy of appropriate public services and the structural deficiencies in the transport system are directly reflected in the efficiency and typology of the productive system and in the level of employment'.<sup>1</sup>

A breakdown of employment by sector of activity in the province of Naples (1981) reveals an over-large services sector (59.1% of the working population; Campania 52.6%, Italy 49.3%). Industry accounts for 29.7% of employees (Campania 28.8%) and agriculture 11.2% (Campania 18.6%).

-----  
<sup>1</sup>ECOTER (Institute for economic and regional research and planning - Via Sallustiana 26 - ROME): Naples integrated operation, September 1982

The large percentage of employees in public administration - 29.2%, half the percentage employed in the services sector - is not a promising sign.

42. The crucial aspects of this trend have been identified once again in the most recent studies<sup>1</sup> as:

- (a) imbalance between population and regional resources as a result of the excessive concentration of population in an area which is limited in size and difficult to exploit. The gradual 'thickening', already referred to, of the residential belt immediately adjacent to the city is the most obvious manifestation of this imbalance. Although many productive activities have moved away from the centre, there have been frequent, and in some areas increasing instances of 100,000 workers commuting daily from residential areas into the city with almost as many travelling in the opposite direction. This is further evidence of the malfunctioning of the housing-productive structures system, which has become must more difficult to rationalize.
- (b) excessive supply of labour and inadequate qualifications. This is a structural element which has been seriously exacerbated in recent years by the general economic crisis. 'The level of redundancies and of unemployment, particularly among young people, is so high that, taken in perspective and in relation to local population growths, it is a conditioning factor of dramatic importance in both economic and social terms'.<sup>1</sup> In 1981 13.7% of the labour force in Campania was out of work as compared with 8.4% in the country as a whole. Of the 1,056,000 members of the labour force in the province of Naples, 161,000 were unemployed, including 110,000 who were looking for their first job.
- (c) excessively large services sector. The abnormal growth in administrative services and in the consumption of retail trade services resulting from the high concentration of population 'appears at the present time more likely to depress than actively to encourage development'.<sup>1</sup>

-----  
<sup>1</sup> ECOTER (Institute for economic and regional research and planning - Via Sallustiana 26 - ROME): Naples integrated operation, September 1982

- (d) adverse effect of deficiencies in infrastructure on the expansion of tourism. Naples has vast tourist potential based on the city's incomparable natural attributes and its formidable cultural and artistic tradition which are sufficiently well known to require no further description here. The development of tourism is hindered by the decline of the entire urban structure and, following on this, its failure to function properly, unsatisfactory services and the inadequacy of facilities more directly related to tourist requirements.
- (e) the services actually available for productive activities. It is now generally accepted that the development of a modern industrial system must be based on the full expansion of back-up structures, beginning with those designed to guide production activities. The ECOTER study already referred to summarizes the deficiencies as:
- an average size which is still far smaller than that of advanced industrial systems,
  - excessive concentration in one area which discourages the expansion of new settlements towards the interior of the region,
  - lack of advanced-technology 'terminal' sectors capable of guaranteeing the independence of the local productive system,
  - lack of decision-making centres, at present located outside the region, which could rectify the absence of leadership within the industrial system and encourage the training of a local managerial class,
  - absence of centres for applied research within companies which could promote innovation, in relation to both production and technology, and the modernization of the productive system,
  - limited availability of energy sources for local initiatives.
43. Faced with the seriousness and complexity of the structural, employment and, in general, social and economic situation in the Naples metropolitan area, the European Community has taken action in the context of the institutional powers with regard to development and regional redistribution assigned to it by the Treaties and, in particular, by the financial instrument constituted by the ERDF.

A system of intervention was introduced for this purpose known as an integrated operation, which the Commission still considers to be in an experimental stage, since the only other area in addition to Naples where it has been introduced is Belfast, a region whose problems are of a different kind but similarly on the verge of becoming intolerable.

The first 'official' definition is the substantially identical one which may be obtained from the annual reports on the European Regional Development Fund for 1979<sup>1</sup> and 1980<sup>2</sup> and which runs as follows<sup>2</sup>:

'An integrated operation is formed from a coherent group of measures and public and private investments designed to aid economic and social development of a given geographical area to which national central, regional and local authorities contribute with the Community by way of the various Community financial instruments for structural policy purposes'.

The important point here is that the above merely defines a concept of coordination which should govern a certain category of Community and national measures with regional policy objectives, or at least located in the regions, without having any legal status or scope in the proper sense of the term. It is in effect a political and operational commitment.

An integrated regional development operation comprises a group of measures and public and private investments within a limited geographical area where there are particularly serious problems, relating especially to industrial or urban expansion or decline, which may have an adverse effect on the development of the region concerned.

As indicated by the Commission<sup>3</sup>, the objectives to be achieved through the fullest possible coordination of resources and procedures are as follows:

- (a) to concentrate in the selected area greatest possible number of measures and the greatest volume of financial resources;
- (b) thereby to encourage the implementation of new projects (catalyst effect);

-----  
<sup>1</sup> See COM(80) 460 final of 29.7.1980, p. 28

<sup>2</sup> See COM(81) 370 final of 12.8.1981, p. 15

<sup>3</sup> See inter alia COM(80) 460 final, point 62



- (c) to facilitate completion of projects which would otherwise have taken a very long time to implement (acceleration effect);
- (d) to achieve greater and more tangible results than the sum of what is achieved by each measure considered in isolation (compound impact).

For a more comprehensive general discussion of the new procedure constituted by integrated development operations, see the working document on the definition of the Community's regional financing instruments, in particular the integrated development operations<sup>1</sup>

44. The development objectives for the Naples metropolitan area are basically those set out in the various specific plans for public intervention produced in the last ten to fifteen years, the most recent being the regional planning guidelines adopted by the Regional Council on 22 April 1982 and the special project for the Naples metropolitan area proposed in the 1977 five-year plan on the basis of the special intervention in the Mezzogiorno.

The objectives clearly indicated in the context of the special intervention are as follows:

- firstly, to expand structures and services, particularly in connection with the port and airport and, in coordination with standard measures, with transport in general;
- secondly, to reorganize and develop services by creating specific market structures, grouped and located for the purposes of large-scale distribution;
- thirdly to guarantee employment in industry both by means of appropriate promotional programmes for the restructuring of the industrial system and through the creation of the infrastructures needed to facilitate the installation of new industries and the possible restructuring of basic industries.

-----  
<sup>1</sup> See PE 81.687, p. 4 et seq.

45. The measures covered by the integrated operation are summarized in the synoptic table annexed to this chapter<sup>1</sup>, which was taken from the September 1982 ECOTER report on the subject<sup>2</sup>. The description of the measures in the individual sectors is also taken from this report.

Infrastructure measures account for 70% of expenditure on the measures originally envisaged in the 'file' and 97% of the supplementary measures which have already started or were due to start in 1982 (columns A and D of the synoptic table).

46. An analysis of this table reveals the following:
- (i) of particular significance are the sanitary and aquaduct projects to which the aid initially envisaged in the file amounted to more than Lit 870,000 million, or 18.7% of total expenditure. Finance on this scale is essential both to enable the above facilities to meet the requirements of Naples and its hinterland and to bring them up to modern city standards;
  - (ii) following the earthquake, projects for urban and residential housing construction have assumed absolute priority and urgency so that, whereas in the original file only about 4% of total expenditure was allocated to such projects, supplementary investments have been approved totalling more than Lit 1,200,000 million or 28% of the total;
  - (iii) more than Lit 1,900,000 million (around 41% of total expenditure) has been allocated to projects in the transport sector (road, harbour, airport, etc. infrastructures) which are considered essential for the social and economic development of the area;
  - (iv) also of major importance is the commitment to develop productive activities in industry and the craft sector, which have been allocated more than Lit 1,000,000 million in investment.

-----  
<sup>1</sup> See table on page 44 of this explanatory statement

<sup>2</sup> See point 41 of this explanatory statement and the corresponding footnote (p. 37)

Additional appropriations will shortly be added to this total in order to finance a coherent group of measures which cannot yet be quantified;

- (v) relatively much more modest in scale is the expenditure on agriculture (around Lit 197,000 million), which is naturally of limited importance to the economy of the metropolitan area, and on the traditional services sector (around Lit 325,000 million), where the principal aim is to introduce rationalization measures.

SYNOPTIC TABLE OF THE COST OF THE MEASURES UNDER THE NAPLES INTEGRATED DEVELOPMENT OPERATION, BROKEN DOWN BY CATEGORY (in relation to specific objectives) AND STAGE OF IMPLEMENTATION

(Lit m)

Specific objectives and categories of measures	'File' measures			Supplementary measures already started or due to start in '82 (revised cost)	Total measures already started or due to start in '82 (rev. cost)
	Total initial cost	Already started (revised cost)	Due to start in '82 (revised cost)		
	A	B	C	D	E=(B+C+D)
1. Work and voc. training	101,052	600	-	7,000	7,600
1.1.Act.labour policy	-	-	-	-	-
1.2.Voc. training	101,052	600	-	7,000	7,600
2. Agriculture	197,230	76,342	5,000	-	81,342
2.1.Modernization	12,000	3,700	-	-	3,700
2.2.Irrigation	40,000	43,000	5,000	-	48,000
2.3.Agri-indus.integr.	145,230	29,642	-	-	29,642
3. Services	325,352	16,500	58,330	45,002	119,832
3.1.Distribution	91,060	16,500	31,000	6,000	53,500
3.2.Services to undertakings	430	-	-	-	-
3.3.Scientific research	134,232	-	27,330	39,002	66,336
3.4.Communications	96,630	-	-	-	-
4. Industry and crafts	1,066,000	187,494	35,982	13,500	236,976
4.1.Infrastr. for ind.	27,067	-	35,982	11,500	97,482
4.2.Ind. measures	1,038,147	187,494	-	2,000	189,494
4.3.Crafts	786	-	-	-	-
5. Housing	1,065,485	890,897	680,190	1,452,742	3,023,829
5.1.Resid. and urban housing	192,300	23,400	30,000	1,232,461	1,285,96
5.2.Sanitary work	564,740	867,497	299,732	131,822	1,299,05
5.3.Acqueducts	308,445	-	350,458	88,359	438,817
6. Transport	1,900,095	52,348	511,059	64,700	628,107
6.1.Extraurban infrastr.	97,863	-	76,902	10,000	86,902
6.2.Urban infrastr.	49,000	8,910	-	4,500	13,410
6.3.Extraurb.pub.trans.	690,865	27,800	185,742	-	213,542
6.4.Urban public trans.	840,200	-	232,000	-	232,000
6.5.Airport	100,000	-	-	-	-
6.6.Harbour works	122,167	15,638	16,415	50,200	82,253
Studies and programmes	6,307	-	5,700	-	5,700
TOTAL	4,661,521	1,224,181	1,296,261	1,582,844	4,103,386,000

VII - CONCLUSIONS

47. Taken as a whole the structural and employment problems concentrated in the Naples metropolitan area are, by their nature and scale and by their complex interdependence, among the most serious and perhaps the most serious in the Community. They have deep-rooted causes, which have been identified and analyzed in a multitude of political, social and economic literature, and have been exacerbated to such an extent by war damage, earthquakes and the current major economic crises that they can no longer be entirely resolved at national level. Decisive aid is needed from the European Community, which has already identified the Naples area as a typical example of the regional imbalances within the Community, having selected it for a specific integrated operation.
48. This operation consists primarily of efforts to coordinate Community and national measures which, though commendable and productive as a result of the commitment by the Community bodies, cannot make a decisive contribution towards solving the extremely serious problems facing the area.
49. The European Parliament was aware of these limitations and in its resolution of 7 May 1981<sup>1</sup> instructed the Committee on Regional Policy and Regional Planning 'to promote, in common with the other responsible parliamentary committees and with the national and local authorities, coordinated initiatives for the definition and implementation of Community actions capable of making an effective contribution to an appropriate and incisive solution to the structural, employment and environmental problems of the city and region'.
50. Community studies into the economic situation of the regions have shown that, after Calabria, Campania faces the greatest number of problems.
- Community aid to the Naples metropolitan area should therefore be increased and it is for the Committee on Regional Policy and Regional Planning to propose practical lines of action.

-----  
<sup>1</sup>See OJ No. C 144, 15.6.1981, p.88

51. There are at present two major deficiencies in the integrated operation:
- (a) the lack of measures designed specifically to introduce an active labour policy, which is nevertheless a fundamental objective of the programmes issued by the regional and local government authorities and which is an absolute necessity in the present acute employment crisis;
  - (b) shortcomings in the provision of services to industry, although in the various programmes such services are intended to stimulate and direct retraining and the expansion of the area's productive apparatus.
52. However, even by adjusting and supplementing the Naples integrated operation as indicated above, using all the Community financial instruments at present available, this operation, despite its major importance for the development of the area, is not sufficient in itself to solve permanently the extremely serious problems which are peculiarly characteristic of the social and economic situation of the city and its hinterland.

It is therefore necessary not only to intensify Community action within the context of the existing financial instruments but also to develop medium and long-term measures which include the Mezzogiorno, and in particular the Naples metropolitan area and the inland areas of Basilicata and Campania among the Community regions whose development is indispensable for European integration. It is extremely important that Parliament should draw attention to the relevance of the 'Italy Protocol', which was drawn up at the same time as the Treaty of Rome in order to take account of the problems facing the Mezzogiorno and of the campaign against unemployment, and should appeal to the executive Community institutions to take the necessary action.

53. Further possible action in the short term, using the available Community instruments, may be summarized as follows:
- (a) in view of the more serious nature of the regional problems facing Campania (second only to Calabria), the ERDF should allocate more funds to this region;
  - (b) the Community should intervene more effectively to stimulate and encourage measures under the direct responsibility of the region and Commune of Naples and of the communes involved in the integrated operation.

The failure to allocate to these bodies a sufficient proportion of the ERDF aid so far granted to Campania is a curious fact and one which is counterproductive from the point of view of the exercise of their institutional powers: of a total of Lit 206,000 million allocated to the region in 1981, only 1,000 million related to projects under the responsibility of the regional authority. The situation did, however, improve in 1982, when there was a substantial increase in funds granted to projects undertaken by the local and regional authorities. However, should these bodies fail to come up with adequate initiatives, the Community should help to overcome the problem, since the difficulties encountered by the local and regional authorities with regard to programming and planning are a result of the complex structural factors at the root of the region's underdevelopment. The European Parliament frequently stressed that these problems affect many of the least developed regions in the Community and also requested 'the Commission to consider the advisability of establishing a 'European Development Company' which can offer the regions concerned the appropriate expertise and thus meet the need for development and an effective transfer of technical and administrative know-how to the disadvantaged Mediterranean regions'<sup>1</sup>. It would now be appropriate to set up an institute of this kind and to locate its headquarters in Naples, in view of the specific nature of the problems and structural characteristics in that area;

- (c) the Commission should authorize part of the ERDF quota allocated to Italy to be used to help finance urban renewal in Naples by means of interest rebates on loans contracted by the Italian State for this purpose (unless an appropriate separate non-quota operation, which would be fully justified, is considered feasible).
- (d) in order to take due account of the problems facing Campania and Basilicata which were dramatically intensified by the earthquake in November 1980, an appropriate integrated operation should be launched in these areas with a view in particular to improving agricultural structures, protecting and improving rural life in the broadest sense of the term, promoting tourist activities, fostering the growth of the craft sector and of small and medium-sized businesses and in general promoting productive and non-agricultural

-----  
<sup>1</sup> See paragraph 7 of the resolution of 16 February 1982 on a 'Mediterranean plan' (OJ No. C 66, 15.3.1982, p. 26 - report by Mr Pöttering, Doc. 1-736/81)

activities, using methods adapted to the traditions, preferences and specific requirements of the communities devastated by the earthquake. Particular impetus should be given to the agri-foodstuffs industry and to the development of cooperation;

- (e) in addition to a further increase in the finance provided to productive projects in Campania, the EIB should be urged to select these projects more carefully so as to give preference to the launching of industrial productive activities, by means also of a gradual programme of encouragement and incentives, thereby transferring to such measures the emphasis hitherto placed on the major public service authorities (waterworks, electricity, gas, communications and transport, etc.);
- (f) the ECSC should devote particular attention to maintaining employment levels among workers in the Naples steel industry by encouraging restructuring and guaranteeing redeployment within the area; a permanent overall reduction in the number of jobs would come at a time when the social and economic situation is already virtually intolerable;
- (g) the Commission and Council should take up the proposal originally put forward by Parliament to increase to 5% the Community's contribution (now fixed at 3%) to the interest rebate on the loan of 1,000 million ECU granted for reconstruction work following the earthquake of November 1980, and should provide immediately for the loan to be increased to a level more consistent with the vast scale of the reconstruction operation.

54. In the medium and long-term a solution to the problems facing not only the Naples metropolitan area but also the earthquake-stricken areas of Campania and Basilicata and the entire Mezzogiorno, is closely dependent on a Community commitment to such aspects as development and regional redistribution in accordance with principles and methods frequently recommended by Parliament and in particular by the Committee on Regional Policy and Regional Planning.

55. The resolution of 19 September 1980 on the regional development programmes<sup>1</sup> clearly indicates the new guidelines for action which involve developing all the common policies (agriculture, industry, transport, etc.) in accordance with

<sup>1</sup>See OJ No. C 265, 13.10.1980, p. 71 - Doc. 1-347/80



principles which do not give exclusive priority to the expansion of established sectors but also ensure a decisive contribution to the development of the Community's less favoured regions. It is therefore necessary to:

- eliminate the distortions in the common agricultural policy (in particular greater support for Mediterranean products and strengthening of agricultural structures);
- proceed with the launching of a transport policy both by strengthening infrastructures of Community interest (in this connection communications with the extreme peripheral areas of the Community must be fully operational and by encouraging compliance with Article 80 of the Treaty concerning communications in the less favoured regions.

56. More particularly it is essential to:

- adopt the regulation on Community support for transport infrastructures<sup>1</sup> which has been before the Council since 1976, and to include among the priority measures the extension of the railway and harbour infrastructures in the Mezzogiorno in order to provide a more reliable link with the other areas of the Community;
- implement, by means of practical proposals which the Council has already asked the Commission to submit, a Community industrial strategy designed to harmonize the measures taken by the Member States so as to provide the Community with a properly structured productive system based on complementary national measures. Through this guidance and encouragement the Community should enable the less favoured regions to realize their full potential through the increased use of indigenous resources and a more systematic exploitation of the complementarity that exists between regions in the same and other Member States. In this context the Mediterranean programmes should in future include appropriate measures to develop non-agricultural sectors.

57. In addition, attention should again be turned to the proposals submitted by the Commission to the Council in 1973 for the launching of a separate regional policy, which the Council accepted only as regards the creation

<sup>1</sup> See OJ No. C 207, 2.9.1976, p.9

of the Regional Fund and of the Regional Policy Committee. The proposals which were not accepted concerned: (a) the allocation of part of the EAGGF, Guidance Section resources to measures designed to replace jobs lost in agriculture; (b) the setting up of a company for regional development acting as an information centre for European industry and as the holder of minority or temporary interests in undertakings to be set up in the development areas; (c) the implementation of a European system of guarantees to promote Community support for loans for regional development.

58. Finally, steps must be taken to implement the 'Mediterranean plan' to assist the Mediterranean countries belonging to the European Community, in accordance with the resolution of 16 February 1982 adopted unanimously by the European Parliament<sup>1</sup>, by entering sufficient initial appropriations under the appropriate heading (Article 552) of the general budget of the EEC for the next financial year. This plan should give priority to resolving the problems facing the Naples area and the Mezzogiorno as a whole.

---

<sup>1</sup>See OJ No. C 66, 15.3.1982, p. 26 - report by Mr Pöttering, Doc. 1-736/81

Thursday, 7 May 1981

— *Motion for a resolution Doc. 1-140/81.*

Parliament adopted the following resolution:

#### RESOLUTION

on Community intervention in favour of the Naples metropolitan area

*The European Parliament,*

- having regard to the damage suffered by the city of Naples following the earthquake of 23 November 1980, which affected an extensive metropolitan area with some 6 million inhabitants;
  - having regard to the exceptional economic, social and cultural problems highlighted and aggravated by the earthquake to such an extent that, in the absence of adequate and rapid intervention, all possibility of restoring the structures of production, housing which is at present in an almost desperate condition and certain aspects of the artistic, architectural and educational assets of the city is likely to be jeopardized,
  - noting that the city of Naples is not only an example of a European metropolis with a long-standing historical tradition, but also a centre with a significant production potential, so that intervention is essential in order to restore the production apparatus and civilian structures to permit balanced and integrated development of the city and region,
  - convinced that the reconstruction, restoration, the reactivation of production and the improvement of the employment situation and social facilities in Naples call for a major contribution by the cultural and technical forces of the whole of Europe.
1. Calls upon the Commission to implement the requests unanimously formulated by the European Parliament in its resolution of 18 December 1980<sup>(1)</sup> and to accelerate the practical implementation of the integrated project for Naples which must be linked to similar Community initiatives to assist the regions of Campania and Basilicata;
  2. Instructs its Committee on Regional Policy and Regional Planning to promote, in common with the other responsible parliamentary committees and with the national and local authorities, coordinated initiatives for the definition and implementation of Community actions capable of making an effective contribution to an appropriate and incisive solution to the structural, employment and environmental problems of the city and region;
  3. Instructs its President to forward this resolution to the Commission and Council.

<sup>(1)</sup> OJ No C 346, 31. 12. 1980, p. 56.

# European Communities

---

## EUROPEAN PARLIAMENT

# Working Documents

1981 - 1982

---

10 April 1981

DOCUMENT 1-140/81

### MOTION FOR A RESOLUTION

tabled by Mr PAPAPIETRO, Mr LEZZI, Mr TRAVAGLINI,  
Mr BARBI, Mr CARIGLIA, Mr de PASQUALE, Mr VITALE,  
Mr d'ANGELOSANTE, Mr CARDIA, Mr IPPOLITO, Mr ZECCHINO,  
Mr COSTANZO, Mr GHERGO, Mr DEL DUCA, Mr FANTI,  
Mr ANTONIOZZI, Mrs SQUARCIALUPI, Mrs GAIOTTI DE BIASE,  
Mr GOUTHIER, Mrs BADUEL GLORIOSO and Mr VERONESI

with request for urgent debate  
pursuant to Rule 14 of the Rules of Procedure.

on Community intervention in favour of the Naples  
metropolitan area

The European Parliament,

- having regard to the damage suffered by the city of Naples following the earthquake of 23 November 1980, which affected an extensive metropolitan area with some 6 million inhabitants;
  - having regard to the exceptional economic, social and cultural problems highlighted and aggravated by the earthquake to such an extent that, in the absence of adequate and rapid intervention, all possibility of restoring the structures of production, housing which is at present in an almost desperate condition and certain aspects of the artistic, architectural and educational assets of the city is likely to be jeopardized,
  - noting that the city of Naples is not only an example of a European metropolis with a long standing historical tradition, but also a centre with a significant production potential, so that intervention is essential in order to restore the production apparatus and civilian structures to permit balanced and integrated development of the city and region,
  - convinced that the reconstruction, restoration, the redevelopment of production and employment and the furtherance of civic development in Naples call for a major contribution by the cultural and technical forces of the whole of Europe,
1. calls upon the Commission to implement the requests unanimously formulated by the European Parliament in its resolution of 18.2.1980 and to accelerate the practical implementation of the integrated project for Naples which must be linked to similar Community initiatives for the benefit of the regions of Campania and Basilicata;
  2. instructs its committee on regional policy and regional planning to promote, in common with the other responsible parliamentary committees and with the national and local authorities, coordinated initiatives for the definition and implementation of Community actions capable of making an effective contribution to an appropriate and incisive solution to the structural, employment and environmental problems of the city and region;
  3. instructs its President to forward this resolution to the Commission and Council.

JUSTIFICATION OF THE REQUEST FOR URGENT PROCEDURE

The serious damage suffered by the city of Naples following the earthquake of 23 November 1980 and the urgent need for Community intervention to solve the problems resulting from the earthquake.

---

EUROPEAN PARLIAMENT

Working Documents

1981 - 1982

---

16 December 1981

DOCUMENT 1-894/81

MOTION FOR A RESOLUTION

tabled by Mr COSTANZO, Mr TRAVAGLINI, Mr VERGEER,  
Mr ZECCHINO, Mr PÖTTERING, Mrs BOOT, Mr LANGES,  
Mr NOTENBOOM, Mr ALBER, Mr GOPPEL, Mr DIANA,  
Mr BARBI, Mr RUMOR, Mr DESCHAMPS, Mr LIMA,  
Mr DEL DUCA, Mr HERMAN, Mr SASSANO, Mr GIUMMARRA,  
Mr ADONNINO, Mr GHERGO and Mr ANTONIOZZI

on behalf of the Group of the European People's  
Party (Christian-Democratic Group)  
and Lady ELLES  
pursuant to Rule 47 of the Rules of Procedure

on specific Community regional development  
action for the areas of southern Italy  
devastated by the earthquake of 23 November 1980

The European Parliament.

drawing attention to the resolutions adopted at the plenary sitting of 18 December 1980 on Community aid for areas in southern Italy devastated by the earthquake of 23 November 1980;

pointing out that in both resolutions the European Parliament stresses that 'the extreme gravity of this earthquake calls for measures which must not only have an immediate effect but also contribute, in the longer term, to reconstruction and to the solution of the age-old structural problems which have been worsened by the recent disaster';

whereas at that session, Parliament asked for 'organic and coordinated measures to be taken on a basis similar to that adopted for the integrated actions' financed by the non-quota section of the European Regional Development Fund; and therefore it invited the Commission and the Council to 'draw up and approve, as soon as possible, a specific regulation for a Community action in the areas affected by the earthquake';

given that, a year after the terrible event, Parliament's proposals have not led to any initiative by the Commission;

noting that, while the installation of prefabricated houses as temporary accommodation for the stricken population in the affected areas is proceeding satisfactorily, the resumption of productive activity is proving to be slow and difficult;

Urges the Commission

- (a) to draw up as a matter of extreme urgency, a proposal for a regulation concerning specific Community regional development action for those areas of the southern Apennines most seriously affected by the earthquake of 23 November 1980, under Art. 13 of the EEC Regulation 75/724;
- (b) to plan, in addition to this specific Community action, appropriate financial aid from the Community, together with national financing for the same areas, in accordance with the aims of the Community policy of restoring regional balance, so as to ensure higher levels of employment and improved income and living conditions for the local people, with a view to recovery and balanced development in all areas of production, through structural and infrastructural aid for agriculture, industry, handicrafts and tourism.

# European Communities

---

EUROPEAN PARLIAMENT

# Working Documents

1982-1983

---

3 May 1982

DOCUMENT 1-197/82

MOTION FOR A RESOLUTION

tabled by Mr ALMIRANTE, Mr BUTTAFUOCO,  
Mr PETRONIO and Mr ROMUALDI

pursuant to Rule 47 of the Rules of Procedure

on the earthquake in the regions of Southern  
Italy



The European Parliament,

- (a) considering that the earthquake of 21 March this year once again struck the regions of Southern Italy, notably Basilicata, Calabria and the southernmost part of Campania;
  - (b) having regard to the serious damage caused by the earthquake;
  - (c) stressing that the areas and inhabitants affected had already suffered acutely from the earthquake in November 1980;
  - (d) considering that this latest disaster has occurred once again in the least-favoured zones of the Community while its inhabitants are still struggling to return to normal life;
1. Expresses its solidarity with the people of the affected areas;
  2. Calls on the Council and the Commission to review the aid programmes set up after the previous earthquake of November 1980, to take account of the new disaster that has struck these people;
  3. Instructs its President to forward this motion for a resolution to the Council and the Commission.