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Note to the reader

A key to some ERDF terms and concepts

Anyone not dealing with the ERDF on a regular basis may be somewhat perplexed by some of the terms and concepts used, such as national programmes of Community interest, potential for internally generated development, specific Community measures, geographical concentration, integrated operation, structural Funds and regional development programmes. It was therefore felt that this note could usefully provide some definitions of the principles underlying the ERDF's day-to-day activities.

- The ERDF, one of the Community's structural Funds¹, was set up in 1975 to help correct the principal regional imbalances within the Community by assisting in the development and structural adjustment of regions whose development is lagging behind and in the conversion of declining industrial regions. Such regions are generally the areas covered by national regional aid schemes, these areas being approved by the Commission in accordance with Articles 92 and 94 of the Treaty establishing the European Economic Community.
- What does the ERDF finance? Firstly, infrastructure investments: industrial estates, roads, dams, power stations, etc. The new Regulation includes in the annex a list of infrastructure categories that are not eligible for ERDF assistance. The ERDF also helps to finance directly productive investment in industrial, craft industry and service activities to create or maintain jobs. Lastly, the ERDF helps to provide firms, particularly small and medium-sized ones, and local and regional authorities with access to advice on marketing, management and innovation.
- In what form does the ERDF provide assistance?
 - ERDF assistance may be granted towards programmes (Community programmes or national programmes of Community interest), investment projects or studies;
 - the ERDF may help to exploit the internally generated development of regions and in particular the potential of small and medium-sized firms, both in the framework of programmes and in the form of a consistent set of projects.
- The ERDF makes grants. In the report, the reader will frequently come across references to grants approved or appropriations committed: in the case of projects, these terms are different aspects of the same thing. In the case of programmes, however, the amounts approved at political level relate to the total period covered by the programmes, whereas appropriations committed relate to a single financial year.
- The ERDF's contribution generally amounts to 50% of the public expenditure, but may amount to 55% in the case of measures of particular importance for the regions in which they are located.
- Commitment and payment appropriations are differentiated, i.e. the ERDF can make an expenditure commitment one year and make the payments over several years as the project is carried out. So as to speed up payments, the ERDF may grant advances within the limits of budget balances and according to the progress made with the operations
- In 1986, the ERDF carried out its activities under two budget chapters:
 1. Chapter 50, which covers ERDF assistance through the financing of Community programmes, national programmes of Community interest, projects and studies. Within this framework, ERDF resources are used on the basis of ranges which lay down the upper and lower limits of assistance which each Member State may receive over a three-year period;
 2. Chapter 51, which covers financing of specific Community measures, formerly known as non-quota measures, instituted by the Council before 1 January 1986.

¹ There are two other Community structural Funds: the European Social Fund and the EAGGF (European Agricultural Guidance and Guarantee Fund) Guidance Section.

Introduction

Article 46 of Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund provides:

1. "Before 1 October each year, the Commission shall submit to the European Parliament, the Economic and Social Committee and the Council, a report on the implementation of this Regulation during the preceding year".
2. "The report shall cover in particular the financial management of the ERDF and the conclusions drawn by the Commission from the monitoring carried out in respect of the ERDF's operations".

This report, which covers 1986, is the twelfth since the ERDF was set up and the second since the new Regulation entered into force. It differs in a number of respects from the Eleventh Report.

It was not thought necessary to explain yet again a number of concepts associated with implementation of the Regulation and examined in detail in the 1985 report, to which the reader can always refer.

In addition, a clearer distinction has been made between analysis of the year under review and study of ERDF performance since its inception (1975-86).

Chapter 1. Coordination of regional policies

1.1 Coordination of regional policies

1. Reducing disparities between the various regions and the backwardness of the least-favoured regions is one of the Community's major objectives. As stipulated in Article 130 B of the EEC Treaty as amended by the Single Act, this requires, within the context of economic and social cohesion, the coordination of Member States' economic policies. Regional development programmes (RDPs) are an important instrument in the coordination of Member States' regional policies and constitute the frame of reference for ERDF grants.

With the second-generation RDPs expiring at the end of 1985, the year 1986 marked the beginning of a third five-year regional programming period (1986-1990). During the year, the Commission examined the RDPs submitted by Greece, Denmark, Belgium, Ireland, the United Kingdom, the Netherlands and Italy. The quality of the programmes is much higher than that of the second-generation programmes; due regard was had in drawing them up to the Commission Opinion of 19 June 1984 and the European Parliament Resolution of 12 July 1985 on the second-generation RDPs. Germany and France included the year 1986 in their second-generation programmes. A further point to be noted is the accession of two new Member States, Portugal and Spain, at the beginning of the year. In preparation for accession, these two countries submitted their programmes in 1985, the programme for Spain being provisional in nature. Work is under way at the moment on updating the Portuguese programme. The definitive programme for Spain will be submitted shortly, following the introduction of new financing arrangements for the autonomous communities and the redrawing of the boundaries of the assisted areas.

2. The Regional Policy Committee, which is the key forum for regional policy coordination, held three meetings in 1986. It examined and endorsed the RDPs for Greece, Denmark, Ireland and Belgium.

3. Article 130 D of the EEC Treaty as amended by the Single Act provides that, once the Act enters into force, the Commission is to submit a comprehensive proposal to the Council relating to the structure and operational rules of the existing structural Funds. In that context the Regional Policy Committee delivered an opinion on the reform of Community regional policy.

In addition, following its opinion of 18 June 1985 on regional aid, the Committee discussed in greater depth the policy on monitoring national regional aid. It also held an exchange of views on the practicalities of coordinating the Community's financial instruments and on progress on the integrated Mediterranean programmes (IMPs).

Lastly, the Regional Policy Committee elected Mr Jacques Sallois, then a member of Datar (Délégation à l'Aménagement du Territoire et à l'Action Régionale), as its Chairman and Mr Nuno Vitorino, Director-General in the Portuguese Ministry for the Plan and Regional Administration, as its Vice-Chairman.

1.2 Socio-economic situation of the regions and the tasks of Community regional policy

4. The third periodic report on the regions in the Community, which was adopted by the Commission on 29 May 1987, reveals some very pronounced regional disparities. Differences in unemployment rates have widened in recent years and those in GDP have remained unchanged. With the accession of Spain and Portugal, regional problems in the Community have become far worse. In the Community of Twelve, regional disparities are twice as high as in the United States in the case of GDP and three times as high in the case of unemployment. They may widen further in the next ten years given the very uneven demographic prospects for the regions.

5. The disparities are hampering attainment of the Community's objective of convergence. This has two aspects: nominal convergence aimed at stability in prices and the main economic equilibria, and real convergence achieved through the upward alignment of living standards and the downward alignment of unemployment rates as between Member States and regions. However, one half of Community-wide regional disparities is due to differences between Member States and one half to differences within Member States. Measures to achieve closer convergence within the Community must, therefore, be taken both under general economic policies and under regional development policies.

6. In view of prospective demographic trends, the growth rates of GDP in the less prosperous countries would need to be some two percentage points higher than in the other countries for real convergence between Member States to match the rate observed during the 1960s. This requires new job-creating and productive investment in the less-favoured regions. An increase in productive investment must be encouraged and, in the less-developed regions, an improvement in the inadequate provision of infrastructure. Indeed, directly productive investment and the flow of the necessary private capital can only be attracted when there is adequate infrastructure.

7. Regional development measures meanwhile would fail to bring convergence if other policies act in a contradictory manner. This explains why the Commission is introducing progressively a regional element into the most important policies. For example, one can cite the Common Agricultural Policy in which the balance between the previously under-supported southern regions and the northern regions is being modified. Thus, by means of special measures in the framework of the agricultural structure policy (including the Integrated Mediterranean Programmes) as well as through other special measures in the framework of the reform of Markets Policy, the needs of the least developed regions are taken into account.

As far as industry is concerned, regional disparities are less acute when measured in terms of salary costs as opposed to productivity; put differently, unit salary costs are relatively high in a number of problem regions. In order to reduce this competitive disadvantage which runs counter to regional convergence it is important to increase productivity whilst taking into account regional economic differences in the fixing of wage levels. This dual approach constitutes an important preliminary to the success of regional policy.

8. Lastly, a Community regional policy endowed with budgetary resources that did not match the scale of the disparities to be tackled would not be effective. Indeed, given the constraint on the Community's own resources and in view of the extremely high level of agricultural spending and the variability of its volume, the resources allocated to structural measures look like a residual. This is a paradoxical situation at the very time when Article 130A of the EEC Treaty introduced by the Single Act calls for a strengthening of convergence and of economic and social cohesion in the Community. The ERDF's resources need to be increased for two other essential reasons:

- the prospective population trend is likely to create much wider disparities on labour markets in the medium term. This is because the regions already faced with the highest rates of unemployment will see the sharpest increase in the number of job-seekers between now and 1995: in these regions, the labour force will grow twice as fast as in the Community as a whole. Over the period, two thirds of extra job requirements in the Community will be determined by unemployment and one-third by population trends. In other words, simply to keep regional unemployment disparities unchanged would require a substantial increase in the resources available for job creation in the Community;
- the extra economic growth resulting from completion of the large integrated market will probably be spread unevenly among the regions of the Community: the major process of dismantling barriers to trade within the Community will lead not only increased dynamism but also to stiffer competition that might further weaken the least competitive regions.

1.3 Regional impact assessment (RIA)

Regional impact assessment consists in appraising the regional consequences of the Community's main policies, thereby enabling better account to be taken of their regional dimension. The aim is to propose either modified or differentiated policies or back-up measures to counteract their negative effects or reinforce their positive effects on the regions. Article 130 B of the EEC Treaty as amended by the Single Act also stresses the need for the objective of reducing regional disparities to be taken into account in the implementation of the common policies.

The Commission has continued and updated its analysis of the regional effects of the common agricultural policy. One finding is that the level of support provided under the system of common organizations of the market to farming in most of the less-favoured regions at the Community's southern periphery is lower than in the other regions. However, the new - restrictive - course of the common agricultural policy will apply in particular to farming in those regions which for the most part receive a high level of support at present. The harmful effects on incomes and employment will be the more significant the more the regions concerned depend on agriculture.

The Commission also launched a feasibility study to obtain some initial idea of the effects on the Community's less-favoured regions of completing the internal market. According to tentative findings, the declining industrial regions and the peripheral regions are probably the most at risk, while the agricultural regions might miss the chance to attract the modern, non-agricultural activities essential to the diversification and growth of their economies.

In presenting its final position on the subject of state aid to shipbuilding, the Commission emphasized the importance of taking into account the regional consequences of its new strategy and it was made known that, if necessary, it would find supplementary financial resources to compensate for any negative regional impact. To this end, the Commission has presented a Communication to the Council on the industrial, social and

regional aspects of shipbuilding which contains the Commission's analysis and position on this matters and constitute the basis of its consultations with interested authorities in the Member States, as well as with the trade unions and professional bodies. The Communication mentions a series of positive accompanying measures which could be adopted at Community level and notably a Community Programme and National Programmes of Community Interest under the ERDF for areas affected and not already covered by specific measures.

1.4 Significance of the ERDF in macro-economic terms

9. ERDF commitments (3 186 million ECU) in 1986 represented 0.1% of the gross domestic product (GDP) and 0.5% of the gross fixed asset formation (GFAF) of the Community of twelve.

However they have been concentrated in particular in those Member States containing the largest proportion of disadvantaged regions. For this reason ERDF aid has reached:

- 1.3% of GDP and 6.1% of GFAF in Portugal;
- 0.8% of GDP and 4.4% of GFAF in Greece;
- 0.5% of GDP and 2.7% of GFAF in Ireland;
- 0.3% of GDP and 1.4% of GFAF in Spain.

These figures, which are already significant, will become even more so in the context of a doubling of the Structural Funds.

Chapter 2. Implementation of the new regulation

2.1 *The purpose of the ERDF*

The ERDF is the Community's main regional policy instrument. Its purpose is to contribute to the correction of the principal regional imbalances within the Community by participating in the development and structural adjustment of regions whose development is lagging behind and in the conversion of declining industrial regions.

10. At the conclusion of the conciliation meeting between the Council, the Commission and Parliament held in June 1984 on the adoption of the Regulation now in force, the three institutions agreed to hold an exchange of views at least once a year on the implementation of the principles contained in it.

The first such exchange of views took place in Luxembourg on 21 April 1986, with the second being scheduled for the autumn of 1987.

These meetings provide the opportunity for the Commission to review developments during the preceding year.

2.2 *The examination of applications*

11. Under the new Regulation, a system of ranges is used for the allocation of ERDF resources, with lower and upper limits being set (see Table 1) for the resources that each Member State may receive, the purpose being to make assistance more selective.

12. The Commission continued its work on a method for assessing the Community interest of grant applications that is to be used to determine at the end of the three-year period the share-out between Member States of the budgetary resources remaining available (the margin). The details of this method, which separates the information needed to assess the eligibility of applications from that relating to their interest to the Community, were explained by the Commission to the Regional Policy Committee and to the ERDF committee before being officially transmitted to Member States. A detailed description of the underlying principles was given in the Eleventh Report.

TABLE 1.
Ranges for ERDF assistance

(%)

Member State	Ranges as from 1.1.1986	
	Lower limit	Upper limit
Belgique/België	0.61	0.82
Danmark	0.34	0.46
Deutschland	2.55	3.40
Ellas	8.36	10.64
España	17.97	23.93
France	7.48	9.96
Ireland	3.82	4.61
Italia	21.62	28.79
Luxembourg	0.04	0.06
Nederland	0.68	0.91
Portugal	10.66	14.20
United Kingdom	14.50	19.31

Consultation of the ERDF Committee

13. The ERDF Committee is composed of representatives of the Member States and is chaired by a representative of the Commission. It gives its opinion on programmes, whether Community programmes or national programmes of Community interest, on investment projects costing 5 million ECU or more and on measures to exploit the potential for endogenous development of regions.

In the case of investment projects costing less than 5 million ECU, and of studies², the Commission decides on ERDF assistance and then informs the Committee.

14. At its three meetings in April, July and November, the ERDF Committee endorsed 349 projects and 14 programmes on completion of the stages of the examination procedure described above. It examined 117 projects costing more than 15 million ECU and 232 projects costing between 5 million ECU and 15 million ECU that were covered by grouped applications.

None of the projects referred to the Committee was rejected or failed to be the subject of an opinion. However, a number of delegations cast a negative vote or abstained from voting on 18 investment projects.

15. In addition to delivering opinions on draft decisions, the Committee may consider any other matter relating to the ERDF's operation. In 1986, the Commission departments referred to it for discussion documents on the following:

- the Committee's rules of procedure;
- examination of the agricultural policy aspects of investment projects covered by ERDF grant applications;
- sectoral examination of industrial projects in 1985;
- Business Innovation Centres (BICs);
- the Directive on public contracts;
- exchange-risk guarantee mechanisms;
- signboards for infrastructure projects.

Such discussions are in addition to the work carried out since the Fund's inception on the definition of grant criteria and the relevant case law.

2.3 *Additionality*

16. The Commission attaches great importance to ERDF grants being additional to national financial assistance and makes every effort to demonstrate that ERDF money does indeed top up national funding.

There are in fact several forms of additionality:

- Overall additionality, which means that grants from the Fund augment rather than partially replace national financial efforts. This is particularly the case with development programmes prepared on the initiative of the Community or the Member States. A programme consisting of a series of consistent measures has a greater synergic effect on the area concerned than action in the form of isolated projects. What is more, programmes invariably receive support from the ERDF in the form of co-financing. This approach, which has been applied in Member States since the entry into force of the new Regulation, should significantly speed up implementation of the different operations under each programme and should make for stronger Community involvement in the application of Member States' regional policies.
- Individual additionality in the case of infrastructure projects, i.e. the Fund's direct contribution to a given project. Such additionality means that the ERDF supplements the financing of the project concerned and does not merely refund to the public authorities the money they had already allocated to the project.
- Individual additionality in the case of projects in industry, craft industry and services, i.e. the use of Community assistance to supplement the assistance provided by the national authorities: such additionality is possible under the Regulation (Article 36), but the Member States have refused to apply it, arguing that the assistance which they provide themselves is the maximum justified in each specific case.

Far and above the problem of ensuring that ERDF grants are really additional to national funding, public opinion and the regional and local authorities must be made to recognize the Community's interest in regional problems and the efforts it makes to help solve them. It is for this reason that the Commission endeavours to ensure greater publicity for ERDF assistance (press releases, on-site signboards, etc.). It is also for this reason

² Where commitments in respect of studies assisted on the basis of Article 24(2) exceed 0.3% of the ERDF's endowment, the Committee must be consulted.

that the Commission got the Member States to agree to show ERDF grants under the appropriate headings in their budgets.

Since budgetary arrangements vary from one country to another, each Member State applies different procedures for allocating moneys received from the ERDF.

- Belgium: There is no special budget heading for payments received from the ERDF. A particular budgetary provision (Ways and means Budget) stipulates that ERDF assistance is to be applied towards expenditure under the Economic Expansion and Conversion Fund. Assistance is allocated between the regions on the basis of predetermined quotas. In some cases, it constitutes additional financing for certain infrastructure projects, (rural infrastructures). Payments received from the ERDF are made to the regions and to the agencies responsible for project implementation.
- Denmark: There is a special budget heading for anticipated ERDF assistance. On the expenditure side, these amounts are included in regional aids to industries from the Ministry of Trade.
- Germany: The Federal budget has a special heading for receipts from the ERDF. On the expenditure side, a proportion (5%) of ERDF assistance is paid direct to the Land of Berlin. Half of the balance flows into the Federal Government budget and the other is used to cover expenditure in the form of central government transfers to the Länder³. The transfers are made on the basis of a predetermined apportionment formula under the Federal regional scheme, but only provided the Länder submit a sufficient number of industrial and infrastructure projects that satisfy the ERDF criteria.
- Greece: There is a special budget heading for payments from the ERDF. The appropriations are not broken down by item of expenditure.
- Spain: Since 1986 was the year in which Spain joined the Community, the general central government budget (which provides for the cost of membership) was supplemented with a second budget for joint operations that tracks all payments from the EEC, whether in the form of full financing (EAGGF Guarantee Section) or part-financing (structural Funds, including the ERDF).
- France: The Finance Law makes provision for a budget heading entitled Receipts from abroad, which has a subheading Transfers from the European Regional Development Fund. ERDF payments are made to the Finance Ministry, which, in most cases, passes them on to the central government authorities, the regional and local authorities, and the public agencies helping to finance the projects.
- Ireland: Payments from the ERDF are shown quite separately in the national budget. In the case of infrastructures, they are then allocated between investment programmes, with a separate indication in each case of the amount of top-up financing from the ERDF. In the case of productive investment, payments from the ERDF are included in the total volume of State aids for industry, the service sector and tourism.
- Italy: There are special budget headings on the revenue and the expenditure side. Payments from the ERDF are passed on by the Treasury Ministry to the beneficiaries, i.e. the Agenzia per gli interventi straordinari per il mezzogiorno or the regional and local authorities carrying out the investment, as the case may be.
- Luxembourg: Payments from the ERDF are made direct to the agency responsible for project implementation.
- Netherlands: Revenue and expenditure in connection with ERDF assistance are shown in special budget headings. The budget memorandum gives details of the allocation of ERDF grants, including a list of projects that have been assisted.
- Portugal: Appropriate arrangements have yet to be made.
- United Kingdom: In the case of productive investment, the budget forecasts give an indication of the expected amount of ERDF finance, which is entered under regional development premiums or regional selective assistance or in the account for the department responsible for tourism. Special budget headings exist for assistance towards infrastructure projects. The appropriations voted by Parliament are net of receipts from the ERDF. Most of the receipts for infrastructure projects are transferred to the agencies responsible for project implementation. However, in the case of infrastructure projects which the central government helps to finance, the amounts received from the ERDF are deducted from the total eligible for assistance.

³ Gemeinschaftsaufgabe.

Chapter 3. ERDF operations

17. During 1986, 3 186 million ECU were committed to the ERDF's various operations. The division between projects, programmes and studies is shown in Table 2.

TABLE 2.
Commitments in 1986, by Member State and type of operation

Member State	National programmes of Community interest	Projects	Studies	Total
	ECU	ECU	ECU	ECU
B	3.68	15.46	0.01	19.15
DK	2.49	8.61	0.02	11.12
D	-	82.42	0.14	82.56
GR	17.58	292.08	-	309.66
E	-	640.88	-	640.88
F	29.93	229.15	0.14	259.22
IRL	0.62	124.52	-	125.14
I	-	813.27	0.35	813.62
L	0.97	-	-	0.97
NL	5.05	23.19	0.04	28.28
P	-	380.85	-	380.85
UK	56.24	455.76	1.43	513.43
COM	-	-	1.22	1.22
EUR 12	116.56	3 066.19	3.35	3 186.10

3.1 Programme financing

Before the 1984 reform, there was no provision for programme financing, except for relatively small amounts for non-quota specific measures. Cofinancing of programmes, introduced by the new Regulation, has increased considerably in 1986, and should the current trend continue, the target of 20% set in the Regulation⁴ should be reached by the end of 1987.

18. The ERDF helps to finance programmes which may take the form of:

- Community programmes, which are undertaken on the Commission's initiative, adopted in outline by the Council acting by qualified majority and drawn up in detail by the Member States concerned, in consultation with the Commission, which then approves them and contributes to their financing (Articles 7 to 9 of the Regulation);
- national programmes of Community interest, which are undertaken on the initiative of the Member State concerned and adopted in agreement with the Commission (Articles 10 to 12 of the Regulation).

⁴ Article 6 of Regulation (EEC) No 1787/84 of 19.6.1984.

3.2 Community programmes (STAR and VALOREN)

19. On 27 October 1986 the Council adopted, by a qualified majority, the Regulations instituting the first two Community programmes, to be part financed by the ERDF. Proposed by the Commission on 20 January (see point 3.2.2 of the annual report for 1985), the two programmes aim to develop certain less-favoured regions of the Community by:

- improving access to advanced telecommunications services (STAR programme)⁵,
- exploiting endogenous energy potential (VALOREN programme)⁶.

1. The STAR programme (advanced telecommunications services)

- The purpose of this programme is to contribute to strengthening the economic base in the regions concerned, to foster job creation and to help raise technological standards in those regions, by improving the supply of advanced telecommunications services and by integrating those regions into large telecommunications networks. To that end, the programme provides for the implementation, in the light of socio-economic needs, regional potential and long-term regional telecommunications requirements, of a series of consistent, multiannual measures establishing modern telecommunications infrastructures and promoting the supply of, and the demand for, advanced telecommunication services. It thereby seeks to provide a better link between the Community's objectives for the structural development of regions and the objectives of Community telecommunications policy.
- The programme concerns regions with particularly difficult economic problems and inadequate supply of telecommunications services, notably advanced services for the productive sector, with this shortcoming having an adverse effect on both their socio-economic situation and their development prospects. This means the regions in Greece, Portugal, Ireland, the Mezzogiorno, Northern Ireland, Corsica, the French Overseas Departments and those regions of Spain eligible for the national regional aid scheme. Exceptionally, and under special conditions, the programme also applies to the nomos of Attica (Athens), the Lisbon area and the autonomous community of Madrid.
- Under the programme the ERDF helps to finance advanced telecommunication services in accordance with the policy pursued by the Community in this field (action programme in the field of telecommunications).
 - The bulk of the financial resources available is earmarked for basic equipment: new advanced telecommunications networks being set up across the Community, and major telecommunication links. Investment projects may include land-based (including submarine) systems, notably those using optical fibres, and satellite systems; digitalization (with a view to introducing integrated-services digital networks); creating necessary additional capacity, in particular for data transmission; cellular radio; setting up laboratories to check and measure telecommunications equipment; and carrying out feasibility studies relating to these investment projects.
 - The measures concerning basic equipment are supplemented by promotion of supply of, and demand for, advanced telecommunications services: preparation of local or regional programmes for the coordinated use of these services; promotion campaigns; demonstration projects; aids to encourage small and medium-sized enterprises to use advanced systems; telecommunications service centres; experimental distance working projects; specialized regional information services. To allow less-favoured regions also to develop their own production capacity, small and medium-sized enterprises may now be granted aid to promote the introduction or adaptation of activities in the field of telecommunications.
- The maximum Community contribution is 55% of total public expenditure (70% until the end of 1990 in the case of Portugal). The Fund's total contribution is estimated at 780 million ECU over the duration of the programme, which is 5 years, from 1 November 1986 to 31 October 1991.

⁵ Council Regulation (EEC) No 3300/86 of 27 October 1986, OJ No L 305, 31.10.1986, p. 1.

⁶ Council Regulation (EEC) No 3301/86 of 27 October 1986, OJ No L 305, 31.10.1986, p. 6.

2. The VALOREN programme (exploiting endogenous energy potential)
 - The programme aims to contribute to strengthening the economic base in the regions concerned by improving local energy supply conditions on satisfactory economic terms while respecting the objectives of Community environment policy, to foster job creation and to help raise technological standards in those regions. To this end, the programme provides for the implementation, in the light of socio-economic needs and regional potential, of a series of consistent, multiannual measures aimed at the exploitation of local energy resources and the efficient use of energy together with promotional measures in both cases, including the dissemination of new technologies. The programme thereby seeks to provide a better link between the Community's objectives for the structural development of regions and its energy policy objectives.
 - The programme concerns the regions facing a particularly difficult economic situation combined with serious energy problems, such as heavy dependence on imports, especially oil, for their energy needs, a large proportion of hydrocarbons in the generation of electricity and a decline in the energy content of gross domestic product that is less pronounced than the Community average. This means certain regions in Greece, Spain and Portugal, the whole of Ireland, the Mezzogiorno, Northern Ireland, Corsica and the French Overseas Departments.
 - The measures covered by the programme concern:
 - Exploitation of local energy resources: alternative and renewable energy (solar and wind energy, biomass, exploitation of urban and industrial waste, small-scale hydro-power and geothermal energy); small deposits of peat and lignite;
 - Efficient use of energy in small and medium-sized enterprises, craft industries and infrastructures: measures to encourage energy savings (such as insulation, regulation, lagging, load balancing and energy related rationalization of production processes) and oil substitution (for example: combined heat and electricity generation, efficient utilization of natural gas, recovery of waste heat and the replacement of oil products by urban, agricultural and industrial waste, by lignite or peat and by agricultural and forestry by-products);
 - These measures are supplemented by major efforts to promote improved use of energy potential at local and regional levels. The main aims are better identification of the opportunities for exploiting local energy resources, pinpointing potential markets for plant and equipment, and preparing local and regional energy programmes; another aim is to encourage the provision of advisory services and technical back-up for small and medium-sized enterprises in the industrial and service sectors, including tourism and craft industries; also planned are information and publicity campaigns aimed at making potential users aware of the advantages accruing from the exploitation of local energy resources and the efficient use of energy and of the support measures planned under the Community programme.
 - As in the case of the STAR programme, the maximum Community contribution is 55% of total public expenditure (70% until the end of 1990 in the case of Portugal). The Fund's total contribution is estimated at 400 million ECU over the duration of the programme, which is five years, from 1 November 1986 to 31 October 1991.
3. The two Regulations adopted by the Council provide the framework within which the Member States concerned can, until the end of April 1987, transmit assistance programmes to the Commission for approval prior to implementation.
4. Finally, in April and in October the Commission launched two preparatory studies for further Community programmes aiming to provide a better link between the objectives of regional policy and (a) respectively, the objectives of technological research and development policy and (b) environmental policy.

3.3 National programmes of community interest (NPCI)

20. Encouraged by experience in 1985 and in response to the recommendations in Regulation 1787/84, Member States used a larger proportion of their ERDF grants for programmes in 1986. The number of applications rose from 17 in 1985 to 47 in 1986, coming from nine Member States (all the Member States except Germany, Spain and Portugal). Some of these applications were the ERDF component of integrated Mediterranean programmes (IMPs) or integrated development programmes. The table below shows the number of programmes, and the amount applied for, for each Member State.

TABLE 3.
Number and breakdown by Member State of grant applications for programmes in 1986

Member State	Number of programmes	Assistance applied for (Mio ECU)
Belgique/België	1	39.20
Danmark	1	12.10
Deutschland	-	-
Ellas	7	85.78
España	-	-
France	16	282.95
Ireland	1	130.90
Italia	16	-
Luxembourg	1	32.79
Nederland	1	23.31
Portugal	-	-
United Kingdom	3	75.30
COM	-	-
EUR 12	47	682.33

The Commission processed more than 50 applications in 1986, as some of the 1985 applications were not approved during the year they were made. Building on the experience of 1985, the applications were examined in much more depth in 1986. Particular attention was given to avoiding double financing, i.e. situations where the same measure receives funding both under a national programme of Community interest and under specific Community measures or integrated Mediterranean programmes. After vetting, and a favourable opinion from the ERDF Committee, the Commission in 1986 formally approved 14 national programmes of Community interest in seven Member States, with a total of some 416 million ECU to be made available by 1992, including two programmes to develop the endogenous potential of regions which are lagging behind. These 14 programmes should help create or safeguard 35 000 jobs in regions where unemployment is significantly higher than the Community average.

Below a brief description is given of the content of 13 of these 14 programmes. The programme for Crete will be covered to in the Chapter on integrated Mediterranean programmes. Table 4 shows the total assistance and the 1986 commitments for each of the 14 programmes approved in 1986.

TABLE 4.
Commitments for national programmes of Community interest in 1986

(Mio)

NPCI	Total allocation		Period	Commitments 1986	
	Nat. cur.	ECU		Nat. cur.	ECU
BELGIQUE/BELGIË					
EDP (European development pole)	1 725.00	39.20	1986-1990	146.00	3.38
DANMARK					
Nordtek (Art. 15) ²	94.97	12.10	1986-1990	18.00	2.30
ELLAS					
Kriti (IMP)	12 483.22	85.80	1986-1992	2 558.35	17.58
FRANCE					
EDP (European development pole)	345.60	50.00	1986-1990	68.55	10.07
Lorraine	257.60	37.30	1986-1990	40.90	6.01
N.O. Aveyron	96.00	13.90	1986-1988	32.00	4.70
Tarn Aveyron	175.00	25.40	1986-1990	34.00	5.00
Ariège	151.00	21.90	1986-1990	28.20	4.15
LUXEMBOURG (G.D.)					
EDP (European development pole)	210.00	4.80	1986-1990	42.00	0.97
NEDERLAND					
Groningen/Drenthe	54.74	23.30	1986-1988	11.86	5.05
UNITED KINGDOM					
Tayside	20.70	28.10	1985-1988	8.30	11.30
Mid-Glamorgan	32.80	44.50	1986-1989	9.80	13.30
Tees Corridor	18.80	25.50	1985-1987	0.07	0.10
Northern Ireland (Art. 15) ²	3.30	4.50	1986-1988	0.87	1.17
EUR 12	-	416.30	-	-	85.08 ¹
⁽¹⁾ A further 30 million ECU has committed for the 1986 tranche of the British programmes approved in 1985. ⁽²⁾ Article 15 of Council Regulation 1787/84 of 19 June 1984 (development of indigenous potential).					

Three-frontier European development pole (Luxembourg, Belgium and France)

21. The Commission approved three national programmes of Community interest forming a coherent whole, presented by the French, Belgian and Luxembourg governments: the three-frontier European development pole (EDP). This involves the establishment of a 400 hectares industry park around the steel-producing areas of Longwy (France), Aubange (Belgium) and Rodange (Luxembourg) which together have 300 000 inhabitants and have suffered very serious job losses as a result of the crisis and the restructuring of this sector in the steel industry.

The shared problems of these three areas, their interdependence and interpenetration, the pursuit of common objectives, the coordination of measures and the pooling of the resources of the three countries make the three-frontier European development pole a pilot project for cross-frontier cooperation in the Community. The measures planned under the EDP scheme do not involve an internal restructuring of the declining steel industry, but aim to encourage the establishment of new economic activities providing alternative employment. The target over five years (the period covered by the three NPCIs) is to create 4 000 jobs.

To achieve this target, the three programmes provide for direct aid to productive investment (industry and services): improvement of sites for new firms, improvement of road and rail links; provision of common services for firms; and the setting up of a technology-oriented university college serving the whole area.

Lorraine (France)

22. This programme supplements and extends other measures to help this region for which ERDF assistance was approved in 1986: specific programmes for textiles and steel (measures to support small and medium-sized enterprises), the European Development Pole (Longwy) and certain measures to develop road infrastructures, financed as projects.

It covers the following groups of measures:

1. Economic diversification through tourism projects creating permanent, skilled jobs to increase the attraction of the steel-making areas: new Smurfworld theme park (15 km from Metz), construction of a spa and tourism centre at Anneville (near Metz), building a scientific and technical centre for iron mining at Neufchef (near Thionville), exploiting the cités d'Afrique Gallo-Roman archeological site at Messein (near Nancy) and setting up a leisure park at Volkrange castle, Thionville.
2. Renovation of the road networks in steel and mining towns and action to solve the water supply problems caused by dewatering of mines;
3. The building of a regional airport.

It has been decided to site the Lorraine regional airport in the Louvigny area, which is an excellent location for an airport, has direct motorway access from Metz and Nancy and will cause little noise pollution in the surrounding area (the population affected numbers approximately 4 000 as against 33 000 at Metz-Frescaty).

Studies of potential traffic have suggested about 300 000 passengers per year once demand has developed, a few years after the opening of the airport.

Ariège (France)

23. Ariège is a department in the Pyrénées which is handicapped by its isolation, its terrain, the dispersal of its small population (136 000 inhabitants: 28 inhabitants per square kilometre) and by its industrial base, which is dominated by traditional activities that are undergoing restructuring (textiles, metalworking, aluminium and paper).

Confronted with this situation, the department is planning to support its development with Community assistance by means of the following four subprogrammes:

- a tourism subprogramme which involves creating tourist leisure areas in the foothills, developing winter sport areas (cross-country and downhill skiing), modernizing and building accommodation (2 500 new beds) and improving the management of accommodation.
- an industry and craft subprogramme to improve business services relating to management, innovation and commercial performance, to diversify production and attract new activities to employment areas facing the problems of traditional industries;
- a development back-up subprogramme aimed at regenerating the productive structures of the six areas of Ariège by making available business advisory officers and setting up a network of multi-media centres to improve manufacturers' access to new technologies;
- infrastructure subprogramme aimed at ending the isolation from each other of the different parts of Ariège and improving communications with neighbouring departments and regions.

Est Tarn-Sud Aveyron (France)

24. A set of measures and investments are planned to improve the economic situation and dynamism of the region. This involves road and communications infrastructures, investments to help enterprises develop and measures to harness small and medium-sized enterprises' own potential.

To improve the economic development of the region, the measures planned under the programme aim at restructuring the sectors linked to agriculture (in particular agri-foodstuffs) and industry (wool, leather and granite) and to boost tourism.

Measures under the programme break down into the following three categories:

1. Strategic measures

These consist of raising the productivity of local firms by improving their access to modern technological know-how helping them to move into new markets.

The sectors particularly concerned are the traditional leather, hides and granite industries, the mechanical engineering industries (machine tools), agri-foodstuffs and the wood-working industry. The plan also involves exploiting the capacity of local business to start new activities (assistance with taking over from retiring entrepreneurs, encourage for the successors of retired entrepreneurs, encouragement and support for project promoters).

2. Structural measures

These concern the exploitation of environmental resources, waste and energy resources: anti-pollution measures to maintain existing industrial activity, exploitation of water resources and development of the countryside in order to promote new activities based on tourism, use of waste from the wood-working and granite industries.

It is also planned to develop tourism by means of organizational and marketing action, expanding tourist infrastructure and developing new tourist products.

3. Reinforcement measures

The types of measures planned are: developing sheep and pig farming by modernizing production and marketing systems, supporting forestry and the wood-working industry; and improving communication and environmental facilities for road haulage firms in an area without rail, river and air links.

Nord-Ouest Aveyron (France)

25. Aubin-Decazeville-Capdenac conversion area (North-West of the department of Aveyron) is economically fragile because of the concentration of traditional industries which have been declining for 20 years (coalmining, steel, metal-working etc.). However, a long industrial tradition has given the Decazeville area a number of advantages: plentiful skilled labour, infrastructure and training facilities already in existence and establishment or expansion industries with a future.

In order to assist the economic development of the region, the measures contained in the programme aim to change areas image and help introduce a development strategy to attract new industrial activities.

The measures under this programme involve:

- encouraging the establishment and development of new industrial and craft activities: construction of industrial premises; audits and technical and market studies; launch of a composite materials, technology transfer centre;
- expanding specialized training capacity in new fields: setting up workshops to train technicians in the fields of composite materials and biotechnology;
- providing better road access to the conversion area by improving links with Toulouse;
- improving collection of urban and industrial effluent and bringing up to standard the water supply networks of the built-up areas of Aubin-Decazeville-Capdenac;
- improving the urban environment in built-up industrial areas to increase their attractiveness for industry, commerce and tourism (landscaping in town centres).

The Oost-Groningen/Oost-Drenthe programme (Netherlands)

26. This NPCI is part of a proposed integrated approach to the Oost-Groningen/Oost-Drenthe region. This region, which is located in the North-East of the country, is lagging socio-economically well behind the rest of the Netherlands. The programme aims to eliminate structural shortcomings in the region, to reduce unemployment, which is significantly above the national and Community average, and to raise the regional income level.

Two assistance strategies are to be used: promoting the establishment of new small and medium-sized enterprises and the expansion of existing ones, and improving and extending the economic infrastructure. The action programme comprises the following measures: promoting exports by SMEs; promoting all the activities arising from the establishment of new SMEs; promoting tourism; renovating and converting buildings and run-down industrial sites; improving access to industrial sites and ports and to the regional road networks; building the last section of the motorway (RW 42); developing tourism infrastructures.

The aim is to help achieve the objectives of a number of Community policies, such as environmental protection, tourism promotion in regions which are not traditionally tourist areas, promotion of new technology use by small and medium-sized enterprises, extension of the European transport network and development of internally generated potential.

Programme of assistance for Tayside (United Kingdom)

27. Drawn up by the Industry Department for Scotland and presented by the United Kingdom Government, the programme covers a set of measures to improve the economic situation of the region, severely affected by

the decline in the jute and textiles industries and by the restructuring of newer industrial activities, resulting in a considerable drop in industrial employment over recent years.

The programme will provide the region with much needed infrastructure to strengthen its economic base and to enable the establishment of new job-creating enterprises. The activities foreseen under the programme for attaining these objectives include industrial sites development and servicing as well as support measures for business development (development of indigenous potential). A number of measures relate to the improvement of communications, providing new and improving existing roads, further developing the Dundee Airport and improving the internal rail system. Water and drainage measures are also included, among them the provision of water services, improvements in the drainage and sewage treatment system and the construction of long sea outfalls for the discharge of sewage thus reducing level of pollution in the Tay estuary. Finally, the programme includes tourism measures designed to develop the tourism potential by upgrading existing and providing new facilities. A tourism promotion campaign will also be financed.

The Mid-Glamorgan programme (United Kingdom)

28. The programme for this Welsh county, a peripheral region of the Community, aims to regenerate the economy by improving and developing industrial and tourist infrastructures.

The overall aim of the programme is to foster economic growth through infrastructures improvement and the development of tourism in this traditionally industrial part of Wales, which has suffered as a result of the decline of the coal industry. Three main strategies are involved: to improve and develop communications infrastructure, i.e. roads and railways; to provide industrial sites and premises together with the necessary infrastructure; and to provide tourist attractions based on the natural environment and the social and economic history of the area.

On the employment side, through improving the opportunities for industry in the county, it is estimated that the schemes funded under the programme will directly create between 1 500 to 2 000 new jobs, with a possible indirect impact of approximately 4 500 more. On the tourism front, the programmes aims at attracting over 800 000 new visitors per year to the county.

The Tees Corridor programme (United Kingdom)

29. This programme aims to regenerate economic activity in the county of Cleveland, a traditionally industrial area, building on the positive sides of this tradition and providing opportunities for new industries to set up in the area.

The programme was drawn up by the Cleveland County Council in close collaboration with the local authorities and infrastructure agencies operating in the county, as well as with the national authorities and Commission departments. Its overall aim is, through co-ordinated investment, to stimulate and support the economic regeneration and restructuring process that is necessary in the area. This will hopefully be achieved by a series of road investments to provide access to and open up the area to new industrial development projects and by stimulating economic regeneration, developing derelict land, linking it to industrial infrastructure, providing advice and support to small firms, promoting employment and tourism.

In addition to contributing to the alleviation of the general economic and environmental problems of the Tees Corridor, it is estimated that the 7 000 to 8 000 jobs could be generated either directly as a result of the measures in the programmes or as a result of spin-off from them. The measures will also help sustain employment in many existing firms in the area.

The Northern Ireland programme (United Kingdom)

30. This programme comprises a consistent set of measures to encourage business development and promote managerial expertise in Northern Ireland. The main objective of the programme is to promote the further development of the economy in Northern Ireland by helping new small business to start and develop and by facilitating their access to innovation.

The main areas of action contemplated are the provision of specialized services to small business managers; the provision of basic techniques for the operation and development of small business and cooperatives; support for research directly aimed at making easier the access of small firms to technological innovation; and the promotion of the establishment and growth of new small business.

In addition to improving the competitiveness and profitability of many small businesses through the encouragement of the introduction of innovation and the provision of specialized services, it is expected that the programme will facilitate the establishment of a considerable number of new firms which will provide several thousand jobs.

The Nordtek programme (Denmark)

31. This programme was drawn up by the local agencies in the county of North Jutland in close collaboration with the Danish national authorities and Commission departments. The overall aim of the programme is to increase employment and income in the region and reduce the adverse effects of the

peripherality of North Jutland, the northernmost region of the Community. Its main objectives are to develop the endogenous industrial potential of the region; to promote innovation and the use of new technology; to promote the use of the region's products and services by the local public sector and, with the concerted use of EEC support, to attract inward investment to the region. These objectives should be achieved by increasing the awareness, the motivation and opportunities for the use of new technologies in industry, particularly within small and medium-sized enterprises; by supporting local agency initiatives in the provision of new technologies, and by providing financial and technical support to small and medium-sized enterprises towards the cost of introducing new technologies.

Beside improving competitiveness of local industry, and having a positive effect on incomes in the region, the programme aims at creating 4 500 new jobs.

3.4 Projects

32. The ERDF may contribute to the financing of investment projects costing more than 50 000 ECU each, in industry or service sector or in infrastructure. Regions and areas which may be assisted by the ERDF through projects are limited to the assisted areas designated by Member States under their regional aid systems.

3.4.1 Applications for 6 154 projects

33. During the 1986 budget year, the Member States submitted to the Commission grant applications concerning 6 154 projects with the amount of assistance requested totalling 3 724 million ECU (the table below gives the breakdown by Member State).

TABLE 5.
Breakdown by Member State of grant application for projects in 1986

Member State	Number of projects	(Mio ECU)		
		Industry, services and crafts	Infrastructure	Total
B	47	3.78	17.52	21.30
DK	251	7.01	8.02	15.03
D	343	93.76	50.52	144.28
GR	220	1.72	406.12	407.84
E	235	10.19	846.18	856.37
F	323	22.69	216.53	239.22
IRL	97	24.05	94.98	119.03
I	3 660	186.56	873.04	1 059.60
L	-	-	-	-
NL	7	-	31.37	31.37
P	65	-	55.24	55.24
UK	906	95.77	678.98	774.75
EUR 12	6 154	445.54	3 278.49	3 724.03

The number of applications submitted in 1986 was smaller than that for the previous year (7 249). The reason was that, in order to qualify for treatment under the new system, a large number of applications which had been ready in 1984 were introduced in 1985, the first year in which the new Regulation was implemented.

The breakdown of applications by project category is as follows:

- infrastructure: 3 278 million ECU of assistance requested for 4 915 projects;
- Industry, craft industry and services: 446 million ECU of assistance requested for 1 239 projects.

34. There are two main stages in the work of the Commission departments on grant applications: a first stage stretching from the last quarter of the previous year to the first quarter of the current year is devoted primarily to contacts with the Member States to prepare applications and obtain an overall view of the projects that might receive grants over the year; a second stage taking in the second and third quarters of the current year is, in practice, given over to examining most of the applications.

35. The new Regulation is more demanding as regards the information to be supplied in grant applications. After two years of application of the new Regulation, the quality of the information supplied to the Commission in grant applications has improved considerably.

3.4.2 4 352 projects approved, with assistance amounting to 3 066 million ECU

36. In 1986 the Commission adopted decisions granting assistance totalling 3 066 million ECU for 4 352 projects (see Table 6). The decisions were divided into 11 allocations during the course of the year, of which eight were specifically for projects costing less than 5 million ECU each.

37. The number of projects assisted was up by a third compared with 1985, as was the volume of assistance granted. This increase resulted from the accession of Spain and Portugal. For the ten other Member States, the number of projects assisted was unchanged from the level of 1985, while the amount of assistance granted actually fell somewhat (-12%). Average ERDF aid per project was 700 000 ECU, equivalent to nearly half (47%) of the national public expenditure. Making up the basis for aid, and a third of total investment costs.

Seven out of ten projects approved were located in Italy, the United Kingdom and Portugal, as can be seen from Table 6.

TABLE 6.
Projects benefiting from assistance in 1986

Member State	Industry, services and crafts		Infrastructure		Total	
	Number	Assistance	Number	Assistance	Number	Assistance
B	14	3.00	24	12.46	38	15.46
DK	41	1.17	32	7.44	73	8.61
D	217	53.50	63	28.92	280	82.42
GR	6	1.72	247	290.36	253	292.08
E	25	11.20	238	629.68	263	640.88
F	135	18.78	115	210.37	250	229.15
IRL	31	21.98	70	102.54	101	124.52
I	571	186.08	829	627.19	1 400	813.27
L	-	-	-	-	-	-
NL	-	-	5	23.19	5	23.19
P	-	-	792	380.85	792	380.85
UK	281	84.12	616	371.64	897	455.76
EUR 12	1 321	381.55	3 031	2 684.64	4 352	3 066.19

3.4.3 87% of aid goes to infrastructures projects

38. Infrastructure projects received 2 600 million ECU from the ERDF in 1986, i.e. 87% of assistance for projects, a rise of five percentage points compared with 1985.

A higher average rate of contribution

39. The average ERDF contribution per infrastructure project amounted to 885 000 ECU, or just under half of public expenditure and just over one third of total investment costs.

As a proportion of public expenditure, the average ERDF contribution to infrastructure projects was 44%, slightly up on the previous year (3%). Since 1985 the rate has been 50% of the total expenditure met by a public authority or equivalent body where the investment is less than 15 million ECU, and between 30% and 50% in the case of investment projects costing 15 million ECU or more (Article 20(2)). In 1986, the higher rate of 55% was applied in respect of 107 projects located primarily in Portugal (79), France (9) and Greece (7), with assistance totalling 199 million ECU, of which 40% went to Portugal and 31% to France (representing 7% of the aid for infrastructure projects).

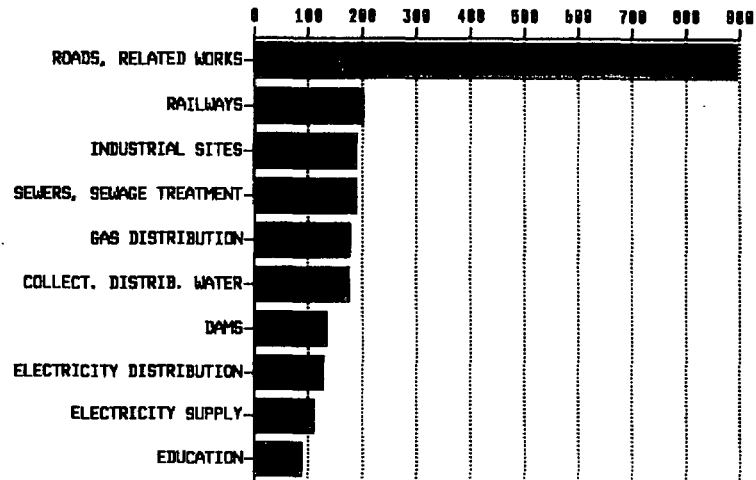
40. The largest single grant made to a project in 1986 was 59 million ECU for telecommunications modernization in a number of regions in Greece. The average contribution to large projects was 14.5 million ECU, slightly lower than in the previous year. Tables 27 and 28 in the Annex give a breakdown by Member State.

⁷ Projects costing more than 15 million Ecu each.

GRAPHIC 1.
GRANTED IN 1986 TO THE LEADING TEN TYPES OF INFRASTRUCTURE AND TO THE LEADING
TEN INDUSTRIAL SECTORS
ERDF, projects

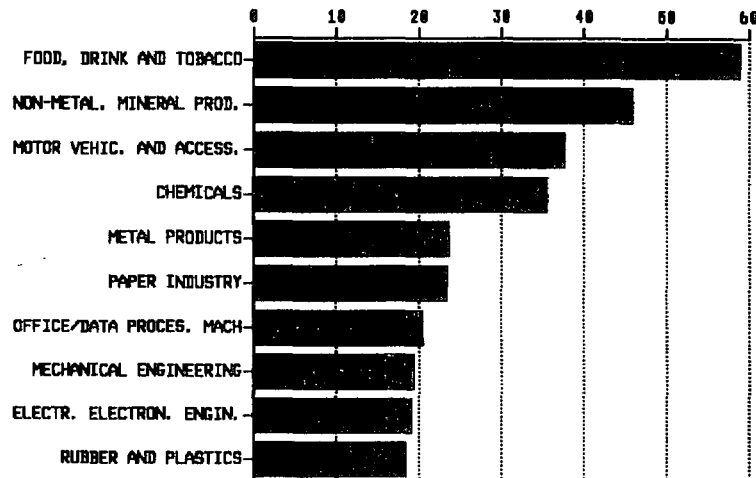
a) Types of infrastructures

les dix secteurs infrastructures les plus aides en 1986



b) Industrial sectors

les dix secteurs industriels les plus aides en 1986



Transport still in the lead

41. As in 1985, three sectors absorbed four fifths of the aid granted to infrastructure projects - transport (47%), water engineering (18.8%) and energy (15.6%).

In the transport sector, roads and highway structures received more than 70% of aid, easily outdistancing railway projects and port improvements. The bulk of aid for transport infrastructure projects went to Italy and the United Kingdom.

In the water engineering sector, aid was provided primarily for sewer and sewage treatment schemes, followed by water collection and distribution schemes. Here too, most projects were located in Italy.

In the energy sector, aid was split between electricity distribution and generation projects (primarily in Greece) and gas distribution projects in Spain and Italy.

The proportion of aid allocated to infrastructure projects connected with productive activities rose considerably compared with 1985, reaching 9% of all infrastructure aid.

In fifth position come infrastructure projects in the socio-cultural and leisure fields, their share of aid having fallen slightly compared with 1985 (-3%).

As for the other sectors, the proportion of aid allocated to telecommunications (1.8%) was considerably lower than in 1985 (6.5%), with virtually all of it going to telephone and telex network projects situated mainly in Greece. An equivalent proportion of aid was allocated to environmental projects.

Table 29 in the Annex gives, for 1986, a detailed breakdown of the number of infrastructure projects, and of aid, by types of infrastructure, while Graph 1(a) shows the assistance given to the ten types of infrastructure receiving the most aid.

3.4.4 Aid for projects in the industrial, craft industry and service sectors

42. Article 35 of the Regulation stipulates that Member States, in submitting their applications, and the Commission, in administering the ERDF, are to endeavour to ensure that an appropriation proportion (if possible, 30%) of the ERDF's resources is allocated to the industrial, craft industry and service sectors.

43. Before 1985, compliance with the 30% threshold was compulsory. Since this obligation could not be met it was replaced in the new Regulation, which now encourages appropriate use of the new opportunities afforded by part-financing of aid schemes, grants for the development of endogenous potential, and the integrated approach.

44. Investment projects in the industrial, craft industry or service sector eligible for ERDF assistance must relate to economically sound activities intended to help create or maintain permanent jobs. The ERDF's contribution amounts to 50% of the aid granted to each project by the public authorities under a regional aid scheme.

A number of requirements have been lifted under the new Regulation, thereby enabling ERDF operations in those sectors to be more flexible: the maximum amounts of Fund assistance per job created or maintained no longer apply and the threshold of 10 jobs to be created or maintained has been abandoned, in order to promote micro-projects. In 1986, results were satisfactory, with finance being provided for 239 such projects located primarily in Italy (158) and in Germany (40). These projects are supposed to create 1 169 jobs in all, giving an average of five jobs per project.

45. In order to encourage investment by small and medium-sized enterprises in the industrial, craft industry and service sectors, Member States and the Commission endeavour to set aside an appropriate proportion of the ERDF's total resources for assistance in the form of interest-rate subsidies on loans for such enterprises (third paragraph of Article 19(2)).

In practice, since they may choose between grants, which they receive themselves, and interest-rate subsidies, which are paid direct to enterprises, Member States prefer the former.

In addition, some governments have requested ERDF assistance in the form of a capitalized sum relating to interest-rate subsidies granted by them to firms for loans raised by the latter on the capital market.

46. In 1986, the proportion of ERDF resources allocated to productive investments was 12%, compared with 17% in 1985. This drop is due to the accession of Spain and Portugal, as these two countries submitted virtually no grant applications for this type of investment. The proportion allocated to grants for productive investment in the Community of Ten was 18%, about the same as in 1985. These assisted investments should help to create or maintain 68 000 jobs in 1986, breaking down as follows:

As Map 1 clearly shows, the share of such grants varies considerably from one country to another. One Member State is above the 30% target: Germany with 65%, far ahead of Italy (23%), Belgium (19%) the United Kingdom (18%) and Ireland (17%). Spain is at a particularly low level (1.7%), as is Greece (0.6%).

Portugal submitting no industrial projects. The four other Member States were near the Community average (17%).

TABLE 7.
Size breakdown of industrial, craft industry and service projects in 1986

	ERDF aid		National aid		Investment	
	per project Mio ECU	per job ECU	per project Mio ECU	per job ECU	per project Mio ECU	per job ECU
Small projects: Investment < 15 Mio ECU	0.22	4 921	0.44	9 848	1.51	33 889
Large projects: Investment > 15 Mio ECU	3.29	9 349	6.57	18 698	45.70	130 049
Average	0.29	5 607	0.58	11 219	2.51	48 784

47. The number of projects financed rose by 47% (principally in Italy), from 705 to 1 321, while total grants towards these investments in 1986 were 9% lower than in 1985.

Average ERDF aid per project fell significantly in 1986, from 593 000 ECU to 288 000 ECU, equivalent to 50% of national aid and 11.5% of the investment cost.

The breakdown as between large and small projects shows that small projects, numbering 1 291 in 1986, received 74% of the assistance granted to industrial projects compared with 62% in 1985.

Table 7 gives the size breakdown of directly productive investment.

The difference between the average aid for small projects and that for large projects diminished slightly in 1986, the figures being 0,22 million ECU and 3,29 million ECU respectively.

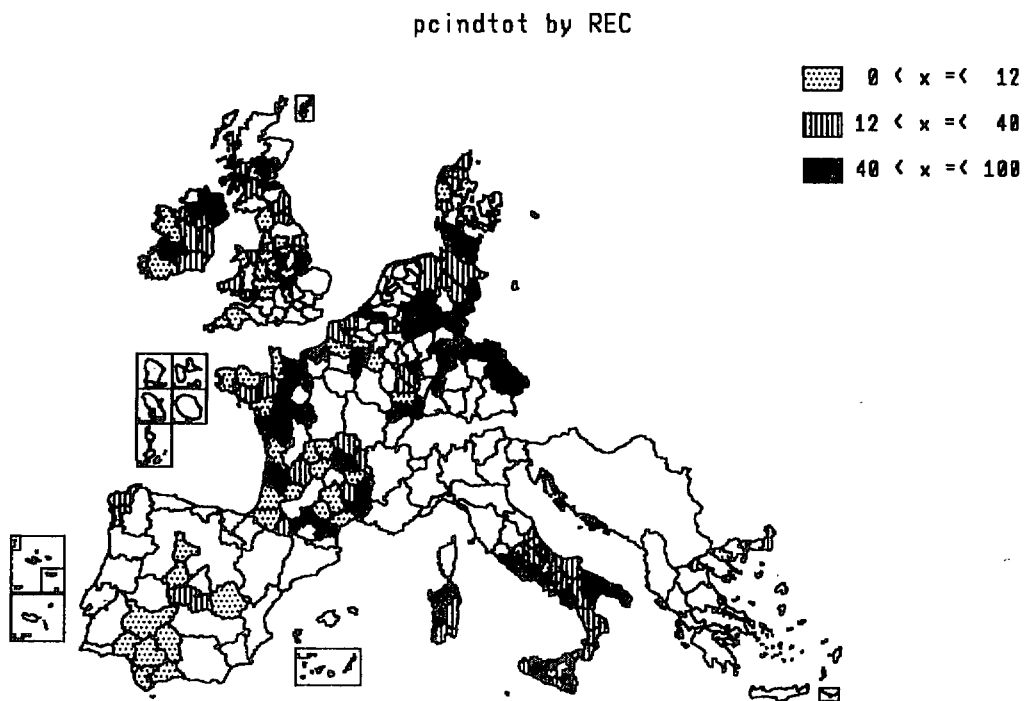
The large projects (30) are expected to create or maintain a total of 10 543 jobs while the corresponding number for the small projects (1 291) is 57 519.

TABLE 8.
Estimate of jobs created or maintained in 1986

Member State	Number of jobs		
	created	maintained	Total
B	353	-	353
DK	460	-	460
D	7 124	2 104	9 228
GR	608	-	608
E	1 726	97	1 823
F	6 246	1 905	8 151
IRL	3 528	878	4 406
I	7 515	14 786	22 301
L	-	-	-
NL	-	-	-
P	-	-	-
UK	10 759	9 973	20 732
EUR 12	38 319	29 743	68 062

Average aid per job was 5 600 ECU compared with 7 330 ECU the previous year, a drop of 24%. The average investment per job was about 49 000 ECU.

MAP 1.
 PROPORTION OF ERDF ASSISTANCE TO INDUSTRY, CRAFT INDUSTRY AND SERVICES IN 1986
 (IN %)
 ERDF, operations



It must be borne in mind here that all the information supplied by the Member States relates only to forecasts of the number of jobs to be created or maintained and that those forecasts may be subject to a number of uncertainties.

Taking the average for each main sector, the cost per job created or maintained by the ERDF is highest in the energy sector, followed by services, intermediate goods, capital goods, consumer goods and building.

Infrastructure investment projects also create jobs. Those financed in 1986 are reckoned to provide direct employment for 150 000 people for one year and indirect employment for at least as many people.

48. In 1986, 98% of ERDF assistance to the productive sector was concentrated in three areas of industrial activity, but the order was different from that in 1985. Consumer goods received the largest share (40%), followed by capital goods (33%) and intermediate goods (25%).

Top came the food industry with 15% of aid and 6 400 jobs. A total of more than 25 000 jobs are to be created or maintained in the consumer goods sector. However, the capital goods sector will see the most jobs created or maintained (almost 30 000), with first place being taken by motor vehicle production (more than 9 000 jobs).

The share of aid going to the heavy industries, the extraction or processing of ores, and the chemical industry, otherwise known as the intermediate industries, was larger than in 1985, with 12 500 jobs expected to be created or maintained. The chemical and mineral products industries accounted for the bulk of aid and jobs in this sector.

Lastly, the service sector received a slightly smaller share of aid, although R&D recorded a substantial increase.

Table 30 in the Annex gives details of productive investments receiving ERDF aid in 1986, showing the number of projects, the amount of aid and the number of jobs created or maintained. Graph 1(b) gives the aid granted to the ten sectors receiving most assistance.

3.5 Development of the regions' endogenous potential in 1986

49. Small and medium-sized enterprises make an essential contribution to the development of less-developed regions or regions undergoing conversion, but such development is beset by difficulties, firstly, because of the weakness of the industrial base in such regions, and, secondly, because of the lack or inadequacy of services and other structures that firms need.

It was on the basis of such considerations that Articles 15, 16 and 27 of the Regulation introduced provisions specifically designed to facilitate the development of the endogenous potential of the regions by allowing the ERDF to finance sets of measures for assisting small and medium-sized enterprises in industry, craft industry, tourism and the service sector. The ERDF can thus, in the case of programmes or consistent sets of projects:

- provide such businesses with facilities enabling them to expand their activities and to obtain access to new technology, for example through the Business and Innovation Centres;
- facilitate their access to the capital market, for example through improved presentation of financing plans.

50. In 1986 the Commission granted assistance to four schemes to mobilize regions' endogenous development potential: the Morsø Food Park on the island of Morsø in Denmark (0.2 million ECU), seven business and services centres in Flanders, Belgium (0.3 million ECU), one business and services centre in the South-West of Ireland (0.4 million ECU) and the NPCI⁸ for Northern Ireland (5.05 million ECU), which focuses mainly on the endogenous potential of the region.

NPCIs generally include among their objectives the development of the regions' endogenous potential.

1986, thus saw the first measures to develop endogenous potential, even though their initial momentum was weak.

3.6 Studies

51. The ERDF finances two categories of study:

- studies closely related to ERDF operations (Article 24(1) of the Regulation).

Such studies may be submitted by Member States or by local or regional authorities (with the agreement of the Member State concerned). The ERDF's rate of contribution is set at 50% of the cost and may rise to 70% in exceptional cases.

⁸ National programme of Community interest.

- studies of special significance for the ERDF (Article 24(2)).

These studies may cover a fairly wide field ranging from ex ante examination of grant applications, through methodological studies, the preparation of assistance programmes or the ex post appraisal of measures, to technical assistance for local and regional authorities in preparing measures to be submitted to the ERDF.

52. In 1986, eleven Member States submitted or endorsed 58 grant applications for 13.5 million ECU.

With regard to decisions, 11 studies were granted assistance amounting to 3.35 million ECU in total.

TABLE 9.
Studies financed in 1986

Member State	Number	(Mio ECU)
		Amounts committed
B	-	0.01
DK	-	0.02
D	1	0.14
GR	-	-
E	-	-
F	2	0.14
IRL	-	-
I	1	0.35
L	-	-
NL	2	0.04
P	-	-
UK	3	1.43
COM	2	1.22
EUR 12	11	3.35

The data in this table which relates to commitments made in 1986, may differ marginally from that relating to actual decisions taken. In effect, certain studies approved in 1986 were submitted in 1985, while studies submitted in 1986 were held over for a decision until 1987.

The relative share of ERDF assistance allocated to studies remains very small, making up 0.1% of commitments.

With regard to the state of progress of studies, 22 were completed in 1986, of which 18 in the United Kingdom, one in Denmark, one in Belgium, and two in Italy, bringing the number of studies completed since 1980 to 56.

The two studies started on the Commission's initiative relate to:

- preparation of a Community programme to assist the development of certain less-favoured regions of the Community by improving access to technological research and development;
- analysis of infrastructure financing in regional development;

3.7 Commitments and payments in respect of ERDF operations (programmes, projects, studies)

3.7.1 99.5% of commitment appropriations used in 1986

53. The funds available for commitment in 1986 to finance ERDF operations excluding specific Community measures totalled 3 201.30 million ECU compared with 2 473.67 million ECU in 1985. This amount breaks down as follows:

TABLE 10.
Funds available for commitment in 1986

	(Mio ECU)
Appropriations entered in 1986 budget	3 003.00
Appropriations outstanding from 1985	16.58
Appropriations available from:	
- decommitments	68.92
- changes in value of ECU	112.80
Total appropriations available in 1986	3 201.30

The breakdown of appropriations available from decommitments and changes in the value of the ECU is as follows:

TABLE 11.
Commitment appropriations available in 1986, from decommitments and changes in value of ECU by Member State

Member State ^(*)	(Mio ECU)		
	Appropriations available from:		
	decommitments	changes in ECU rate	Total
B	0.04	- 1.94	- 1.90
DK	-	- 0.37	- 0.37
D	-	- 8.96	- 8.96
GR	0.03	25.39	25.42
F	18.89	8.26	27.15
IRL	12.30	8.54	20.84
I	6.82	-101.56	-94.74
L	-	- 0.16	- 0.16
NL	0.27	- 4.34	- 4.07
UK	30.58	187.93	218.51
EUR 12	68.92	112.80	181.72
^(*) As Spain and Portugal joined the Community on 1 January 1986, no appropriations from decommitments or ECU rate adjustments for commitments prior to 1 January 1986 were available for these two Member States in the 1986 budget years.			

54. The grant decisions taken in 1986 resulted in commitments totalling 3 186.10 million ECU (for breakdown, see Table 13). In addition, 166 grant decisions involving 386 million ECU were held over to 1987 for technical reasons.

55. During the first twelve years of ERDF operations, virtually all the appropriations available were committed. The difference between total appropriations available and total commitments leaves a balance of 15.20 million ECU only, which is the total cumulative balance since the Fund's inception. Table 12 provides a synopsis of the balance of commitment appropriations outstanding at each year-end since the Fund was set up. It shows that the available appropriations have been almost entirely used up since 1975.

TABLE 12.
Balances of commitment appropriations outstanding each year-end from 1975 to 1986

(Mio ECU)

Year	Budget appropriations	Appropriations available for commitment (*)	Appropriations used up (*)	Balance outstanding at year-end and used up the following year
75/77	1 030.40(*)	1 047.23(*)	1 032.20(*)	15.03(*)
1978	581.00	599.84	556.36	43.48
1979	900.00	973.65	970.43	3.22
1980	1 106.75	1 169.64	1 137.79	31.85
1981	1 463.00	1 615.17	1 596.19	18.98
1982	1 669.00	1 817.69	1 812.13	5.56
1983	1 909.50	2 164.28	2 121.61	42.68
1984	2 025.00	2 327.12	2 322.20	4.92
1985	2 174.90	2 473.69	2 457.11	16.58
1986	3 003.00	3 201.30	3 186.10	15.20

(*) Including appropriations carried over from the previous year and appropriations made available through decommitment and through adjustments to take account of fluctuations in the ECU rate in respect of commitments remaining payable from previous years.
 (**) Commitments for the respective years adjusted to take account of fluctuations in the ECU rate.
 (***) Budget appropriations: 1 300 million u.a., appropriations available for commitment: 1 312.33 million u.a., appropriations used up: 1 301.64 million u.a. This leaves a balance of 10.69 million u.a. converted into ECUs at the rate ruling in January 1978.

3.7.2 Payments

56. The payment appropriations initially entered in the 1986 budget, including 150 million ECU from the supplementary and amending budget for 1986, amounted to 2 282 million ECU, an increase of 48.2% compared with 1985, much of it due to the accession of Spain and Portugal. Including 115.03 million ECU which had been carried over, total payment appropriations available amounted to 2 397.03 million ECU (see Table 31 in the Annex).

57. Table 13 shows that payments actually made amounted to 2 394.16 million ECU. The increase over payments made the previous year was 51%.

58. In actual fact, payment claims submitted by the Member States exceeded payment appropriations initially available by some 210 million ECU.

59. At the end of 1986, commitments still to be paid amounted to 5 724.47 million ECU compared with 5 114.25 million ECU at the end of 1985. This situation is attributable to the Fund Regulation. When a decision to grant aid is taken, the total amount of the grant is committed immediately, whereas disbursement is staggered over several years in step with the progress of the investment projects financed and with the outlay by Member States. Moreover, ERDF payments are made only in response to specific claims by the Member States concerned.

Table 32 in the Annex provides a breakdown, for each Member State, of payments made in 1986 against the corresponding commitments made in previous years.

60. Advances made in respect of projects under Article 31 of the present Regulation amounted to 345.7 million ECU in 1986 compared with 50.6 million ECU in 1985. Accelerated payments totalled 560 million ECU in 1986.

TABLE 13.
Payments made in 1986 and commitments still to be paid at the end of 1986

Member State	Commit-1975-1985 still to be paid at end of 1985 (*)	Commit-1986	Payments		Commit-to be paid at end of 1986
			1985	1986	
B	62.14	19.14	12.00	21.61	59.67
DK	30.90	11.12	7.69	18.94	23.08
D	177.26	82.57	59.19	88.23	171.60
GR	318.88	309.65	309.04	302.87	325.66
E	-	640.87	-	314.30	326.57
F	661.82	259.25	233.23	200.36	720.71
IRL	141.26	125.14	114.65	77.04	189.36
I	2 528.95	813.66	381.13	701.45	2 641.16
L	4.28	0.97	0.65	0.13	5.12
NL	84.35	28.29	15.31	11.82	100.82
P	-	380.84	-	188.78	192.06
UK	922.65	513.38	457.75	468.26	967.77
COM	0.04	1.22	-	0.37	0.89
EUR 12	4 932.53	3 186.10	1 590.65	2 394.16	5 724.47

(*) Amounts adjusted to take account of decommitments and adjustments for fluctuations in the ECU rate.

61. Table 33 in the Annex gives total ERDF payments to Member States in 1986 and in previous years.

3.8 Controls

62. In 1986, the Commission made on-the-spot checks of 146 projects, compared with 168 in 1985 and 204 in 1984, with the requirement to carry out checks being extended to special programmes assisted by the ERDF as specific Community measures (see Section 4.6). This brought the number of projects inspected on site since the Fund was established to 1 986. The projects inspected in 1986 accounted for ERDF assistance totalling some 185 million ECU and involved investment amounting to approximately 797 million ECU.

63. The Commission systematically continued and expanded in 1986 its general effort to speed up the closure of files. The first phase of its action concerned files dating back to the first three-year period of the ERDF's existence that had not yet been closed. In 1986, the action was extended to files still pending from 1980 and previous years and to files from 1981 and 1982 that had not resulted in payment claims. It will be gradually extended to files still pending from subsequent years.

As a result, unsettled commitments dating back to the period 1975-82 were down to 747.5 million ECU at 31 December 1986, from 954.1 million ECU at the end of 1985, and represented 13% of unsettled commitments at the end of 1986.

64. During the year, the Commission continued to use on-the-spot checks to examine, in association with the administering authorities, projects where payments had fallen behind schedule. The purpose was to discover the cause of such delays and to speed up the processing or closure of the files, either by final payment if the projects had been completed or by decommitting the appropriations allocated if they had not been carried out. In 1986, alongside checks proper, 320 dormant projects were inspected (as against 547 in 1985 and 1 032 in 1984). Following these inspections, eight projects lost their grants (the appropriations being decommitted) while five were the subject of new payment claims and 25 the subject of a final claim to close the file.

65. On-the-spot checks carried out by Commission staff in 1986 did not reveal any irregularity, i.e. any fraudulent operation enabling benefit to be obtained from the ERDF by way of illegal procedure.

Examination of dormant projects confirms the particular delay in the communication of information concerning the progress of ERDF projects, notably certain cancellation decisions taken since 1981 without the Commission having been informed.

The national authorities have been asked to ensure in such cases a speedier communication of such information in order to avoid undue delay in the decommitment of ERDF aid and the recovery of ERDF aid already paid.

3.9 Information on ERDF operations

66. Articles 8(g), 12(1)(g), 13 and 23 require that Fund operations, both projects and programmes, be publicized.

Programmes must in particular indicate Member States' arrangements for publicizing the ERDF assistance. Grant decisions are published in the Official Journal.

Alongside the publicity measures provided for in the Regulation, the Commission and a number of national public authorities put out information in other forms, issuing press releases and publishing brochures, arranging speeches and organizing press conferences, seminars and visits to attract public and media attention.

3.9.1 Press information

This is provided on the initiative of the Commission or the Member States.

67. For each block of grant decisions, the Commission issued press packages to journalists accredited with the Commission and to the regional and local press and media in the Member States. Parliament and a number of relevant organizations also received packages. These include, for each country, a complete list of projects which have received grants, specifying in each case the region, the locality, the investor (except for private investors in Germany) and giving a brief description of the project (for example extension of the manufacture of pleasure boats, construction of a hotel management school with living-in accommodation for 755 students, fully equipped).

For each new NPCI, the Commission issued a press release to the same recipients as in the case of projects. The information provided on programmes is more complex than the information on individual projects, as several countries may be involved.

There were major campaigns to inform the press on the Commission's proposals for the basic Regulations instituting the STAR and VALOREN programmes and the Council's adoption of these Regulations.

In addition, Mr Landaburu, the Director-General with responsibility for regional policy, held a press conference in Brussels in November to describe the new thrust of in regional policy.

The authorities of various Member States also informed the press of ERDF grants. The UK, Greek, Irish, Spanish and Portuguese authorities regularly put out such information in cooperation with the Commission. The authorities in Lorraine also did much to publicize the Lorraine NPCI.

3.9.2 Signboards

68. Member States are required to erect signboards at the sites of infrastructure projects which are cofinanced by the ERDF and which exceed a specified cost. Such signboards serve to inform the public of the ERDF's financial contribution to the project concerned.

In April 1986 the ERDF Committee accepted the Commission's proposal to set the cost threshold at 1 million ECU everywhere in the Community Member States left free to erect signboards also for smaller projects. In 1976, a Commission proposal for a threshold of 0.5 million ECU had been rejected by the ERDF Committee and, since then, Member States had applied different thresholds ranging from 0.5 to 2 million ECU. The Commission considers that a threshold of 1 million ECU in 1986 is more or less equivalent in real terms to the threshold of 0.5 million ECU in its initial proposal in 1976.

Since 1985, the signboards have carried a European emblem. In the absence of a Community emblem, the Commission's emblem - an E in gold on a blue square - was used. In April 1986, the Community institutions adopted a Community emblem: a circle of 12 stars in gold on a blue rectangle. The ERDF signboards have therefore had to be modified.

3.9.3 Publication in the Official Journal

69. The last publication in the Official Journal concerning individual investment projects relates to 1984 projects (OJ C 340, 31.12.1985). Starting with the 1985 projects, the Commission wanted to publish more

detailed computerized lists. The first trial exercise took a long time to prepare (especially the translations) and publication of the list will not therefore be possible until 1987. The same applies to projects which received assistance in 1986.

Grant decisions concerning special programmes and national programmes of Community interest approved by the Commission in 1986 are expected to be published in 1987.

3.9.4 Letters to investors

70. In 1986 the Commission did not send letters to investors notifying them that part of the public funds they have received comes from the Community. Although these letters have now been computerized, considerable manual work remains to be done (especially looking for and checking addresses). Given the limited staff of the Directorate-General for Regional Policy, and the considerable increase in its duties in 1986, it was necessary to concentrate with a higher priority.

3.9.5 Publicity planned in NPCIs

71. In the 14 national programmes of Community interest adopted by the Commission in 1986, national governments indicated what publicity measures they planned. Here are some examples:

- Mid-Glamorgan programme (UK): erection of signboards for individual projects costing more than UKL 0.5 million;
- Ariège programme, Aubin-Decazeville-Capdenac programme, Est Tarn-Sud Aveyron programme and Lorraine programme (F): erection of signboards on construction sites, production of plaques describing the measures taken under the programme, and intended in particular for potential recipients of aid;
- Groningen programme (NL): erection of permanent plaques at the sites of individual projects costing more than HFL 2 million;
- NordTek programme (DK): a press conference given by the regional authorities together with the Commission on the adoption of the programme, indication of the ERDF's contribution in brochures and a permanent plaque indicating that NordTek was part-financed by the ERDF;
- European Development Pole: the responsible authorities in Luxembourg, and some other agencies involved, have undertaken to provide the appropriate publicity for the European Development Pole and the Community's financial contribution to it (continuing information, highlighting of projects etc.).

Chapter 4. Specific Community regional development measures

Article 45 of the ERDF Regulation provides that the specific Community measures referred to in Title III of the revised 1975 Regulation and instituted by the Council before 1 January 1986 are to continue, but that Article 4(3), which sets ranges for the use of ERDF resources, is not to apply to resources intended to cover budget commitments still to be entered into for the execution of such measures.

4.1 *The specific Community regional development measures continue*

72. These measures enable the Community to contribute, for a limited period, to resolving problems for which it bears special responsibility. The assistance is intended for regions liable to be affected by the consequences of decisions and measures taken under other Community policies, especially outlying regions facing special problems due to their remoteness.

The measures are implemented in the form of special multiannual programmes submitted by Member States for approval by the Commission, after consultation with the ERDF Committee. The programmes must form part of the regional development programmes of the countries concerned.

These programmes enable the ERDF to finance jointly with the Member States concerned a large number of operations, which, depending on the particular scheme, may involve infrastructure investment; redevelopment of run-down sites; communications and energy infrastructure; environmental protection infrastructure; cultural and recreational facilities; investment aid for small and medium-sized firms (with additional Community aid); and all manner of measures to exploit the potential for internally generated development: providing small and medium-sized firms with sectoral analyses, management advisory services, business advisory services, common services and information; giving them improved access to risk capital; promoting innovation in industry and the service sector and promoting craft industry and tourism in rural areas. These operations may be granted Community assistance of up to 70% of the cost, which means a substantial increase in the funds available for the operations carried out in Member States. Fund assistance may go to public authorities including local authorities, various organizations, firms or individuals.

73. The specific Community measures⁹ in force seek to contribute to:

- the development of certain French and Italian regions in the context of the enlargement of the Community to include Greece, Spain and Portugal - Council Regulation (EEC) No 2615/80, as amended by Council Regulation (EEC) No 218/84;
- the development of certain Greek regions in the context of the enlargement of the Community to include Spain and Portugal - Council Regulation (EEC) No 215/84;
- overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the steel industry - Council Regulation (EEC) No 2616/80, as amended by Council Regulation (EEC) No 216/84; Commission Decisions of 30 May 1984, 10 September 1984, 8 October 1984, 11 June 1985, 7 March 1986 and 27 May 1986;
- overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the shipbuilding industry - Council Regulation (EEC) No 2617/80, as amended by Council Regulations (EEC) Nos 217/84 and 3635/85;
- improving the security of energy supply in certain Community regions - Council Regulation (EEC) No 2618/80, as amended by Council Regulation (EEC) No 218/84;
- improving the economic and social situation of the border areas of Ireland and Northern Ireland - Council Regulation (EEC) No 2619/80, as amended by Council Regulation (EEC) No 3637/85;

⁹ Regulations published in OJ L 271 of 15.10.1980, L 27 of 31.1.1984 and L 350 of 27.12.1985.

- overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the textile and clothing industry - Council Regulation (EEC) No 219/84, as amended by Council Regulation (EEC) No 3636/85;
- the development of new economic activities in certain zones affected by the implementation of the Community fisheries policy - Council Regulation (EEC) No 3638/85.

74. Altogether, the ERDF's planned contribution to specific Community measures over the period 1981-91 is 1 100 million ECU. The bulk of the assistance goes to the steel areas, enlargement and textile areas measures, with each receiving approximately 280 million ECU; Table 14 shows that France, Italy and the United Kingdom are the three Member States receiving most of the assistance, each one being granted approximately one quarter of the planned allocations. All the Member States are involved in these measures to a varying extent, with the exception of Spain and Portugal, which joined the Community after the Regulations had been adopted.

TABLE 14.
Planned Community contribution to specific Community measures
(1981-1991)

FEDER: SPECIFIC COMMUNITY MEASURES											(Mio ECU)
Measures	B	DK	D	GR	F	IRL	I	L	NL	UK	Total
Enlargement				40	110		130				280
Steel areas	34		41		67		38	9	5	78	272'
Ship-building areas			11		14		12			34	71
Energy				20			39				59
Border areas						48				24	72
Textile areas	8		16		80	3	57		7	105	276
Fischeries		13	9		9					15	46
Total	42	13	77	60	280	51	276	9	12	256	1 076
(*) Allocations under the second phase of Regulation (EEC) no 2616/80, as amended by Regulation (EEC) no 216/84 of 18 January 1984, will increase these amounts by approximately 12 million ECU.											

75. In 1986 the Commission took decisions concerning the steel areas in the United Kingdom and Italy which will receive assistance under the second phase of the steel areas measure¹⁰. The pattern of this measure is linked more closely to the Community's policy for the steel industry. A first phase of the measure concerns areas which have suffered heavy job losses in steel. A second phase is also applied in areas where implementation of the Member States' steel industry restructuring programmes, notified by the Member States under the Commission's decision of August 1981, has major consequences.

The decisions taken in 1986 apply, in the case of the United Kingdom, to the counties of Cleveland, Clwyd, Gwent, Humberside (together with that part of the travel-to-work area of Scunthorpe situated in the county of Lincolnshire), South Yorkshire (including the travel-to-work area of Sheffield) and the Strathclyde region and, in the case of Italy, to the provinces of Naples, Livorno, Taranto and Genova. Approximately 12 million ECU have yet to be allocated by the Commission under this second phase.

¹⁰ OJ L 99, 15.4.1986 and OJ L 171, 28.6.1986.

4.2 Approval of the special programmes

76. In 1986 the Commission, after consulting the ERDF Committee, approved twenty-one special programmes involving a total of 350,4 million ECU, a very substantial increase on 1985. The programmes were as follows:

Belgium

- Steel areas measure in the provinces of Liège, Hainaut and Luxembourg (28 million ECU);
- Textile areas measure in the arrondissements of Aalst and Oudenaarde in Flanders (5,6 million ECU);

France

- Enlargement measure in the Aquitaine, Languedoc-Roussillon and Midi-Pyrénées regions (55 million ECU);
- Steel areas measure in:
 - Nord/Pas-de-Calais (21 million ECU),
 - the departments of Moselle and Meurthe-et-Moselle, Lorraine region (32.2 million ECU),
 - the arrondissements of Charleville-Mézières and Sedan in the department of Ardennes, Champagne-Ardenne region (7 million ECU),
 - the arrondissements of Autun and Charolles in the department of Saône-et-Loire, Bourgogne region (6.8 million ECU);
- Shipbuilding areas measure in the assisted areas of the department of Loire-Atlantique, Pays de la Loire region (10,6 million ECU);
- Textile areas measure in the following areas:
 - the department of Pas-de-Calais, the assisted areas in the department of Nord, and the textile areas in the arrondissement of Lille, Nord/Pas-de-Calais region (28.6 million ECU),
 - the department of Vosges, Lorraine region (14.6 million ECU),
 - the department of Loire and the assisted areas in the department of Ardèche, Rhône-Alpes region (14 million ECU),
 - the assisted areas in the departments of Bas-Rhin and Haut-Rhin, Alsace region (5.3 million ECU),
 - the assisted areas in the department of Somme and the cantons of Catelet and Bohain-en-Vermandois in the department of Aisne, Picardy region (4.7 million ECU);
- Fisheries areas measure in:
 - the arrondissements of Quimper in the department of Finistère and Lorient in the department of Morbihan, Brittany region (6 million ECU),
 - the arrondissement of La Rochelle in the department of Charente-Maritime, Poitou-Charentes region (3 million ECU);

Ireland

Textile areas measure in the Donegal, North-West and West planning regions (3 million ECU);

Italy

Enlargement measure in the Mezzogiorno (65 million ECU);

Luxembourg

Steel areas measure (9 million ECU);

United Kingdom

- changes to the area covered by the steel areas measure in the assisted areas of the Strathclyde region (Scotland), the counties of Clwyd and Gwent (Wales), Cleveland (North), South Yorkshire and Humberside (Yorkshire and Humberside), including those parts of the travel-to-work area of Scunthorpe which are situated in the county of Lincolnshire (East Midlands);
- border area measure in the border areas of Northern Ireland except the urban areas in Belfast (16 million ECU);
- fisheries areas measure in the travel-to-work area of Blackpool (North-West), Hull and Grimsby (Yorkshire and Humberside) (15 million ECU).

77. Altogether, by the end of 1986, the Commission had thus approved special programmes under specific Community measures involving a total ERDF contribution of 840.4 million ECU. This was 78% of the planned Community contribution for this purpose.

A further 236 million ECU are still available for programmes yet to be approved.

4.3 Commitments and payments

78. Table 15 shows the situation regarding funds available and appropriations used at 31 December 1986 for all the special programmes approved by the Commission.

79. Commitments made in 1986 amounted to 142 million ECU, which brings total commitments for these measures since 1981 to some 320 million ECU. This is equivalent to 37% of the allocations approved so far, which total 840.4 million ECU.

80. Payments in 1986 amounted to 89.6 million ECU, bringing total payments made so far to some 187 million ECU, equivalent to over half of commitments (58.3%).

TABLE 15.
Available funds and commitments 1986

ERDF: SPECIFIC COMMUNITY MEASURES	(Mio ECU)
Appropriations entered in 1986 budget	95.00
Appropriations outstanding from 1985	115.00
Transfer to the negative reserve (*)	-30.00
Total appropriations available in 1986	180.00
Appropriations committed	142.03
Balance outstanding at end of year	37.97
(*) Article 100 of the budget	

81. The ratio of payments to commitments improved in 1986, from 54.4% to 58.3%. Although commitments were 376% up on 1985, progress on programmes, as measured by the ratio of commitments to total allocations, increased by only one percentage point in 1986, from 36.3% in 1985. This was mainly because a new series of special programmes was not approved by the Commission until the end of 1986.

Progress on the individual special programmes was still marked by the special energy programme for Italy continuing to be held up, implementation of the special enlargement programme for Italy being delayed considerably and many other special programmes being implemented rather slowly. Commission departments have kept in touch with the Member States in an attempt to improve the situation.

4.4 Controls

82. In 1986, on-the-spot checks were carried out in respect of five of the special programmes of the series of specific Community measures.

While the technical and financial checks did not establish any intentional fraud, it was found that excessively broad interpretation of the provisions by national authorities had sometimes led them to include projects that did not fulfil the conditions of eligibility; the necessary corrections are being made.

4.5 Information concerning special Community measures

The special programmes put forward by Member States, like the national programmes of Community interest, must give an indication of the measures the national authorities intend to take to inform the public. This requirement does not stem from the ERDF Regulation, but from Regulations creating the special programmes.

The following are examples of some of the measures:

- Fisheries area programme, Quimper, France: Distribution of a booklet describing the objectives and the different projects to be carried out;
- Steel area programme, Charleville-Mézières/Sedan, France: Information meeting for the main interests involved (Chambers of Commerce and Industry, banks and other financial institutions, trade organizations, etc.). Brochures on the programme as a whole and on certain particular projects. Local meetings with industrialists;
- Border region programme Ireland and Northern Ireland: Ministerial speeches, announcement of the programme in the Irish Tourist Board's promotional publications and at meetings of local tourist organizations. Information signboards at the construction sites of some of the projects. Permanent plaques with Community emblem, acknowledging Community grant aid for projects costing more than UKL 250 000 or for any other suitable project;
- Fisheries area programme, UK: Press release when the basic Regulation was adopted. Articles, advertisements and leaflets in the press. Interviews on local television and radio stations. Brochures and leaflets for local banks, Chambers of Commerce and other local institutions. Publicity at the site of projects.

In addition, press releases were issued on the twenty-one special programmes adopted in 1986.

Chapter 5. ERDF participation in Community integrated development operations

5.1 *Integrated regional development operations*

83. Measures qualifying for ERDF financing that form part of an integrated development approach, such as integrated operations or programmes, may be accorded priority treatment in the management of the ERDF's resources (Article 34 of the Regulation).

An integrated development operation consists of a coherent set of public and private measures and investments which have the following characteristics:

- they relate to a limited geographical area affected by particularly serious problems, involving, in particular, delayed development or industrial or urban decline and likely to affect the development of the region in question;
- the Community, through the joint use of various structural financial instruments, and the national and local authorities in Member States contribute in a closely coordinated manner to their implementation.

84. On 22 July the Commission sent the Council and Parliament an information note on the content of the integrated approach and the procedures for implementing it. The document seeks to clarify and set out the objectives and scope of the integrated approach, the criteria for deciding on Community support and the procedures which will be followed in assessing applications for integrated operations. It was drawn up in response to a request made by the Council on 19 June 1984, in adopting the new ERDF Regulation, to present proposals for the procedural provisions necessary for the implementation of integrated operations.

In so far as the procedures and content set out by the Commission in its information note fall within the framework of existing regulations, the approach thus determined can be implemented immediately.

The integrated operations decided on should bring about a tangible improvement in the operation of the administrative authorities in the regional development process, thanks in particular to the fruitful collaboration they will promote between the Commission departments and the national and local authorities concerned.

The integrated operations that are approved, notably but not exclusively on the basis of preparatory studies, will be accorded priority treatment as regards financing under the structural Funds.

85. On the basis of the principles set out in that information note, the Commission sent to the Council and to Parliament on 23 July 1986 a communication on stronger Community structural measures to assist steel restructuring areas, with a view to actually implementing the measures¹¹, which it had already proposed in its July 1985 information note.

86. The Commission sent the Council in July a communication setting out the future strategy on aid to shipbuilding and followed this up in October with a further paper covering the industrial, social and regional aspects of the problem. This reflects a new policy stance under which it is assumed that the Council will respond to the new provisions of the Single European Act regarding economic and social cohesion and take the necessary steps to supply the Community with the resources (notably financial resources) that it needs to carry out its task.

87. On 15 October the Commission adopted its position on a specific development programme for Portuguese industry (Pedip), which will be dealt with under the integrated approach procedures.

5.1.1 **Two pilot schemes: Belfast and Naples**

The integrated operation in Belfast

88. The new integrated programme for Belfast, presented to the Commission in February 1985, provides for

¹¹ These measures propose an integrated approach in the areas affected by the crisis in the steel industry

a number of measures to bring about the economic regeneration of this urban area. The total cost of the projects covered is 1 250 million ECU. Since the programme was launched, grants totalling 25 million ECU have been made for projects the most important of which are:

- elimination of traffic bottlenecks in the city centre;
- water supply systems and general sanitation schemes;
- development of Belfast's role as a capital.

The Commission intends to continue its participation in the programme, in association with the other parties concerned.

The integrated operation in Naples

89. Since the integrated operation in Naples was launched in 1980, the ERDF has promoted it and provided organizational and financial assistance.

At the end of 1986, 170 investment projects totalling some 5 836 million ECU had been selected for the operation.

Of that total, more than 4 156 million ECU is accounted for by 110 projects that have already been, or are still being, carried out with the help of ERDF grants amounting to 1 180 million ECU. The grants are aimed at rectifying the main structural problems in the Naples area, and in particular the lack of sanitation and the problems associated with the transport and road networks. Work on some 21 projects was suspended following a series of earthquakes.

In 1986, the ERDF helped finance the operation with grants totalling 248 million ECU, of which 115 million ECU for projects carried out by the City of Naples and the remainder for projects undertaken by the regional authorities (98.5 million ECU) and other bodies (35 million ECU).

To help resolve the transport problem, the following projects were financed in 1986:

- the construction of a road link between the city centre and the outer ring road to reduce traffic congestion in the centre (18.05 million ECU in grants);
- the Lago Patria-Lufrano road link (59 million ECU in grants).

As regards general sanitation, a number of sewerage schemes for improving water disposal received grants totalling 99 million ECU.

In the case of infrastructures directly linked to economic activity, the ERDF contributed 16 million ECU to the construction of three small-business estates.

For most of the projects under the integrated operation in Naples, the ERDF tops up the financial resources of the bodies concerned and, in all probability, implementation of those projects would have been delayed without ERDF assistance. As previously, ERDF grants were supplemented with EIB loans which in 1986 totalled some 155 million ECU for the province of Naples. In addition, the EIB and the ERDF continued to work together within the framework of the integrated operation.

Lastly, the forceful role played by the Secretariat responsible for the integrated operation and by the Commission departments meant that the payment of ERDF grants was speeded up significantly. At the end of the year, payment applications for projects involved in the integrated operation totalled 645.5 million ECU, equivalent for the first time to over half the value of grants made.

Through the integrated operation, the Commission departments have been able to play an active role in mobilizing national and Community resources in support of development in the Naples area.

5.1.2 Preparatory studies for integrated operations

90. Budget item "5410" enables the Commission, on its own initiative or on the initiative of the Member states, to help finance the studies necessary for launching an integrated operation, in agreement with the Member States concerned.

In the latter case, the Community's financial contribution may amount to up to 75% of the total cost of the study, excluding the national authority's own administrative expenditure.

The studies help in analysing the economic and social situation in a given area, drawing up an appropriate development strategy and proposing a multiannual programme of measures. The programme indicates priority measures, identifies the links between the various projects and the expected synergic effects and sets out an indicative financing plan drawing on various sources, both national and Community. The studies have led to continuing dialogue between local, regional and national authorities and the various Commission departments.

91. In 1986, finance was provided towards feasibility studies in the Meuse valley (F), in Belfast (UK), in the Setubal peninsula (P) and in Andalusia, the Canary Islands, Castile-La Mancha, Castile-Leon, Extremadura and Asturias (E).

In addition proposals for integrated development operations were presented to the Commission for the following areas: Auvergne, Limousin, Lorraine, Nord-Pas-de-Calais, Ariège, Tarn/Aveyron and Réunion (F), Groningen-Drenthe (NL), and Limburg, Westhoek and Kempen (B).

5.2 Integrated development programmes (IDPs)

92. The IDPs set out to promote simultaneously the development of both agriculture and the non-agricultural sector, starting from the existing situation and making use of the specific resources of the areas concerned, where natural handicaps and existing agricultural structures keep productivity low and in which there is very little scope for alternative activities.

Three integrated development programmes were adopted in 1981, for:

- the south-east of Belgium¹²;

The less-favoured agricultural areas of south-east Belgium have been eligible since January 1985 for assistance under an IDP of which the non-agricultural part is financed by the European Social Fund and the ERDF. In 1986, ten infrastructure projects located in less-favoured agricultural areas and forming part of the IDP for south-east Belgium received ERDF finance totalling 2.9 million ECU, primarily for road improvement schemes (with one third of the assistance granted going to the municipality of Bullange) and for drainage schemes;

- the department of Lozère (F)¹³;
- the Western Isles (UK)¹⁴.

No application for ERDF assistance under the latter two IDPs was submitted in 1986.

5.3 The integrated mediterranean programmes (IMPs)

93. The IMPs are multiannual operations which relate in particular to investments in the productive sector, the creation of infrastructures and better use of human resources. They concern the various spheres of economic activity: agriculture; fisheries; energy; crafts and manufacturing; building and public works; services, including tourism.

94. The Council adopted the Regulation concerning the IMPs on 23 July 1985¹⁵. In accordance with Article 5(1) of that Regulation, the three Member States eligible presented all of their programmes to the Commission in the course of the year with a view to obtaining Community help in financing them. France and Greece each submitted seven programmes, and Italy seventeen, giving a total of thirty-one IMPs that will receive finance from the Community budget amounting to 4 100 million ECU, of which 2 500 million ECU from the structural Funds (ERDF, ESF and EAGGF Guidance Section) and 1 600 million ECU in the form of an additional budget allocation.

In cooperation with the EIB (which is contributing 2 500 million ECU to the programmes), the Commission began examining the draft IMPs presented to it and a first programme contract was signed between the Hellenic Republic and the Commission on 2 September, paving the way for implementation of the IMP for Crete. Examination of other draft programmes, notably those presented by France, is at a fairly advanced stage.

Working in association with the Member States concerned, the Commission financed measures and studies in preparation for implementation of the IMPs.

Examination of the IMPs

95. The seven draft IMPs presented by France in the first quarter of the year were examined by the Commission departments, in conjunction with the regional and national authorities concerned. It transpired that, depending on the regions eligible for ERDF assistance, between 30% and 40% of Community

¹² Council Regulation (EEC) No 1941/81 (Belgium), OJ L 197, 20.7.1981.

¹³ Council Regulation (EEC) No 1940/81 (Lozère), OJ L 197, 20.7.1981.

¹⁴ Council Regulation (EEC) No 1939/81 (Western Isles, Scotland), OJ L 197, 20.7.1981.

¹⁵ Council Regulation (EEC) No 2088/85, OJ L 99, 27.7.1985.

appropriations was expected to come from the ERDF and to be used to finance measures aimed at promoting tourism, primarily in the areas affected by enlargement, developing industry and improving the infrastructures most directly linked to the expansion of these sectors and of certain activities in the agricultural and fisheries sectors. Decisions on the seven programmes are expected in the first half of 1987.

The draft Italian IMPs were presented to the Commission towards the very end of the year.

The Commission adopted the final version of the IMP for Crete, which is designed to develop the region's socio-economic structures and to speed up its adjustment to the new economic environment created by enlargement.

The total cost of the IMP for Crete for the seven years from 1986 to 1992 is put at around 470 million ECU, with 25% going to the primary sector, 10% to tourism, 33% to manufacturing, 8% to the inland areas, 23% to infrastructure projects and 1% to cover implementation of the programme. These figures include both public-sector and private-sector funding.

Community financing for the programme will amount to some 240 million ECU, equivalent to 12% of the 2 000 million ECU allocated to Greece under the IMPs Regulation. EIB and NCI loans are to make up 30% of total expenditure.

5.4 Other forms of Community assistance in the regions

96. In connection with the integrated approach, it should be noted that the ERDF, whose sole and specific purpose is to help correct the main regional imbalances within the Community, is not the only Community instrument that provides assistance in the regions. Other Community Funds or financial instruments make their own contribution to the same objective.

Thus, a very large proportion of aid from the European Social Fund goes to projects in ERDF-assisted regions. In 1986, 44% of ESF grants were committed for operations in less-favoured regions.

The bulk of European Investment Bank lending is for investment projects in areas whose development is lagging behind or which are experiencing serious problems of industrial decline. In 1986, loans for projects contributing to regional development accounted for 52% of total Community financing and for 54% of EIB lending from own resources.

The regions experiencing serious problems of industrial decline also receive the bulk of ECSC social aid and industrial conversion loans. During the year, the appreciable increase in the number of decisions to grant ECSC conversion loans, noted in 1985, continued: lending totalled 650 million ECU (40% up on 1985) and over 44 000 new jobs were created.

To complete the list, reference must also be made to assistance provided by the EAGGF Guidance Section, the loans from the New Community Instrument (NCI) and the Business and Innovation Centres, which are described below.

Operations under the NCI (New Community Instrument)

97. NCI loans signed in 1986 amounted to 393 million ECU, compared with 883.7 million ECU in 1985, when virtually the entire amounts available under the lending tranches authorized were committed. They were granted with a view to promoting investment in the Community, primarily in small and medium-sized enterprises (66.5%) but also in energy (23.2%) and infrastructures (10.3%). Borrowings amounted to 541.4 million ECU, compared with 843.6 million ECU in 1985. In addition, pursuant to the Council Decision of January 1981 to assist reconstruction in the earthquake disaster areas in Italy and Greece, subsidized loans totalling 24.4 million ECU were granted to Italy.

Interest subsidies on the loans outstanding in connection with this operation continued to be paid on the dates they fell due. They amounted to 25.2 million ECU for Italy and 2.3 million ECU for Greece.

Business and Innovation Centres (BICs)

98. The purpose of a BIC is to create new industrial initiatives - establishment or diversification of small and medium-sized enterprises - by setting in place a scheme for identifying and selecting promoters of business projects and providing them with back-up facilities in preparing business plans.

In 1986, through financial contributions under budget item 7731, the Commission helped establish fifteen BICs in industrial areas within regions eligible for assistance under Community regional policy: Taranto, Foggia and Vercelli (I); Rossendale, Cheshire, Strathclyde, Cardiff and Clwyd (UK); Bilbao (E); Limerick, Galway and Dublin (IRL); Turnhout (B); Thebes (GR); and Setubal (P). In all, out of the thirty or so promotional operations launched eleven BICs were formally set up in Berlin, Charleroi, Liège, Thionville, Nancy and Genoa (these centres have already been operational for over a year) and in Giovinazzo, Pistoia, Calderdale, Barnsley and Derry.

In helping to establish new enterprises, BICs develop the local organizational machinery under which advisory services and material infrastructures are provided for those wishing to set up in business. In this way, they have proved to be an important instrument in exploiting local development potential, in the regions concerned (human potential, financial potential, technical knowhow, technological resources and research).

BICs, which are designed as cost-effective organizations aiming at eventual financial autonomy, are set up as partnerships between the bodies in the public and private sectors that are active locally: public authorities, firms, banks, universities, research centres, and trade associations (manufacturing, craft industry, cooperatives).

The BICs that are already operational are eligible for ERDF assistance, notably under Article 15 of the Regulation.

In view of the positive results - in terms of the number of enterprises and jobs created - achieved by those BICs, the Commission sent to the Council a programme for creating and developing BICs over a four-year period¹⁶.

¹⁶ OJ C 33, 11.2.1987.

Chapter 6. Location of ERDF assistance

6.1 The ten most assisted regions received half of the grants

99. The extent to which the principle of geographical concentration of ERDF assistance is put into practice can be seen from an analysis of the proportion of grants given to the Community regions which received most of the assistance. However, the analysis undertaken here does not include assistance provided under specific Community measures, which accounted for 4.27% of grants committed in 1986 and for 1.04% of the total for the period 1975-86.

Comparison of amounts committed by region, in absolute terms and in terms of aid per capita, may be distorted by the fact that varying proportions of the aid are allocated to multiregional projects. In the case of such projects, the breakdown of aid by region is not known. For example, multiregional projects financed by the ERDF include modernization of the railway network in Greece and transport infrastructure projects in the United Kingdom. In 1986, projects of this type accounted for 1.5% of commitments, but for 6.83% of commitments in the case of Greece. In the period 1975-86, 8.9% of grants went to multiregional projects. In order to allocate to the regions covered by such projects the share of the aid accruing to them, the amounts have been share out in proportion to the population eligible under the ERDF. The amounts given in the following paragraphs and in Tables 16 and 17 are therefore slightly higher.

100. In 1986, half of the grants went to ten regions. Campania again headed the list with 415 million ECU, equivalent to 13% of ERDF assistance during the year. However, the regions of Spain and Portugal also made their presence felt, with Andalusia and Castile-Leon coming second and third in the list and with five of the ten most assisted regions being located in the Iberian Peninsula.

TABLE 16.

The ten regions receiving the bulk of ERDF assistance

1986 (*)				1975-1986 (*)			
Region	Assistance Mio ECU	%	Assist p.cap. ECU	Region	Assistance Mio ECU	%	Assist p.cap. ECU
Campania	415.20	13.0	75	Campania	2 171.57	12.6	392.10
Andalusia	249.53	7.8	38	Ireland	991.84	5.8	282
Castilla/León	146.85	4.6	57	Scotland	944.69	5.5	183
Kentr.Dyt.				Sicilia	839.26	4.8	168.4
Makedon.	125.41	4.0	74	Kentr.Dyt.			
Ireland	125.14	3.9	36	Makedon.	661.50	3.8	390
Centro	112.37	3.5	64	Wales	597.61	3.4	212
Basilicata	103.05	3.2	168	North	582.11	3.3	187
Norte	90.68	2.8	26	Calabria	573.85	3.3	274.80
Alentejo	82.00	2.6	146	N. West(UK)	540.09	3.1	85
Scotland	81.55	2.6	16	Basilicata	481.96	2.8	785.4
Total	1 450.60	45.5		Total	8 384.48	52.1	
EUR 12	3 186.10	100.0		EUR 12	17 193.01	100.0	

(*) Including multiregional projects.

Over the period 1975-86, by contrast, the list was much less affected by cyclical movements since nine of the ten most assisted regions are the same as last year, with reference to the period 1975-85, the exception being Basilicata which ousted Puglia from tenth position.

101. Compared with 1985, a twofold development was noted as regard grants for the regions accorded priority status :

- a 9% decline in the case of the former priority regions as defined for the Community of Ten, viz. the Mezzogiorno, Greece (excluding Athens), Ireland, Northern Ireland and the French overseas departments;
- a 60% increase if Portugal and the regions in Spain are added to the list¹⁷.

Lending to the priority regions thus accounted for 73% of ERDF assistance in 1986.

The ERDF assists only those Community regions which receive regional aid from their governments. Such aid is approved by the Commission in accordance with Articles 92 and 94 of the Treaty establishing the European Economic Community. In the case of the Netherlands, the ERDF-assisted areas are more restricted than the areas approved for national regional aid purposes.

Changes were made to ERDF-assisted areas in a number of Member States in 1986:

- France: A number of areas in the regions of Franche Comté and Upper Normandy have not been eligible since 1 February 1986.
- Luxembourg: In October, the Commission approved a draft Grand-Ducal law amending and modifying the 1979 Framework Law on Economic Expansion, its main innovative feature being the demarcation of assisted areas covering some 80% of the population.
- Spain: For them to be eligible for ERDF assistance from the beginning of the year the Commission provisionally endorsed a list of regions in Spain that are seen as being among the least-favoured in the Community: Andalusia, Castile-Leon, Castile-La Mancha, Extremadura, Galicia and the Canary Islands.

Three other regions, Asturias, Murcia and the province of Teruel, were added to the list in October.

- Portugal: Pending the Commission's decision in the matter, all the regions Portugal, with the exception of Lisbon, were deemed to be eligible for ERDF assistance in 1986.

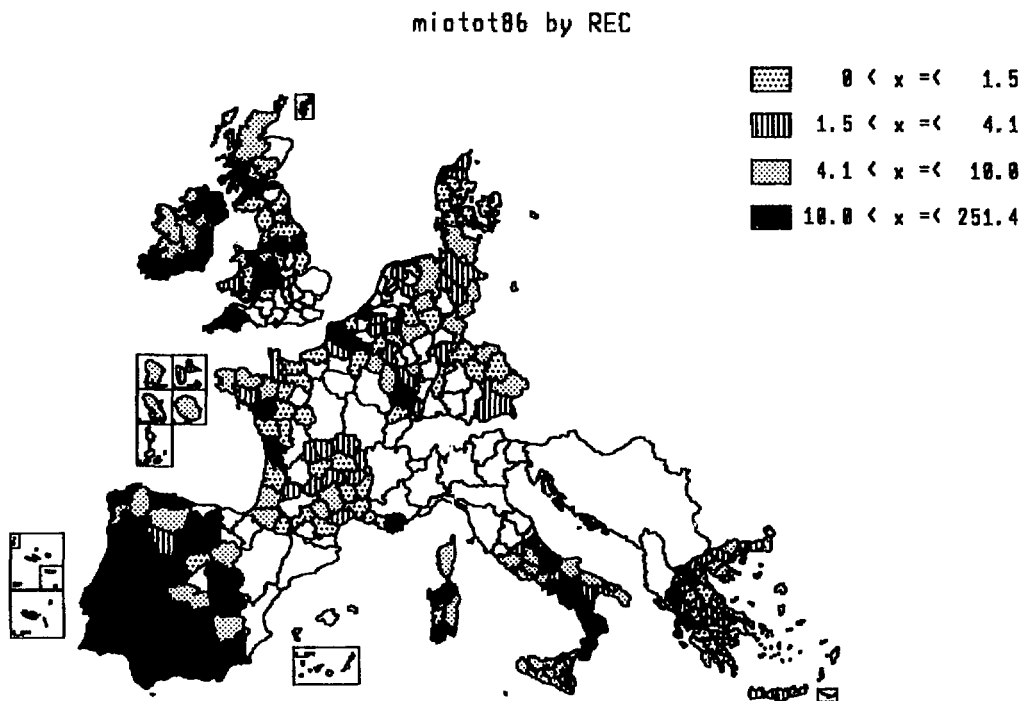
ERDF operations affect areas with a combined population of 132.4 million, or 41.3% of the Community's total population. As Table 17 shows, however, the relative importance of these aided regions varies widely from one Member State to another. They account for some 19% of the population in the Netherlands, for between 24% and 48% in Denmark, Belgium, Germany, the United Kingdom, Italy, France and Spain, and for as much as 66% in Greece, while the figure recorded for Luxembourg (80%) is the same as that for Portugal. Ireland is regarded as an ERDF-assisted area in its entirety.

TABLE 17.
ERDF-assisted areas: population and aid per capita

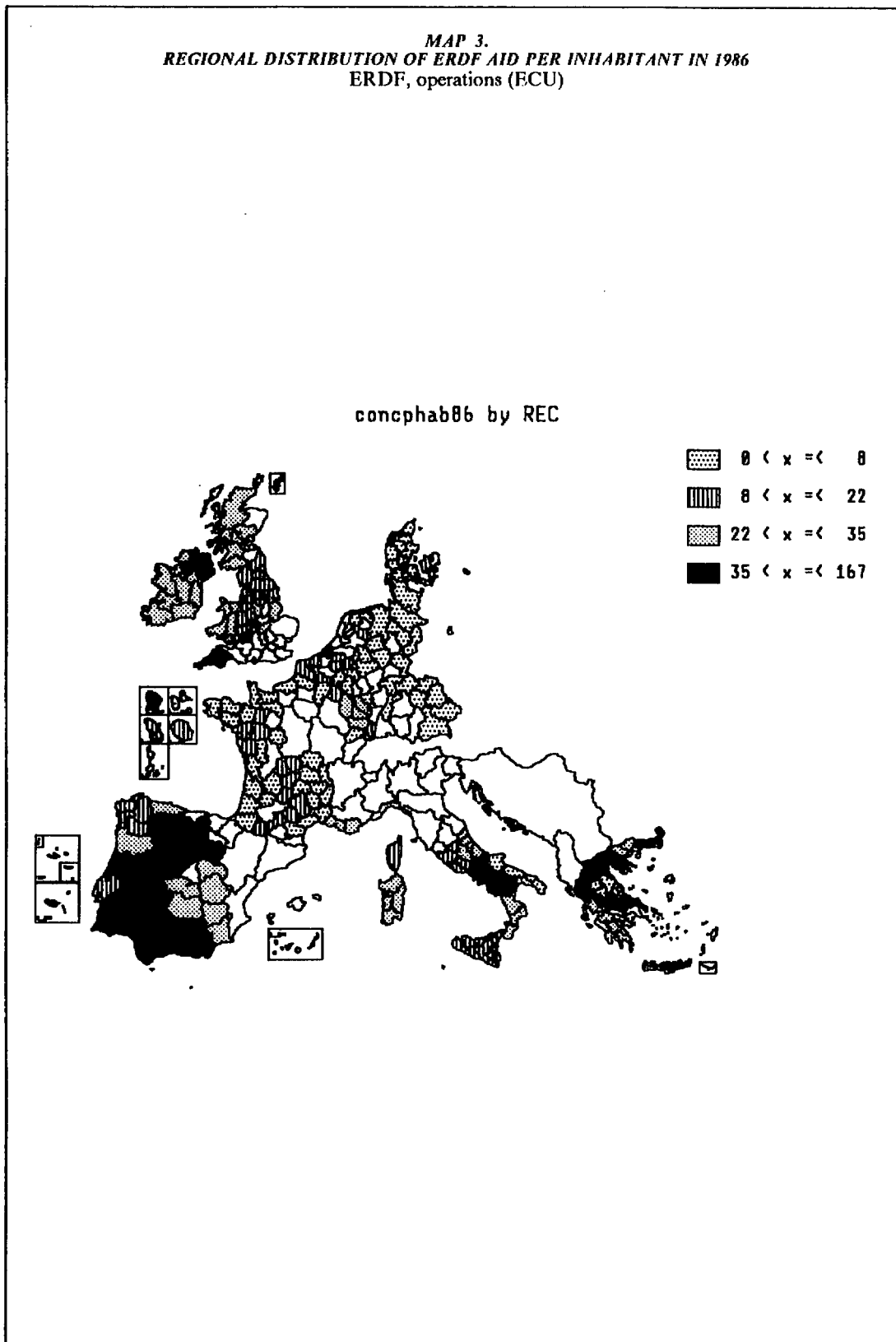
Member State	Population (1) (in millions)			Aid per capita in ERDF areas (ECU) (2)	
	total	eligible	as %	1986	1975-1986
B	9.9	3.3	33.1	6	47
DK	5.1	1.2	24.1	9	131
D	61.1	22.5	36.8	4	31
GR	9.7	6.4	65.7	48	282
E	37.7	18.2	48.2	35	-
F (2)	55.6	22.4	40.3	12	99
IRL	3.5	3.5	100.0	36	283
I	57.1	23.2	40.6	35	259
L	0.4	0.3	80.0	3	42
NL	14.5	2.1	14.4	13	96
P	9.9	8.0	81.2	48	-
UK	56.3	21.3	37.7	24	184
EUR 12	320.8	132.4	41.3	24	130
(1) From the available sources, the population figures relate to the years 1980-1986 inclusive.					
(2) Aid per capita based on the latest available figures for eligible population					
(3) Including the overseas departments					

¹⁷ For want of a definition of the priority regions in Spain and Portugal, all regions receiving assistance have been regarded as priority regions.

MAP 2.
REGIONAL DISTRIBUTION OF ERDF AID IN 1986
ERDF, operations (million ECU)



MAP 3.
REGIONAL DISTRIBUTION OF ERDF AID PER INHABITANT IN 1986
ERDF, operations (ECU)



102. Aid calculated in per capita terms provides a better measure for the level of ERDF assistance in the regions and allows comparisons between the regions, leaving aside their population levels. The indicator is calculated by relating ERDF grants solely to the population of the areas eligible for Fund assistance in the region.

In 1986, the two leading regions were Basilicata (Italy), with 167.9 ECU per head of population, and Alentejo (Portugal) with 146.3 ECU. In the group of the ten most assisted regions in 1986 according to this indicator, there are three Greek regions, three Italian, two Spanish and two Portuguese.

103. For a clearer overview of the ERDF's effort in each assisted region, its activities have been illustrated by two maps portraying the regional distribution of assistance in terms of total amounts and amounts per capita (Maps 2 and 3).

Tables 18 and 19 provide all the data on the regional distribution of assistance by type of investment from 1975 to 1986 and on a per capita basis for 1986 and from 1975 to 1986.

6.2 Location of assistance in the Member States

104. This section reviews ERDF assistance in each of the Community countries. While, for each country, total commitments (programmes and projects) are taken into consideration, the regional analysis is carried out on a project basis, the programmes having been discussed in Chapter 3.

Graph n°2 shows the aids granted in 1986 by country and by type of interventions.

6.2.1 Belgium

Grants for Belgium totalled 19.15 million ECU, of which 3.68 million ECU for 1 programme (European Development Pole).

105. In 1986, an amount of 15.4 million ECU, or 80.42% of commitments for Belgium, was granted for 38 projects. A fifth of the assistance went to linked to productive activities that should ultimately create 350 direct jobs in Flanders, with the remaining four fifths going to infrastructures, primarily sports and leisure centres, followed by roads and by water-collection and water-distribution schemes.

For the first time, initiatives to exploit local development potential of the regions were financed under Article 15 of the Regulation.

Assistance by region

Flanders

106. In 1986, ERDF grants to Flanders totalled 7.4 million ECU, of which 40.55% went to projects involving productive activities, notably in the energy sector and in the chemical industry.

The main infrastructure projects financed concerned the extension for tourist purposes of two provincial leisure parks, De Halve Maan in Diest (1.9 million ECU) and Bokrijk in Genk (1.3 million ECU).

With a view to promoting local development potential, the ERDF financed 55% of the start-up costs of seven business and service centres set up on the initiative of the Limburg and West Flanders regional development companies (0.3 million ECU). The centres are located in Hasselt, Genk, Overpelt, Tongeren, Beringen and Maasmechelen (Limburg) and in Ypres (Westhoek). They provide new businesses with premises appropriate to their needs and, in particular, with the back-up facilities essential during the start-up period, including a local management consultant, common services and the logistical assistance of a secretariat.

With regard to infrastructures, assistance amounting to some 0.4 million ECU was granted for the setting up of a business and service centre and for the provision of short-lease premises in Ypres.

Wallonia

107. This region received the bulk of resources allocated to programmes (European development pole: steel area of Aubange).

Assistance totalling 8 million ECU was granted for 16 infrastructure projects. Ten of them were located in less-favoured agricultural areas and covered by the integrated development programme for south-east Belgium. They included nine road modernization and improvement schemes and the construction of a sewerage system.

The main projects receiving assistance included extension of water-supply schemes in the industrial area of Liege and the Ourthe valley (2 million ECU) and the establishment of a space park at Redu (1.7 million ECU), where the European Space Agency operates a telecommand and telemetering station.

6.2.2 Denmark

108. In 1986, Denmark received assistance amounting to 11.12 million ECU, of which programmes and measures to foster internally generated development (Nordtek programme) accounted for 2.49 and a total of 73 projects for 8.6 million ECU, 86% of which went to infrastructure projects and 14% to industrial projects. The industrial projects helped to create or maintain 460 jobs. In 1985, ERDF grants had been worth 13.2 million ECU.

In the period 1975-86, a total of 148.6 million ECU was granted to a variety of projects, 89% of which were infrastructure projects and 11% industrial projects, and 6 million ECU to studies linked mainly to projects in Greenland.

The infrastructure category assisted most in 1986 was transport, with a total of 4.8 million ECU specially for five port extension schemes (Lemvig, Struer, Skive, Strandby and Grenå).

In addition, the tendency for a growing proportion of assistance to be allocated to economic and training infrastructures, noted in 1985, continued in 1986, as exemplified by the grants for the Nakskov training centre and the Rønne business advisory support centre, two bodies set up to meet the specific needs of local businesses.

The infrastructure and industry aids are concentrated for the most part in the regional development areas of Jutland, although assistance for the new regional development areas in the department of Storstrøm increased quite significantly.

Assistance under Article 15 of the ERDF Regulation

109. In 1986, the Commission decided to grant 0.2 million ECU over a period of three years to help finance the Morsø Food Park Foundation on the island of Morsø in Denmark. The Foundation is a financially independent advisory body that has been set up to attract new food-processing firms to this regional development area by offering professional advisory and consultancy services, notably with regard to investment, sales openings and marketing.

The Foundation is to be the driving force behind the project, attracting new firms to the industrial park and assisting them in overcoming the difficulties encountered in the first few years of operation, which, as experience has shown, are a very critical period for them.

6.2.3 Germany

110. Grants for Germany during the second year of application of the new Regulation amounted to over 82.56 million ECU and, once again, were confined to individual projects carried out under the joint Federal Government/Länder scheme for improving regional economic structures.

In 1986, not only the amount of assistance was higher than in 1985 (around 75 million ECU), but also the number of projects assisted (1985: 170 projects; 1986: 280 projects).

Most of the grants went to 217 industrial projects in eight Länder, these being all the eligible Länder bar Rheinland-Palatinate. The remaining 63 projects, all infrastructure projects, were located in five Länder (19 in Lower Saxony, 17 in Bremen, 12 in Schleswig-Holstein, 11 in Bavaria and four in Hesse).

Overall, Lower Saxony received most assistance (some 21 million ECU for 58 projects), followed by Bavaria (over 16 million ECU for 25 projects) and by North Rhein-Westphalia (some 17 million ECU for 32 projects). Except in the case of Bremen, the bulk of the grants went to industrial projects, in line with the general pattern observed for Germany since the ERDF was set up in 1975.

Up to 1986, Germany received some 4.1% (for over 2 700 projects) of the total amount of ERDF assistance granted to all Member States since the Fund's inception. The industrial projects are concerned primarily with setting up and expanding firms in sectors such as mechanical engineering, metal working, motor vehicle construction and electronics.

The infrastructure projects receiving assistance (especially for the development of industrial estates and sewerage schemes) include: development of the Niedervieland industrial estate in Bremen (1.9 million ECU); extension of the high-pressure gas pipeline from Birnbach to Gangkofen via Pfarrkirchen and Eggenfeld in Lower Bavaria (1.2 million ECU); laying of a railway track and installation of a directionally variable derrick in the seaport of Nordenham in Lower Saxony (2.2 million ECU).

6.2.4 Greece

111. In 1986, grants for Greece totalled 309.66 million ECU, of which 17.58 million ECU for programmes (including the IMP for Crete).

As in the previous year, they went mainly to economic and social infrastructure projects, which have been regarded as priority projects for the purposes of both national and Community regional policy since Greece joined the Community in 1981.

Out of a total of 292.08 million ECU allocated to projects in 1986, over 99% was accounted for by infrastructure projects and remainder by six productive investment projects in the craft sector and light industry.

The large-scale projects (each costing more than 15 million ECU) include power stations built by the Public Power Corporation (DEI) at Ptolemais and Amidaio. With the electricity supply schemes in the less-developed regions of Greece, total ERDF assistance for the energy sector in 1986 amounted to over 138 million ECU.

A number of other large-scale projects were undertaken in the transport sector (modernization of the Oinoi-Larissa railway line by the Greek National Railway Authority (OSE) - grant of 10.3 million ECU) and in the telecommunications sector (modernization projects carried out by the Hellenic Telecommunications Organization (OTE) - grant of 6.9 million ECU).

A large number of the aforementioned projects had previously received ERDF finance and were concerned with the transition to the next phase of development. This is certainly having an adverse effect on financing for small-scale projects and on the establishment of national priorities under the regulations governing Community regional policy, although it must not be forgotten that large-scale infrastructure projects of this kind contribute to the development of all the regions of Greece.

ERDF financing also plays an important role in speeding up project implementation, thereby reducing the cost of projects and permitting swifter exploitation of their spin-off.

In the case of small-scale projects, ERDF grants in 1986 benefited virtually all the regions of the country, with the exception of the prefecture of Attiki, which is not eligible for assistance, and went primarily to projects covered by the public works programme.

In addition, pursuant to the new ERDF Regulation, the financing of social infrastructure projects (e.g. the hospitals in Amfissa and Kefalinia and health centres in a number of small provincial towns) continued.

Lastly, the ERDF provided some 17.6 million ECU in finance for the first year of implementation of the integrated Mediterranean programme for Crete¹⁸.

In the six years since Greece joined the Community, total ERDF assistance amounts to 1 805.45 million ECU, equivalent to 10.5% of total assistance for Member States since the ERDF was set up in 1975.

For the period 1981-86, this represents some 282 ECU per inhabitant in the assisted regions of Greece.

6.2.5 Spain

112. In 1986, the first year in which Spain was a member of the Community, ERDF grants to it totalled 640.88 million ECU, with the bulk (98.24%) going to infrastructure projects and the remaining 1.76% to industrial projects.

The number of projects financed was 263, of which 238 were infrastructure projects and 25 industrial projects.

ERDF grant applications during the first year related solely to projects submitted by the central government, the direct involvement of the regional administrations being planned for the coming years.

Pending the decision to be taken by the Commission on the eligibility criteria for the regions of Spain, the following were provisionally regarded as assisted areas in 1986: Andalusia, Castile-Leon, Castile-La Mancha, Galicia, Extremadura, the Canary Islands, Murcia, and Asturias as well as the province of Teruel in the region of Aragon. Together, they make up 74.4% of the national territory and account for 48.10% of the population.

On the basis of a classification by type of operation almost 58% of ERDF grants (366.5 million ECU) went to 209 transport infrastructure projects (roads, railways, airports, etc.), while projects in the energy sector, and in particular the laying of the national gas pipeline network and the construction of two regasification plants, received 20.6% and water-engineering projects, notably the building of dams, received 20%. The remaining 1.76% went to industrial projects.

¹⁸ See OJ C 35 (13.02.87) page 7. The ERDF's contribution for the entire duration of the programme (the seven-year period from 1986 to 1992) is 85.78 million ECU.

Assistance by region

Andalusia

113. In 1986, ERDF grants totalling 249.53 million ECU, or 38.94% of total assistance for Spain, were allocated to 95 projects, of which 85 were infrastructure projects and ten industrial projects.

Transport infrastructure projects included improvement work on the international terminal at Malaga airport and the laying of a second railway track (27 km) between Palma del Rio and Lora del Rio on the Cordoba-Seville line.

Water-engineering projects included construction of the dams at Barbate, in the province of Cadiz, and Canales (second phase), in the province of Granada. Lastly, finance was provided towards a major industrial project involving iron-ore processing by the firm Presur.

Castile-Leon

114. In 1986, grants to this region accounted for 22.92% (146.84 million ECU) of ERDF assistance for Spain. They went to 46 projects, of which 44 were infrastructure projects and two industrial projects.

The most important projects included construction of the dams at Mingoria and Aceña, in the province of Avila. As part of the major modernization programme for the railways, investment projects involving the RENFE test tracks in the provinces of Palencia and Soria were carried out.

In the energy sector, assistance was provided towards the section of the Burgos-Madrid gas pipeline running through the region and towards the Haro-Burgos and Lerma-Palencia-Valladolid gas pipelines.

Castile-La Mancha

115. In 1986, this region received 9.03% (57.83 million ECU) of ERDF assistance for Spain. The grants were for 34 infrastructure projects and two industrial projects.

Railway infrastructure projects included the laying of a second track between Baides and Torralba, in the province of Guadalajara.

Galicia

116. In 1986, ERDF grants for Galicia accounted for 6.71% (43.0 million ECU) of total assistance for Spain and went to 26 infrastructure projects and ten industrial projects.

The projects included the complete overhaul of the Lalín-Santiago railway line and renewal of the tracks and additional work on the Ferrol-San Ciprián line. Improvements were also made to safety equipment on the Orense-Lalín line.

As regards road infrastructures, one important project involved the construction of a new road between Orense and Peñalba.

A relatively large number of the industrial projects financed in the region covered a wide range of activities: fish canning, furniture manufacture, industrial engines.

Extremadura

117. In 1986, grants for Extremadura accounted for 11.32% (72.51 million ECU) of the total assistance to Spain.

Some 70% of the grants went to the construction of dams including the La Serena dam on the Zújar river and the Alange dam on the Machel river, in the province of Badajoz. Infrastructure projects also included construction of the Baños dam, in the province of Cáceres. These projects are designed to remedy the lack of water resources in the region.

Canary Islands

118. In 1986, the Canary Islands received 1.65% (10.54 million ECU) of the assistance for Spain. All the grants went to 21 transport infrastructure projects.

The projects included airport infrastructures, and in particular enlargement of the terminal at Arrecife and Puerto del Rosario airports in the province of Las Palmas.

Murcia

119. In 1986, Murcia received 3.59% (29.96 million ECU) of the assistance granted to Spain. The entire amount went to an important infrastructure project in Cartagena involving a regasification plant for natural gas to meet the city's energy needs and to supply a major industrial fertilizer complex.

Asturias

120. In 1986, 5.88% (37.66 million ECU) of the assistance for Spain went to Asturias.

The grants were for 11 infrastructure projects, of which nine were in the transport sector and two in the energy sector.

The transport infrastructure projects included projects for improving and renewing the Nubledo-San Juan de Nieva railway line and a number of projects to increase traffic flows and safety in the region. As for the energy projects, ERDF grants totalling 26.40 million ECU were made for the laying of the Burgos-Cantabria-Asturias gas pipeline and for the gas grid in the region.

6.2.6 France

An amount of 259.22 million ECU was committed in 1986, of which 29.9 million ECU for five programmes¹⁹ (see Chapter 3).

121. Grants for projects totalled 229.15 million ECU in 1986 accounting for almost nine tenths of the total assistance for France.

Qualitatively speaking, the effectiveness of ERDF operations again improved. The French authorities not only continued to apply the guidelines established in 1984 for examining ERDF grant applications and allocating grants to all the public authorities helping to finance projects but also extended their scope. Thus, in 1986, most of the applications submitted by France in respect of infrastructure projects concerned projects financed by bodies other than the central government, viz. the regions, departments, inter-municipal consortia and other local authorities. ERDF grants intended to top up the financial resources of the regional and local authorities, accounted for around 40% of total project assistance, compared with 30% in 1985. This was a significant improvement.

While most of their grant applications were in respect of industrial redevelopment regions, including one or more conversion centres, the four overseas departments and the regions affected by the accession of Spain and Portugal, the French authorities extended eligibility for ERDF assistance to other regions in 1986, the result being that all the eligible regions of France were assisted.

In the case of industrial projects, the year 1986 saw a substantial fall in the number of projects financed (135 compared with 229 in 1985), the amount of assistance granted (18.78 million ECU compared with 28.78 million ECU) and in the number of direct jobs that are expected to be created or maintained (8 190 compared with 10 300). This mirrors a steady fall at national level in the productive investment aids granted under the regional planning grant scheme (PAT).

These projects related not only to the setting up of new firms and the extension of existing ones, but also to the takeover of establishments in difficulty. They were located primarily in the electrical engineering, electronics and metal-working sectors. The industrial projects of particular importance that were financed in 1986 included the establishment by the company Bell Tronics Europe, in Cernay, Alsace, of a factory producing extremely high-frequency receivers for direct public broadcasting satellites. This project is expected to create 700 jobs.

Infrastructure projects accounted for 92% of grants for projects, with road construction or improvements receiving almost three quarters of that figure, followed by educational infrastructures and research centres. ERDF finance is made available for operations taken as a whole or for operations carried out in genuinely functional instalments having their own separate management and serving a real economic purpose in themselves. It is designed to provide the competent authorities with the resources needed to supplement the financing plan for the operation concerned and to speed up its implementation. The most important infrastructure projects jointly financed in 1986 included:

- POITOU-CHARENTES: construction in La Rochelle of a residential hotel management school for 755 students (6.6 million ECU);
- PROVENCE-ALPES-CÔTE D'AZUR: construction at La Seyne-sur-Mer of a test tank for marine engineering that will play a key role in the revival of maritime activities in this area, which has been hard hit by the recession in shipbuilding (2.6 million ECU);
- RHÔNE-ALPES: establishment in Roanne of a centre for automated production systems to provide back-up facilities for small and medium-sized enterprises and to assist them in applying new technologies (0.9 million ECU).

Assistance by region

122. Taking the regional breakdown of project grants, Lorraine was the main recipient of ERDF assistance in 1986, followed by Nord/Pas-de-Calais, the Loire Region and Brittany.

¹⁹ Pôle européen de développement, Nord Ouest Aveyron, Tarn Aveyron, Lorraine, Ariège.

Lorraine

123. This industrial redevelopment region received 34.6 million ECUs in grants for projects in 1986. The main projects financed were road improvement schemes in the Vosges, in Meuse and in Meurthe-et-Moselle but a more original feature was the switch of emphasis to electrical engineering and automated production courses at the schools which had previously taught the technical skills needed in the extractive industries in Forbach and Freyming-Merlebach but which had no alternative but to rethink their future when the Lorraine mining industry decided to put a halt to recruitment.

In addition, 6.01 million ECU were committed in connection with a national programme of Community interest.

The industrial projects assisted are expected to create 1 000 new jobs and to maintain 850 threatened jobs.

Nord-Pas-de-Calais

124. In this region, two major projects on the coast received ERDF finance:

- establishment by the Boulogne-sur-Mer city administration of the National Maritime Centre as a tourist attraction and as a centre for the dissemination of knowledge and scientific research on the marine environment (exhibitions, laboratories, multi-media library, etc.) (9.4 million ECU);
- construction by the independent Dunkirk port authorities of a tidal lock and of a link canal between the eastern and western harbours for the conveyance of bulky imports to the steel areas around Valenciennes via the inland waterway system (12.2 million ECU). The project will provide an essential transport link and is, therefore, eligible for ERDF assistance under Article 18(2) of the ERDF Regulation, which lays down the criteria applying to areas adjacent to eligible regions or areas.

The industrial projects receiving assistance in the region should eventually create 550 new jobs.

Overseas departments: Guiana, Guadeloupe, Martinique and Réunion

125. In 1986, the four overseas departments received ERDF grants totalling 21.2 million ECU.

All the grants went to infrastructure projects the most important of which were:

- GUIANA: dredging operations in the inlets at Cayenne (1.8 million ECU);
- GUADELOUPE: improvements to the port at Pointe-à-Pitre to enable it to perform its role as a dispersal port for the Caribbean (1.7 million ECU);
- MARTINIQUE: fourth section of the Fort de France bypass (4 million ECU);
- RÉUNION: construction of a network of sewage treatment plants essential to the future of the tourist area of Lagon, which is threatened with the destruction of its coral formations (5.7 million ECU).

6.2.7 Ireland

126. In 1986, Ireland received a total of 124.52 million ECU for 88 investment projects; of that amount, 82.35% was accounted for by infrastructure projects and 17.65% by industrial projects.

Once again, the bulk of infrastructure grants went to transport projects (63.5 million ECU), including improvements to Ireland's strategic road network, in particular, two new roads were built in the Dublin area to bypass Chapelizod and Lucan.

The other main sectors to receive ERDF grants were water supply, education, and small and medium-sized businesses (establishment and back-up). A 4.30 million ECU grant was made for the construction of a new building for the engineering school at University College, Dublin.

A grant of 384 615 ECU was made to the Cork Business and Technology Centre under Article 15 of the ERDF Regulation. The first of its kind in Ireland, it will cover up to 50% of the initial running costs of this important venture, which will help establish small enterprises in the south west of the country.

Grants for industry covered a wide range of manufacturing activities and will help create some 4 406 new jobs.

6.2.8 Italy

127. In 1986, 1 400 projects received ERDF grants totalling 813,62 million ECU, of which 22.9% went to 571 industrial projects and 77.1% to 829 infrastructure projects. The level of ERDF assistance to productive investment projects (186.08 million ECU) is much lower than that for infrastructure projects (627.19 million ECU).

As in 1985, ERDF grants for productive investment projects increased, both in terms of number and value. This was the result of the efforts to encourage the establishment of new industrial plants made primarily by the Ministry responsible for civil defence in the areas affected by the recent earthquakes. This policy of promoting productive activities is accords fully with the intentions of the Commission, which has, therefore, respond to the expectations of the Italian authorities and approved their requests for assistance.

However, the Commission departments again had to exclude a fairly large number of productive investment projects in sectors where supply is already outstripping demand or is threatening to do so (sensitive sectors).

What is more, all the projects submitted by Italy in 1985 and 1986 for grants amounting to over 1 596.42 million ECU, some 300 applications were rejected either for lack of finance, because certain particulars had not been provided or then again because the relevant Community directives had not been complied with.

Taking the regional breakdown of ERDF grants, Campania received 415.20 million ECU for 214 projects while Calabria received 66.76 million ECU, Abruzzi 41.08 million ECU and Apulia 34.6 million ECU, followed by the other regions (for details, see the statistical annex).

Italy submitted five grant applications for studies, one of which was financed by the ERDF during the review period. The study was designed to identify the most appropriate means of action to protect the beach at Cagliari from the erosion that is threatening to destroy a valuable natural tourist asset.

The bulk of the grants went to the following authorities:

- the Ministry responsible for civil defence in respect of 19 infrastructure projects (63.83 million ECU) and 26 productive investment projects (193.31 million ECU); the Ministry provide assistance only in the areas affected by the 1980 and 1981 earthquakes, viz. Campania and Basilicata;
- the regional authorities, but only in respect of infrastructure projects (198.79 million ECU); as in the previous year, they submitted on the whole applications for small-scale infrastructure projects either falling within their own jurisdiction or carried out by provincial authorities, municipal authorities or mountain communities;
- the Agenzia per la promozione dello sviluppo del Mezzogiorno in respect of 63 infrastructure projects (83.50 million ECU allocated between all the regions concerned) and 545 industrial projects (115.36 ECU, likewise share out between those regions).

In selecting projects, the ERDF adopted the same approach as before to priority projects even though this resulted in some projects deemed important by the local authorities not being selected.

It is in this context that the priority accorded pursuant to Article 34 of the Regulation to projects coming under the Naples integrated operation has to be seen (for details, see Chapter 5.1.1.1: Naples integrated operation).

As far as possible, priority was accorded to projects that reflected the priorities laid down in the Regulation (Naples integrated operation, productive job-creating investment projects) and that enabled the ERDF to act as a catalyst in mobilizing resources and to speed up project implementation. For this reason, all other things being equal, preference went to projects whose financing plan could be supplemented with ERDF assistance, either on a case-by-case basis or for a particular group of projects. The latter category included the financing of productive and infrastructure investment projects carried out under the direction of the Ministry responsible for civil defence as part of the reconstruction programme for the disaster areas of Campania and Basilicata. Although, in 1985, priority had been given to developing infrastructures on industrial estates, the aim in 1986 was to add to existing infrastructures or to extend existing industrial estates and to improve access to the main regional and national traffic routes.

For the first time, projects to improve the telephone network carried out by the State Telephone Corporation (SIP) in a number of areas in the Mezzogiorno were eligible for ERDF assistance. The SIP will use the grants for investments over and above its normal investment programme in the Mezzogiorno.

Assistance by region

128. As in 1985, Campania and Basilicata accounted for nearly 64% of ERDF grants to Italy.

As mentioned above, the main reason for this was the important role played by the Ministry responsible for civil defence, which has been carrying out a major multiannual investment programme in the inland areas of those two regions.

Below are some examples of the assistance made available for investment projects costing more than 15 million ECU (for detail of the total amount of assistance per region, see in the accompanying tables).

Campania

The largest grants for this region were aimed at resolving the problem of general hygiene and health protection and easing congestion on the urban and suburban transport networks in the Naples area.

The ERDF also sought to underscore the importance it attaches to exploiting the area's architectural heritage in the interests of tourist and cultural promotion by contributing an amount of 5.21 million ECU to the cost of restoring the architecture and environment of the 18th century villas in Compolieto, Ruggiero and Fiorita.

Basilicata

In the province of Potenza, a grant of over 40.96 million ECU was made to help finance the work under way on the road that is to provide access to the industrial centre of Nerico-Muro Lucano.

Calabria

In the province of Catanzaro, a grant of over 6.95 million ECU was made in respect of SIP investment projects for developing the telephone network.

So as to encourage general growth of the tourist industry in general, finance was provided towards the construction of chair-lifts and ski lifts at S. Giovanni in Fiore and at Spezzano Piccolo, in the province of Cosenza. Other tourist infrastructures were financed at S. Stefano d'Aspromonte, in the province of Reggio Calabria. In addition, grants were made to civil engineering works coming under a scheme for establishing craft firms and small-scale industrial enterprises at Rombiolo, in the province of Catanzaro.

Sicily

Three investment projects carried out by the SIP in different provinces on the island received finance amounting to more than 12.5 million ECU.

Sardinia

Assistance was provided for a water-treatment plant at Iglesias, in the province of Cagliari, and for two sewage-treatment plants in the province of Sassari (one at Berchidda and the other at Burgos).

In the provinces of Sassari, Nuoro and Cagliari, the ERDF helped finance two projects being carried out by the SIP with a view to increasing the capacity of the telephone network (over 13.19 million ECU).

6.2.9 Luxembourg

129. As in 1985, the Luxembourg authorities did not submit any ERDF grant applications for projects in 1986. However, an amount of 950 000 ECU was committed in connection with a national programme of Community interest, the European development pole.

6.2.10 Netherlands

The Netherlands received grants totalling 28.28 million ECU, of which 5.05 million ECU for programmes (Groningen, Drenthe).

130. Grants totalling 23.2 million ECU were made to projects, equivalent to 82% of the grants committed during the year. They were concentrated on five infrastructure investment projects. No grants were made for productive investment projects since the Dutch authorities did not submit any applications.

The main infrastructure investment project financed concerned the extension of Maastricht airport in Limburg.

Assistance by region

North of the country

131. This region, which covers the provinces of Friesland, Groningen and Drenthe, received 3.3 million ECU in 1986 for two road infrastructure projects, viz. the construction of a link road providing access to the Leeuwarden bypass (2.6 million ECU) and the construction of a mobile bridge at Appingedam (0.7 million ECU).

Limburg

132. In 1986, the South Limburg redevelopment area, which forms the southern part of Limburg, received grants totalling 17.9 million ECU for two infrastructure projects. The main project concerned Maastricht airport, which received 16.6 million ECU for the construction of a new west/east runway. Further development of the airport, which plays a transfrontier role, has been hampered by the inadequate length of the existing north/south runway.

The other project concerned the laying of a cable television network and its integration with the national telephone network (1.3 million ECU).

6.2.11 Portugal

133. The Commission was able to take the first set of grant decisions for Portugal at the beginning of 1986. The fruitful cooperation between the competent national and regional authorities in Portugal and the Commission departments meant that contacts had been established prior to Portugal's accession to the Community.

In 1986, Portugal received ERDF subsidies totalling some 380.85 million ECU for 792 investment projects throughout the country, including on Madeira and in the Azores, but with the exception of the Lisbon area, which was provisionally excluded pending Commission approval of a regional aid scheme. The lack of such a scheme also meant that Portugal did not submit grant application for industrial projects.

Accordingly, only infrastructure projects received ERDF assistance in 1986, with a high priority being accorded to three categories of basic infrastructure: transport, energy and water engineering.

Around 50% of total assistance went to transport projects, reflecting the need to improve the communication network, which is seriously deficient and, as such, is regarded as an obstacle to the country's economic development. Energy infrastructures accounted for 25% of total assistance.

The central government authorities received most of the ERDF assistance provided (239.93 million ECU, or 63%), with the regional authorities, including the autonomous regions of the Azores and Madeira, receiving 140.91 million ECU, or 37%.

In terms of aid per inhabitant, the region of Alentejo tops the list, with 146 ECU, followed by the Azores, with 112 ECU. Leaving aside the population of Lisbon, the region of Lisbon and the Tagus Valley received least assistance (19 ECU per inhabitant).

Assistance by region

North

134. In 1986, grants totalling 90.68 million ECU (23.1% of ERDF assistance to Portugal) were made for 246 infrastructure projects in this region, including the construction of three sections of the IP-4 highway (Porto-Bragança), the railway bridge over the river Douro, the Torrao power station and the Exponor exhibition hall for industrial, craft and service enterprises.

Centre

135. Grants totalling 112.37 million ECU (30% of ERDF assistance for Portugal) were made to 284 infrastructure projects in this region.

Transport infrastructures were the main category of infrastructure receiving assistance. They included the Albergaria/Mealhada section of the Porto/Lisbon motorway, several sections of the IP-5 highway (between Aveiro and the Spanish frontier), and the development of the port of Aveiro.

Alentejo

136. Grants totalling some 82 million ECU (21.5% of ERDF assistance for Portugal) were made for 97 projects in this region, the most important being the construction of the power station at Sines under a plan to step up the distribution of lower-cost electricity.

Several water-supply systems and sewers and a large number of road construction projects, including a section of the Lisbon/Algarve highway, were also financed.

Algarve

137. In 1986, the Algarve received 3.4% of total assistance for Portugal, with grants totalling 12.79 million ECU for 38 projects.

A large proportion of the assistance went to general sanitation projects for combating pollution in this extremely popular tourist region. A section of the coast road providing access to the many beaches and the link road leading to the Spanish frontier at Vila Real de Santo Antonio were also financed. In addition, a grant was made to a technical school in Faro.

Lisbon and the Tagus Valley

138. In 1986, grants totalling 26.84 million ECU (7% of ERDF assistance for Portugal) were made for 77 projects in this region. A large majority of the projects concerned water-engineering infrastructures, including the Alenquer-Torres Vedras-Mafra pipeline which will serve a population of some 90 000.

Autonomous region of Madeira

139. In 1986, this region received grants totalling 19.27 million ECU (5.1% of ERDF assistance for Portugal) for 34 investment projects, including a number of road, water-engineering and energy infrastructures. The most important project concerned the construction of the port at Porto Santo, the only major port on the island of same name.

Autonomous region of the Azores

140. In 1986, this region received grants totalling 29.07 million ECU (7.6% of ERDF assistance for Portugal) for 15 investment projects, including the extension of the Ponta Delgada airport, the ports of Praia da Vitoria and Vila do Porto, and the power stations at Canario and Foz da Ribeira Quente.

6.2.12 United Kingdom

141. ERDF grants for projects and programmes in the United Kingdom in 1986 totalled 513 million ECU and covered a wide variety of industrial projects (18%) and infrastructure projects (81.5%). In aggregate, aid granted to the United Kingdom since the inception of the Fund now stands at 3 912 million ECU (including the financing of 4 programmes²⁰).

Assistance by region

North

142. In addition to the activities under the national programme of Community interest, grants totalling some 58 million ECU (11.5% of the assistance going to the United Kingdom) were made for 78 projects.

Following the increase in grant applications, the Commission thus reversed the declining trend discernible recent years in ERDF allocations for this particularly depressed region.

The grants made included the following: contribution of 4.78 million ECU to the infrastructure cost of developing the former Sunderland airport for industrial use by the Nissan company final instalment of 24.64 million ECU to help finance the Tyneside Sewerage Scheme; and an amount of 4.78 million ECU for the extension, remodelling and restoration of the Theatre Royal in Newcastle. On completion, the latter project should attract over 30 000 overnight visitors to Newcastle each year, beneficial economic effects on the region.

North West

143. A total of 71 million ECU was made available to this region in respect of 102 projects and the commitments entered into under the national programme of Community interest. Several infrastructure grants were made for the development of industrial estates: 878 873 ECU for Knowsley MBC for the redevelopment of a former factory site; 592 957 ECU for Tameside MBC for the Carrbrook industrial estate in Stalybridge, and 169 014 ECU went to the Bowers Employment Area, Widnes. In particular, a 1.126 million ECU grant went to the Business Training Centre in Denton, Tameside, which provides training, premises and support services to attract new manufacturing firms to the area.

As regards industry aids, Renold Power Transmission Ltd (Rochdale) received a grant of 281 690 ECU and Presbar Diecastings Ltd. (Manchester) one of 528 769 ECU for a project that is expected to create 140 new jobs.

South West

144. In 1986, grants totalling 33.5 million ECU were made for some 33 projects, of which 30 were infrastructure projects. The latter included the Plymouth water supply scheme (stage 2), which is important to the further industrial development of the area and which received a grant of 380 281 ECU.

An amount of some 10.98 million ECU helped finance the Saltash bypass (A 38), which will benefit both tourism and industrial traffic, while a grant of 1.26 million ECU went towards the South Dartmoor Leisure Centre, which is expected to attract a large number of overseas visitors.

East Midlands

145. A total of some 3.2 million ECU was granted to 30 projects in the region. There were very few infrastructure grants and the bulk of assistance (2.38 million ECU) went to industrial projects, including investments by Aluminium Shapes Ltd in the manufacture of small extrusions, by Clarke & Sherwell (Corby) Ltd in the manufacture of plastic cards, by Durlum Ltd in the manufacture of suspended ceilings systems and by other firms in the region.

²⁰ Tayside, Mid Glamorgan, Tees Corridor, Northern Ireland

West Midlands

146. A total of 59.75 million ECU was granted to 106 projects, equivalent to some 12% ERDF of assistance for the United Kingdom, and this may be taken as recognition by the Commission of the seriousness of the region's unemployment problems which are associated primarily with the decline of its traditional manufacturing industries.

Of that amount, 98% went to infrastructure projects, including 19.15 million ECU for Phase II of the Birmingham Convention Centre, 3.52 million ECU for the Westwood Business Park in Coventry, and 492 957 ECU for the development of industrial units at the Aston Science Park.

Yorkshire and Humberside

147. This region received a total of 59.5 million ECU for 72 projects. Infrastructure projects that received assistance included a number of major roadwork schemes in various parts of the region. In addition, 1.40 million ECU was granted towards Phase I of the Elsham Wold Industrial Estate, Glanford; and an amount of 592 957 ECU went to the Sheffield Technology Campus, which is intended to stimulate innovation and encourage the establishment of enterprises using new technologies.

Wales

148. In 1986, Wales received grants totalling 67 million ECU (including an amount of 13.3 million ECU committed under a national programme of Community interest), of which 73% went to infrastructure projects and 27% to industrial projects.

The industry grants, totalling 14 million ECU, covered a wide range of manufacturing activities, with the largest grants going to the motor vehicle component industry and the food-processing industry.

The grants for infrastructure projects, totalling 39.6 million ECU, also covered a wide variety of projects. The largest grant (7 million ECU) will help provide a new road bridge across the Loughor Estuary, an essential link in the strategic road networks of South-East Dyfed and West Glamorgan. North Wales was the prime beneficiary of a 19.5 million ECU grant for the construction of the Gresford-Pulford bypass on the A 483, which links Wales and north west England.

Scotland

149. Including the aid made available under the national programmes of Community interest approved for the region, Scotland received some 81.5 million ECU in grants, of which 70 million ECU was for 138 projects, with infrastructure projects accounting for 65% of that amount and industrial projects for 35%.

The grants for infrastructure projects, totalling 45.21 million ECU, went to a wide range of projects of which the Coatbridge Sewer Scheme is of particular interest at it forms part of a comprehensive project for upgrading the infrastructure and environment in the area in order to stimulate new business formation and increase job opportunities. The sewer scheme received a grant of 2.11 million ECU.

The grants for industrial projects, totalling 24.6 million ECU, included in particular an amount of 8.45 million ECU for Digital Equipment's investment project in Lothian, which will create 420 new jobs.

Northern Ireland

150. The preceding year's reversal in the declining trend in ERDF allocations to Northern Ireland was again evident in 1986, when a total of 60.5 million ECU was made available for 217 projects, with a small amount for programmes. This was almost double the 1985 figure and reflects the efforts on part of both local and central government and of the Commission itself to press ahead with the development of the province.

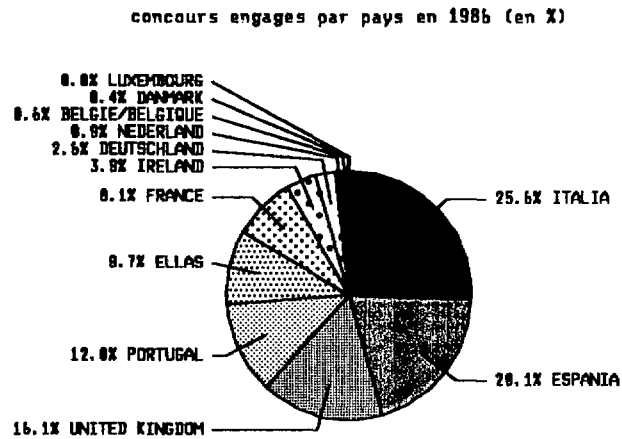
In all, 43% of the grants went to industrial projects and 57% to infrastructure projects. As in 1985, this was the highest ratio of industrial to infrastructure grants achieved in any region of the United Kingdom.

Of particular interest were the grants to promote tourism, including Craft Village project in Londonderry and the holiday centre and ice rink in Dundonald in Belfast.

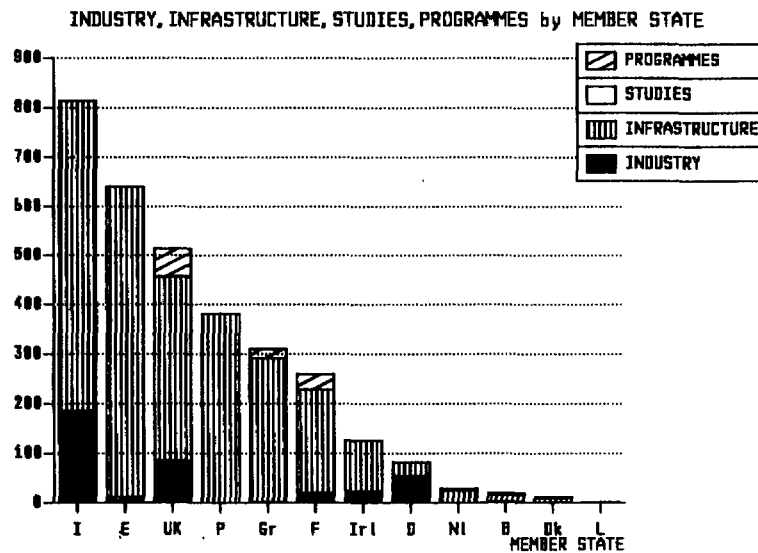
Grants for industrial projects were made to Herdmans Ltd for the extension of linen yarn factory, to various manufacturing firms and to firms in the textile, food processing and telecommunications software industries.

GRAPHIC 2.
AIDS GRANTED IN 1986 BY COUNTRY AND BY TYPE OF INTERVENTION (IN %)

a) Global distribution in %



b) Aids granted by type of intervention



Regional breakdown of commitments 1986

Member State Region	Industry, service and craft		Infrastructure		Studies		Nat. progs. of Commu. interest & Article 15		Total	
	Mio BFR	Mio ECU	Mio BFR	Mio ECU	Mio BFR	Mio ECU	Mio BFR	Mio ECU	Mio BFR	Mio ECU
BELGIQUE/BELGIË	129.57	3.00	538.07	12.46	0.43	0.01	159.01	3.68	827.08	19.15
Vlaanderen	129.57	3.00	192.64	4.46	-	-	13.01	0.30	335.22	7.76
Wallonie	-	-	345.43	8.00	-	-	146.00	3.38	491.86	11.38
Multi-regional	-	-	-	-	0.43	0.01	-	-	0.43	0.01
	Mio DKR	Mio ECU	Mio DKR	Mio ECU	Mio DKR	Mio ECU	Mio DKR	Mio ECU	Mio DKR	Mio ECU
DANMARK	9.20	1.17	58.36	7.44	0.18	0.02	19.54	2.49	87.28	11.12
	Mio DM	Mio ECU	Mio DM	Mio ECU	Mio DM	Mio ECU	Mio DM	Mio ECU	Mio DM	Mio ECU
DEUTSCHLAND	111.30	53.50	60.12	28.92	0.29	0.14	-	-	171.71	82.56
Schleswig-Holstein	11.76	5.64	5.34	2.56	-	-	-	-	17.10	8.20
Bremen	0.86	0.41	12.77	6.15	-	-	-	-	13.63	6.56
Nordrhein-Westfalen	28.54	13.72	-	-	-	-	-	-	28.54	13.72
Hessen	16.90	8.12	0.94	0.45	-	-	-	-	17.84	8.57
Baden-Württemberg	2.41	1.16	-	-	-	-	-	-	2.41	1.16
Bayern	20.40	9.82	15.49	7.45	-	-	-	-	35.89	17.27
Saarland	12.19	5.86	-	-	-	-	-	-	12.19	5.86
Berlin (West)	-	-	-	-	0.22	0.11	-	-	0.22	0.11
Niedersachsen	18.24	8.77	25.58	12.31	0.07	0.03	-	-	43.89	21.11
	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU
ELLAS	0.25	1.72	41.27	290.36	-	-	2.56	17.58	44.08	309.66
Anat.Ster.Kai Nisoi	-	-	4.01	28.21	-	-	-	-	4.01	28.21
Kentr.Dyt.Makedonia	0.12	0.82	17.57	124.59	-	-	-	-	17.69	125.41
Pelop.Dyt.Ste.Ellas	0.02	0.17	4.94	34.43	-	-	-	-	4.96	34.60
Thessalia	-	-	0.64	4.39	-	-	-	-	0.64	4.39
Anatoliki Makedonia	0.03	0.18	1.69	11.79	-	-	-	-	1.72	11.97
Kriti	-	-	1.76	12.35	-	-	2.56	17.58	4.32	29.93
Ipiros	-	-	5.46	38.19	-	-	-	-	5.46	38.19
Thraki	0.08	0.55	1.72	11.88	-	-	-	-	1.80	12.43
Nisoi Anat.Agaiou	-	-	0.48	3.39	-	-	-	-	0.48	3.39
Multi-regional	-	-	3.00	21.14	-	-	-	-	3.00	21.14

Regional breakdown of commitments 1986

TABLE 18.

Regional breakdown of commitments 1986
(continued)

Member State Region	Industry, service and craft		Infrastructure		Studies		Nat. progs. of Commur. interest & Article 15		Total	
	Mrd PST	Mio ECU	Mrd PST	Mio ECU	Mrd PST	Mio ECU	Mrd PST	Mio ECU	Mrd PST	Mio ECU
ESPAÑA	1.58	11.20	87.93	629.68	-	-	-	-	89.51	640.88
Galicia	0.48	3.43	5.49	39.57	-	-	-	-	5.97	43.00
Asturias	-	-	5.31	37.66	-	-	-	-	5.31	37.66
Castilla León	0.16	1.12	20.35	145.73	-	-	-	-	20.51	146.85
Castilla Mancha	0.19	1.38	7.85	56.45	-	-	-	-	8.04	57.83
Extramadura	0.09	0.62	10.03	71.89	-	-	-	-	10.12	72.51
Andalucia	0.66	4.65	34.18	244.88	-	-	-	-	34.84	249.53
Murcia	-	-	3.24	22.96	-	-	-	-	3.24	22.96
Canarias	-	-	1.48	10.54	-	-	-	-	1.48	10.54
	Mio FF	Mio ECU	Mio FF	Mio ECU	Mio FF	Mio ECU	Mio FF	Mio ECU	Mio FF	Mio ECU
FRANCE	127.86	18.78	1 431.70	210.37	0.95	0.14	203.74	29.93	1 764.25	259.22
Haute-Normandie	8.43	1.24	-	-	-	-	-	-	8.43	1.24
Basse-Normandie	8.83	1.30	23.00	3.38	0.45	0.07	-	-	32.28	4.75
Picardie	0.63	0.09	14.00	2.06	-	-	-	-	14.63	2.15
Champagne-Ardennes	1.92	0.28	40.73	5.98	-	-	-	-	42.65	6.26
Centre	1.02	0.15	-	-	-	-	-	-	1.02	0.15
Nord-Pas-de-Calais	10.47	1.54	152.45	22.40	-	-	-	-	162.92	23.94
Bretagne	10.83	1.59	128.99	18.95	-	-	-	-	139.82	20.54
Pays de la Loire	13.06	1.92	146.10	21.47	-	-	-	-	159.16	23.39
Poitou Charentes	3.36	0.49	74.57	10.96	-	-	-	-	77.93	11.45
Lorraine	21.37	3.14	213.51	31.38	0.50	0.07	109.47	16.08	344.85	50.67
Alsace	10.70	1.57	10.60	1.56	-	-	-	-	21.30	3.13
Franche-Comté	2.87	0.42	-	-	-	-	-	-	2.87	0.42
Limousin	2.63	0.39	44.46	6.53	-	-	-	-	47.09	6.92
Aquitaine	6.55	0.96	108.49	15.94	-	-	-	-	115.04	16.90
Midi-Pyrénées	6.74	0.99	101.84	14.96	-	-	94.27	13.85	202.85	29.80
Auvergne	6.77	0.99	52.89	7.77	-	-	-	-	59.66	8.76
Rhône-Alpes	6.32	0.93	8.36	1.23	-	-	-	-	14.68	2.16
Languedoc-Roussillon	5.36	0.79	32.63	4.79	-	-	-	-	37.99	5.58
Provence-Côte-d'Azur	-	-	100.65	14.79	-	-	-	-	100.65	14.79
Corse	-	-	34.00	5.00	-	-	-	-	34.00	5.00
Martinique	-	-	36.00	5.29	-	-	-	-	36.00	5.29
Guadeloupe	-	-	11.45	1.68	-	-	-	-	11.45	1.68
Guyane	-	-	51.98	7.64	-	-	-	-	51.98	7.64
Réunion	-	-	45.00	6.61	-	-	-	-	45.00	6.61
Multi-regional	-	-	-	-	-	-	-	-	-	-

Regional breakdown of commitments 1986
(continued)

Regional breakdown of commitments 1986
(continued)

Member State Region	Industry, service and craft		Infrastructure		Studies		Nat. progs. of Commun. interest & Article 15		Total	
	Mio IRL	Mio ECU	Mio IRL	Mio ECU	Mio IRL	Mio ECU	Mio IRL	Mio ECU	Mio IRL	Mio ECU
IRELAND	16.80	21.98	78.36	102.54	-	-	0.47	0.62	95.63	125.14
West	-	-	0.36	0.47	-	-	-	-	0.36	0.47
Midlands	-	-	1.69	2.22	-	-	-	-	1.69	2.22
East	1.80	2.36	29.70	38.87	-	-	-	-	31.50	41.23
Mid West	-	-	0.34	0.45	-	-	-	-	0.34	0.45
South East	3.26	4.26	-	-	-	-	-	-	3.26	4.26
South West	-	-	2.65	3.48	-	-	0.47	0.62	3.12	4.10
Multi-regional	11.74	15.36	43.62	57.05	-	-	-	-	55.36	72.41
	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU
ITALIA	268.09	186.08	903.66	627.19	0.51	0.35	-	-	1 172.26	813.62
Marche	4.41	3.06	9.36	6.50	-	-	-	-	13.77	9.56
Lazio	20.69	14.36	10.97	7.61	-	-	-	-	31.66	21.97
Abruzzi	24.52	17.02	34.67	24.06	-	-	-	-	59.19	41.08
Molise	5.72	3.97	32.67	22.67	-	-	-	-	38.39	26.64
Campania	102.34	71.03	495.87	344.17	-	-	-	-	598.21	415.20
Puglia	24.43	16.96	25.42	17.64	-	-	-	-	49.85	34.60
Basilicata	29.34	20.37	119.13	82.68	-	-	-	-	148.47	103.05
Calabria	22.41	15.55	73.78	51.21	-	-	-	-	96.19	66.76
Sicilia	18.51	12.85	60.93	42.29	0.51	0.35	-	-	79.95	55.49
Sardegna	15.72	10.91	40.86	28.36	-	-	-	-	56.58	39.27
	Mio LFR	Mio ECU	Mio LFR	Mio ECU	Mio LFR	Mio ECU	Mio LFR	Mio ECU	Mio LFR	Mio ECU
LUXEMBOURG	-	-	-	-	-	-	42.00	0.97	42.00	0.97
	Mio HFL	Mio ECU	Mio HFL	Mio ECU	Mio HFL	Mio ECU	Mio HFL	Mio ECU	Mio HFL	Mio ECU
NEDERLAND	-	-	54.45	23.19	0.11	0.04	11.86	5.05	66.42	28.28
Noord-Nederland	-	-	7.65	3.26	0.03	0.01	11.86	5.05	19.54	8.32
Oost-Nederland	-	-	4.80	2.04	-	-	-	-	4.80	2.04
Zuid-Nederland	-	-	42.00	17.89	-	-	-	-	42.00	17.89
Multi-regional	-	-	-	-	0.08	0.03	-	-	0.08	0.03

Regional breakdown of commitments 1986
(continued)

Regional breakdown of commitments 1986
(continued)

Member State Region	Industry, service and craft		Infrastructure		Studies		Nat. progs. of Commur. interest & Article 15		Total	
	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU
PORTUGAL	-	-	57.60	380.85	-	-	-	-	57.60	380.85
Norte	-	-	13.54	90.68	-	-	-	-	13.54	90.68
Centro	-	-	17.08	112.37	-	-	-	-	17.08	112.37
Lisboa e vale do Tejo	-	-	4.13	26.84	-	-	-	-	4.13	26.84
Alentejo	-	-	12.38	82.00	-	-	-	-	12.38	82.00
Algarve	-	-	1.95	12.79	-	-	-	-	1.95	12.79
Açores	-	-	4.38	29.07	-	-	-	-	4.38	29.07
Madeira	-	-	2.98	19.27	-	-	-	-	2.98	19.27
Multi-regional	-	-	1.16	7.83	-	-	-	-	1.16	7.83
	Mio UKL	Mio ECU	Mio UKL	Mio ECU	Mio UKL	Mio ECU	Mio UKL	Mio ECU	Mio UKL	Mio ECU
UNITED KINGDOM	62.06	84.12	273.80	371.64	1.04	1.43	41.54	56.24	378.44	513.43
North	3.24	4.40	39.49	53.46	-	-	0.11	0.15	42.84	58.01
Yorkshire Humberside	5.10	6.91	38.79	52.56	0.01	0.02	-	-	43.90	59.49
East Midlands	1.74	2.38	0.64	0.86	-	-	-	-	2.38	3.24
South West	0.09	0.13	24.64	33.36	-	-	-	-	24.73	33.49
West Midlands	0.83	1.16	43.23	58.56	0.02	0.03	-	-	44.08	59.75
North West	3.89	5.29	25.87	35.05	0.19	0.27	22.35	30.26	52.30	70.87
Wales	10.55	14.28	29.20	39.67	-	-	9.83	13.30	49.58	67.25
Scotland	18.19	24.62	32.89	45.21	0.27	0.37	8.38	11.35	59.73	81.55
Northern Ireland	18.43	24.95	24.80	33.62	0.55	0.74	0.87	1.18	44.65	60.49
Multi-regional	-	-	14.25	19.29	-	-	-	-	14.25	19.29
	Mio ECU		Mio ECU		Mio ECU		Mio ECU		Mio ECU	
Commun.	-	-	-	-	1.22	1.22	-	-	1.22	1.22
EUR 12	-	381.55	-	2 684.64	-	3.35	-	116.56	-	3 186.10

Regional breakdown of commitments 1986
(continued)

Regional breakdown of commitments 1975-1986

Member State	Industry, services and crafts		Infrastructure		Studies		Nat. progs of Commun. interest & Article 15		Total	
Region	Mio BFR	Mio ECU	Mio BFR	Mio ECU	Mio BFR	Mio ECU	Mio BFR	Mio ECU	Mio BFR	Mio ECU
BELGIQUE/BELGIË	1 713.86	39.30	4 787.78	109.84	98.64	2.00	159.01	3.68	6 759.29	154.82
Vlaanderen	1 142.17	26.20	2 157.73	49.48	5.59	0.13	13.01	0.30	3 318.50	76.11
Wallonie	571.70	13.10	2 630.05	60.36	93.48	1.87	146.00	3.38	3 441.22	78.71
	Mio DKR	Mio ECU	Mio DKR	Mio ECU	Mio DKR	Mio ECU	Mio DKR	Mio ECU	Mio DKR	Mio ECU
DANMARK	128.84	16.68	1 018.68	131.92	46.14	5.97	19.54	2.49	1 213.19	157.06
	Mio DM	Mio ECU	Mio DM	Mio ECU	Mio DM	Mio ECU	Mio DM	Mio ECU	Mio DM	Mio ECU
DEUTSCHLAND	965.30	404.02	703.05	295.62	0.40	0.19	-	-	1 668.75	699.83
Schleswig-Holstein	120.00	49.54	89.09	37.30	-	-	-	-	209.09	86.84
Bremen	0.86	0.41	12.77	6.15	-	-	-	-	13.63	6.56
Nordrhein-Westfalen	128.77	54.30	32.74	13.58	-	-	-	-	161.51	67.88
Hessen	76.47	32.83	34.09	14.20	-	-	-	-	110.55	47.03
Rheinland-Pfalz	87.06	36.11	16.17	6.71	-	-	-	-	103.23	42.82
Baden-Württemberg	30.42	12.78	18.33	7.60	-	-	-	-	48.75	20.38
Bayern	161.00	67.14	205.90	86.44	-	-	-	-	366.91	153.58
Saarland	162.17	74.07	35.55	14.75	0.08	0.04	-	-	197.80	88.86
Berlin (West)	12.50	5.19	95.65	39.68	0.22	0.11	-	-	108.37	44.98
Niedersachsen	185.91	71.57	162.75	69.21	0.10	0.04	-	-	348.76	140.82
Multiregional	0.15	0.08	-	-	-	-	-	-	0.15	0.08
	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU	Mrd DRA	Mio ECU
ELLAS	3.06	32.68	174.19	1 755.07	0.02	0.12	2.56	17.58	179.82	1 805.45
Ana.Ster.Kai Nisoi	0.16	1.76	13.84	136.53	-	-	-	-	14.00	138.29
Kentr.Dyt.Makedonia	0.36	3.46	65.98	658.04	-	-	-	-	66.34	661.50
Pelop.Dyt.Ste.Ellas	0.26	2.81	23.44	238.29	-	-	-	-	23.70	241.10
Thessalia	0.24	2.64	10.41	112.05	-	-	-	-	10.65	114.69
Anatoliki Makedonia	0.18	1.83	5.58	54.66	-	-	-	-	5.76	56.49
Kriti	0.09	0.99	8.88	90.81	-	-	2.56	17.58	11.53	109.38
Ipiros	0.41	4.52	16.34	158.08	-	-	-	-	16.75	162.60
Thraki	0.65	6.92	6.55	65.10	-	-	-	-	7.20	72.02
Nisoi Anat.Agaiou	0.35	3.86	7.40	79.64	-	-	-	-	7.75	83.50
Multiregional	0.36	3.89	15.77	161.87	0.02	0.12	-	-	16.14	165.88

Regional breakdown of commitments 1975-1986

TABLE 19.

Regional breakdown of commitments 1975-1986
(continued)

Member State Region	Industry, services and crafts		Infrastructure		Studies		Nat. progs of Commun. interest & Article 15		Total	
	Mrd PST	Mio ECU	Mrd PST	Mio ECU	Mrd PST	Mio ECU	Mrd PST	Mio ECU	Mrd PST	Mio ECU
ESPAÑA	1.58	11.20	87.93	629.68	-	-	-	-	89.51	640.88
Galicia	0.48	3.43	5.49	39.57	-	-	-	-	5.97	43.00
Asturias	-	-	5.31	37.66	-	-	-	-	5.31	37.66
Castilla León	0.16	1.12	20.35	145.73	-	-	-	-	20.51	146.85
Castilla Mancha	0.19	1.38	7.85	56.45	-	-	-	-	8.04	57.83
Extramadura	0.09	0.62	10.03	71.89	-	-	-	-	10.12	72.51
Andalucía	0.66	4.65	34.18	244.88	-	-	-	-	34.84	249.53
Murcia	-	-	3.24	22.96	-	-	-	-	3.24	22.96
Canarias	-	-	1.48	10.54	-	-	-	-	1.48	10.54
	Mio FF	Mio ECU	Mio FF	Mio ECU	Mio FF	Mio ECU	Mio FF	Mio ECU	Mio FF	Mio ECU
FRANCE	2 349.64	366.81	11 555.15	1 796.17	42.12	6.59	397.76	58.76	14 344.67	2 228.33
Haute-Normandie	19.48	2.97	-	-	-	-	-	-	19.48	2.97
Basse-Normandie	60.27	9.36	204.87	31.87	0.45	0.07	-	-	265.59	41.30
Picardie	20.88	3.26	16.40	2.44	-	-	-	-	37.28	5.70
Champagne-Ardennes	47.73	7.46	99.00	15.11	-	-	-	-	146.73	22.57
Bourgogne	4.13	0.65	-	-	-	-	-	-	4.13	0.65
Centre	14.43	2.25	13.71	2.15	-	-	-	-	28.15	4.40
Nord-Pas-de-Calais	482.52	75.48	452.99	69.48	-	-	41.44	6.16	976.95	151.12
Bretagne	162.72	25.38	1751.54	273.12	-	-	-	-	1 914.26	298.50
Pays de la Loire	264.66	41.33	518.01	79.73	-	-	-	-	782.68	121.06
Poitou Charentes	111.17	17.38	365.58	56.55	-	-	-	-	476.75	73.93
Lorraine	348.87	54.44	677.26	104.02	0.50	0.07	154.14	22.72	1 180.77	181.25
Alsace	50.57	7.82	15.62	2.35	-	-	-	-	66.19	10.17
Franche-Comté	3.35	0.50	-	-	-	-	-	-	3.35	0.50
Limousin	39.70	6.20	609.64	95.06	-	-	42.40	6.30	691.74	107.56
Aquitaine	168.67	26.36	688.03	106.72	-	-	-	-	856.70	133.08
Midi-Pyrénées	137.70	21.50	1 331.57	207.59	-	-	138.35	20.40	1 607.62	249.49
Auvergne	93.04	14.50	712.92	111.16	-	-	21.43	3.18	827.39	128.84
Rhône-Alpes	132.67	20.72	161.63	25.24	-	-	-	-	294.31	45.96
Languedoc-Roussillon	85.63	13.36	804.37	125.68	-	-	-	-	890.00	139.04
Provence-Côte-d'Azur	12.59	1.97	173.13	26.14	-	-	-	-	185.72	28.11
Corse	4.18	0.65	365.03	56.85	-	-	-	-	369.21	57.50
Martinique	20.43	3.20	648.53	101.24	-	-	-	-	668.96	104.44
Guadeloupe	23.40	3.67	532.87	83.36	-	-	-	-	556.28	87.03
Guyane	23.16	3.63	407.42	63.32	-	-	-	-	430.58	66.95
Réunion	17.68	2.77	788.79	123.12	41.17	6.45	-	-	847.64	132.34
Multiregional	-	-	216.24	33.87	-	-	-	-	214.24	33.87

Regional breakdown of commitments 1975-1986
(continued)

Regional breakdown of commitments 1975-1986
(continued)

Member State Region	Industry, services and crafts		Infrastructure		Studies		Nat. progs of Commun. interest & Article 15		Total	
	Mio IRL	Mio ECU	Mio IRL	Mio ECU	Mio IRL	Mio ECU	Mio IRL	Mio ECU	Mio IRL	Mio ECU
IRELAND	185.26	264.01	512.72	726.59	0.43	0.62	0.47	0.62	698.88	991.84
Donegal	3.84	5.52	8.58	12.33	0.02	0.03	-	-	12.43	17.88
North East	3.34	4.80	7.52	10.80	-	-	-	-	10.85	15.60
North West	8.69	12.49	6.65	9.55	0.01	0.01	-	-	15.35	22.05
West	11.20	16.09	25.38	36.42	-	-	-	-	36.61	52.51
Midlands	9.26	13.30	16.64	23.70	-	-	-	-	25.90	37.00
East	53.25	76.28	93.96	131.19	-	-	-	-	147.20	207.47
Mid West	33.38	47.96	38.18	54.82	-	-	-	-	71.55	102.78
South East	16.56	23.36	24.29	34.90	-	-	-	-	40.86	58.26
South West	33.01	47.43	66.80	95.65	-	-	0.47	0.62	100.27	143.70
Multiregional	12.75	16.78	224.70	317.23	0.40	0.58	-	-	237.85	334.59
	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU	Mrd LIT	Mio ECU
ITALIA	1 087.59	811.72	6 859.51	5 174.16	28.21	21.37	-	-	7 975.31	6 007.25
Friuli-Venezia Giulia	-	-	93.36	71.28	-	-	-	-	93.36	71.28
Toscana	1.11	0.85	18.68	14.26	0.17	0.11	-	-	19.96	15.22
Marche	29.93	22.54	78.59	59.35	1.12	0.86	-	-	109.64	82.75
Lazio	123.77	93.06	199.22	151.33	0.07	0.05	-	-	323.06	244.44
Abruzzi	139.43	104.75	223.71	168.38	9.63	6.59	-	-	372.77	279.72
Molise	13.82	10.15	131.47	98.10	4.94	3.57	-	-	150.22	111.82
Campania	384.67	286.57	2 506.07	1 878.85	7.08	6.15	-	-	2 897.82	2 171.57
Puglia	124.34	93.24	423.19	321.32	0.45	0.30	-	-	547.98	414.86
Basilicata	129.64	96.94	515.15	385.02	-	-	-	-	644.78	481.96
Calabria	42.61	30.97	717.79	542.88	-	-	-	-	760.40	573.85
Sicilia	64.27	47.79	1 041.53	790.93	0.75	0.54	-	-	1 106.55	839.26
Sardegna	34.01	24.86	450.68	341.24	3.79	3.06	-	-	488.48	369.16
Multiregional	-	-	460.08	351.22	0.21	0.14	-	-	460.29	351.36
	Mio LFR	Mio ECU	Mio LFR	Mio ECU	Mio LFR	Mio ECU	Mio LFR	Mio ECU	Mio LFR	Mio ECU
LUXEMBOURG	-	-	508.35	11.63	-	-	42.00	0.97	550.35	12.60
	Mio HFL	Mio ECU	Mio HFL	Mio ECU	Mio HFL	Mio ECU	Mio HFL	Mio ECU	Mio HFL	Mio ECU
NEDERLAND	86.05	32.42	427.12	163.40	0.47	0.19	11.86	5.05	525.51	201.06
Noord-Nederland	44.73	16.85	272.68	102.91	0.39	0.16	11.86	5.05	329.66	124.97
Oost-Nederland	-	-	12.30	4.87	-	-	-	-	12.30	4.87
Zuid-Nederland	41.32	15.57	134.64	52.79	-	-	-	-	175.96	68.36
Multiregional	-	-	7.50	2.83	0.08	0.03	-	-	7.58	2.86

Regional breakdown of commitments 1975-1986
(continued)

Regional breakdown of commitments 1975-1986
(continued)

Member State Region	Industry, services and crafts		Infrastructure		Studies		Nat. progs of Commun. interest & Article 15		Total	
	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU	Mrd ESC	Mio ECU
PORTUGAL	-	-	57.60	380.85	-	-	-	-	57.60	380.85
Norte	-	-	13.54	90.68	-	-	-	-	13.54	90.68
Centro	-	-	17.08	112.37	-	-	-	-	17.08	112.37
Lisboa e Vale do Tejo	-	-	4.13	26.84	-	-	-	-	4.13	26.84
Alentejo	-	-	12.38	82.00	-	-	-	-	12.38	82.00
Algarve	-	-	1.95	12.79	-	-	-	-	1.95	12.79
Açores	-	-	4.38	29.07	-	-	-	-	4.38	29.07
Madeira	-	-	2.98	19.27	-	-	-	-	2.98	19.27
Multiregional	-	-	1.16	7.83	-	-	-	-	1.16	7.83
	Mio UKL	Mio ECU	Mio UKL	Mio ECU	Mio UKL	Mio ECU	Mio UKL	Mio ECU	Mio UKL	Mio ECU
UNITED KINGDOM	536.70	884.23	1 748.45	2 857.49	5.33	8.67	103.51	161.39	2 393.99	3 911.78
North	83.80	140.20	262.85	429.98	0.36	0.62	6.69	11.31	353.71	582.11
Yorkshire Humberside	17.76	28.25	180.32	291.14	0.41	0.70	-	-	198.49	320.09
East Midlands	6.83	10.96	30.50	51.20	0.55	0.93	-	-	37.88	63.09
South West	5.91	9.94	95.90	153.48	0.17	0.29	-	-	101.99	163.71
West Midlands	2.34	3.71	110.22	171.49	0.03	0.05	-	-	112.59	175.25
North West	50.73	84.25	217.83	358.64	0.35	0.56	61.47	96.64	330.38	540.09
Wales	72.86	119.32	280.72	463.66	0.78	1.33	9.83	13.30	364.19	597.61
Scotland	145.92	239.94	400.25	664.48	0.82	1.31	24.65	38.96	571.65	944.69
Northern Ireland	90.56	146.54	155.60	254.13	0.80	1.09	0.87	1.18	247.82	402.94
Multiregional	60.00	101.12	14.25	19.29	1.06	1.79	-	-	75.31	122.20
		Mio ECU		Mio ECU		Mio ECU		Mio ECU		Mio ECU
Commun.	-	-	-	-	1.22	1.26	-	-	1.22	1.26
EUR 12	-	2 863.07	-	14 032.42	-	46.98	-	250.54	-	17 193.01

Regional breakdown of commitments 1975-1986
(continued)

TABLE 20.

Regional breakdown of population and per capita assistance in ERDF-assisted areas

Member State	Population ' x 1000		Aid per capita (ECU) ³	
	total	eligible ²	1986	1975/86
BELGIQUE/BELGIË				
Vlaanderen	5 676	1 304	14	58
Wallonie	3 206	1 960	5	40
DANMARK				
Øst for Storebælt	585	118	19	866
Vest for Storebælt	2 812	1 116	8	48
DEUTSCHLAND				
Schleswig-Holstein	2 627	2 226	3	39
Bremen	672	672	9	9
Nordrhein-Westfalen	16 803	5 282	2	12
Hessen	5 560	1 447	5	32
Rheinland-Pfalz	3 605	1 813	-	23
Baden-Württemberg	9 226	196	5	103
Bayern	10 937	3 324	5	46
Saarland	1 039	1 039	5	85
Berlin	1 833	1 833	-	24
Niedersachsen	7 210	4 688	4	30
ELLAS				
Ana.Ster. Kai Nisoi	3 996	652	43	212
Kentr.Dyt.Makedonia	1 696	1 696	73	390
Pelop.Dyt.Ste.Ellas	1 294	1 294	26	186
Thessalia	696	696	6	164
Anatoliki Makedonia	426	426	28	132
Kriti	502	502	59	218
Ipiros	446	446	85	364
Thraki	345	345	36	208
Nisoi Anat.Agaiou	340	340	9	245
ESPAÑA				
Galicia	2 812	2 812	15	15
Asturias	1 130	1 130	33	33
Aragon	1 197	153	-	-
Castilla-León	2 583	2 583	56	56
Castilla la Mancha	1 649	1 649	35	35
Extremadura	1 065	1 065	68	68
Andalucía	6 441	6 441	38	38
Murcia	955	955	24	24
Islas Canarias	1 368	1 368	7	7
¹ Depending on the sources available, the population figures relate to years 1980-86 inclusive.				
² Population in the ERDF-assisted areas.				
³ Per capita aid: includes multiregional projects and is calculated on the latest available figures for eligible population.				

Regional breakdown of population and per capita assistance in ERDF-assisted areas
(continued)

Member State	Population ' x 1000		Aid per capita (ECU) ³	
	total	eligible ²	1986	1975/86
FRANCE				
Haute Normandie	1 655	153	2	5
Basse Normandie	1 351	969	4	42
Picardie	1 740	541	3	10
Champagne-Ardenne	1 346	354	17	63
Bourgogne	1 596	43	-	15
Centre	2 264	209	-	21
Nord-Pas-de-Calais	3 933	2 233	10	67
Bretagne	2 708	2 473	7	108
Pays de la Loire	2 930	1 963	10	55
Poitou Charentes	1 568	1 568	7	47
Lorraine	2 320	1 429	28	119
Alsace	1 566	138	22	73
Franche Comté	1 084	110	3	4
Limousin	737	737	9	145
Aquitaine	2 657	2 016	8	66
Midi-Pyrénées	2 325	1 784	16	139
Auvergne	1 333	1 022	8	126
Rhône-Alpes	5 016	890	2	51
Languedoc-Roussillon	1 927	1 666	3	83
Provence-Côte-d'Azur	3 965	618	23	45
Corse	240	240	20	239
Martinique	329	329	16	317
Guadeloupe	328	328	5	265
Guyane	73	73	104	917
Réunion	516	516	12	256
IRELAND	3 508	3 508	35	282
ITALIA				
Friuli-Venezia Giulia	1 224	1 224	-	58
Toscana	3 581	30	-	507
Marche	1 421	279	34	296
Lazio	5 056	1 137	19	214
Abruzzi	1 244	1 244	33	224
Molise	332	332	80	336
Campania	5 607	5 607	74	387
Puglia	3 978	3 978	8	104
Basilicata	617	617	167	781
Calabria	2 116	2 116	31	271
Sicilia	5 051	5 051	10	166
Sardegna	1 628	1 628	24	226
¹ Depending on the sources available, the population figures relate to years 1980-86 inclusive. ² Population in the ERDF-assisted areas. ³ Per capita aid: includes multiregional projects and is calculated on the latest available figures for eligible population.				

**Regional breakdown of population and per capita assistance in ERDF-assisted areas
(continued)**

Member State	Population ¹ x 1000		Aid per capita (ECU) ²	
	total	eligible ³	1986	1975/86
LUXEMBOURG	366	291	2	34
NEDERLAND				
Noord Nederland	1 590	1 316	6	94
Oost Nederland	2 938	108	18	45
Limburg	1 088	722	24	94
PORTUGAL				
Norte	3 428	3 428	26	26
Centro	1 751	1 751	64	64
Lisboa et Vale do Tejo	3 292	1 438	18	18
Alentejo	560	560	146	146
Algarve	324	324	39	39
Açores	243	243	119	119
Madeira	253	253	76	76
UNITED KINGDOM				
North	3 117	2 589	22	224
Yorkshire/Humberside	4 917	2 592	22	123
East Midlands	3 852	93	34	678
South West	4 381	662	50	247
West Midlands	5 187	3 611	16	48
North West	6 459	4 139	17	130
Wales	2 814	2 575	26	232
Scotland	5 150	3 500	23	269
Northern Ireland	1 564	1 564	38	257
¹ Depending on the sources available, the population figures relate to years 1980-86 inclusive. ² Population in the ERDF-assisted areas. ³ Per capita aid: includes multiregional projects and is calculated on the latest available figures for eligible population.				

Chapter 7. The ERDF from 1975 to 1986

151. Since its inception in 1975, the ERDF has committed 17.2 thousand million ECU to the financing of 33 000 projects, 152 studies and the first national programmes of community interest or NPCIs. In addition, the Commission has adopted special programmes receiving 840 million ECU in assistance.

All this has made it possible, over the last twelve years, to initiate or maintain a large number of economic activities and ultimately to create or safeguard over 800 000 jobs.

7.1 Financial resources 1975-86

152. The budgetary allocation has increased twelvefold during the period, as the following table shows:

TABLE 21.
ERDF allocations 1975-1986

ERDF: TOTAL				(Mio ECU)	
Year	Commitment appropriations			Annual increase (%)	Share in Community budget (%)
	Operations	Specific measures	Total		
1975	-	-	257.6 ¹	-	4.8
1976	-	-	394.3 ¹	53.1	5.6
1977	-	-	378.5 ¹	-4.0	4.9
1978	-	-	581.0	53.5	4.6
1979	900.0	45.0	945.0	62.7	6.1
1980	1 106.8	58.2	1 165.0	23.3	6.7
1981	1 463.0	77.0	1 540.0	32.2	7.3
1982	1 669.0	90.5	1 759.5	14.3	7.6
1983	1 909.5	100.5	2 010.0	14.2	7.6
1984	2 025.0	115.0	2 140.0	6.5	7.3
1985	2 174.9	115.0	2 289.9	7.0	7.5
1986	3 003.0	95.0	3 098.0	35.3	8.6

¹ 1975: 300 million u.a., 1976: 500 million u.a.
1977: 500 million u.a., converted into ECU at the January 1978 rate.

During the first twelve years of ERDF operations, virtually all the appropriations available were committed. The difference between total appropriations available and total commitments leaves a balance of 15.20 million ECU only, which is the total cumulative balance since the Fund's appropriations outstanding at each year-end since the Fund was set up. It shows that the available appropriation have been almost entirely used up since 1975.

Appropriations actually committed to operations totalled 17 193 million ECU. The following table gives a breakdown by country and by sector of activity:

Commitments 1975-86, by Member State and type of operation

(Mio)

Member State	Industry, services and crafts		Infrastructure		Studies		National Programmes of Community interest		Total	
	Nat. cur.	ECU	Nat. cur.	ECU	Nat. cur.	ECU	Nat. cur.	ECU	Nat. cur.	ECU
B	1 713.86	39.30	4 787.78	109.84	98.64	2.00	159.01	3.68	6 759.29	154.82
DK	128.84	16.68	1 018.68	131.92	46.14	5.97	19.54	2.49	1 213.19	157.06
D	965.30	404.02	703.05	295.62	0.40	0.19	-	-	1 668.75	699.83
GR	3.06 ¹	32.68	174.19 ¹	1 755.07	0.02 ¹	0.12	2.56 ¹	17.58	179.82 ¹	1 805.45
E	1.58 ¹	11.20	87.93 ¹	629.68	-	-	-	-	89.51 ¹	640.88
F	2 349.64	366.81	11 555.15	1 796.17	42.12	6.59	397.76	58.76	14 344.67	2 228.33
IRL	185.26	264.01	512.72	726.59	0.43	0.62	0.47	0.62	698.88	991.84
I	1 087.59 ¹	811.72	6 859.51 ¹	5 174.16	28.21 ¹	21.37	-	-	7 975.31 ¹	6 007.25
L	-	-	508.35	11.63	-	-	42.00	0.97	550.35	12.60
NL	86.05	32.42	427.12	163.40	0.47	0.19	11.86	5.05	525.51	201.06
P	-	-	57.60 ¹	380.85	-	-	-	-	57.60 ¹	380.85
UK	536.70	884.23	1 748.45	2 857.49	5.33	8.67	103.51	161.39	2 393.99	3 911.78
COM	-	-	-	-	1.22	1.26	-	-	1.22	1.26
EUR 12	-	2 863.07	-	14 032.42	-	46.98	-	250.54	-	17 193.01

¹ Thousand million.

Commitments 1975-86, by Member State and type of operation

TABLE 22.

153. Table 23 summarizes the settlement of payment appropriations since the ERDF was set up. Annual allocations of payment appropriations now total 10 360.09 million ECU. At 31 December 1986, payments made since 1975 accounted to 10 357.22 million ECU, so that virtually all payment appropriations had been absorbed.

TABLE 23.
Payment appropriations since 1975

(Mio ECU)				
Year	Budget appropriations	Balance carried over	Payments made	Balance
	(a)	(b)	(c)	(a + b - c)
1975(*)	122.31	-	74.06	48.25
1976(*)	229.05	48.25	213.05	64.25
1977(*)	294.53	64.25	275.70	83.08 (*)
1978	525.00	83.08	254.89	353.19
1979	483.00	353.19	513.15	323.04
1980	392.38	323.04	726.70	4.72
	+ 16.00 (*)			
1981	799.20	4.72	791.41	15.85
	+ 3.34 (*)			
1982	1 015.00	15.85	950.67	97.96
	+ 17.78 (*)			
1983	1 180.00	97.96	1 246.60	31.36
1984	1 312.50	31.36	1 325.98	35.88
	+ 18.00 (*)			
1985	1 540.00	35.88	1 590.85	115.03
	+ 130.00 (*)			
1986	2 282.00	115.03	2 394.16	2.87
Total	10 360.09		10 357.22	2.87
(*) Million of units of account (u.a.) converted into million ECU at the average rate for the year.				
(*) Transfer from specific Community measures (Chap. 51) to operations (Chap.50).				

7.2 Breakdown by country of assistance granted between 1975 and 1986

154. During the twelve year period there has a marked concentration of assistance in Italy, France, the United Kingdom, Greece and Ireland: together, these five countries received 90% of total assistance. The largest share went to Italy (35.6%), with the United Kingdom (21.9%) in second place.

The old priority regions received 9 255 million ECU, of which 5 606 million ECU went to the Mezzogiorno and 1 785 million ECU to Greece. Spain and Portugal must be expected to rise rapidly in the ranking in the years ahead since they received 20% and 12% respectively of the assistance granted in 1986 and most of their regions will probably be given priority status.

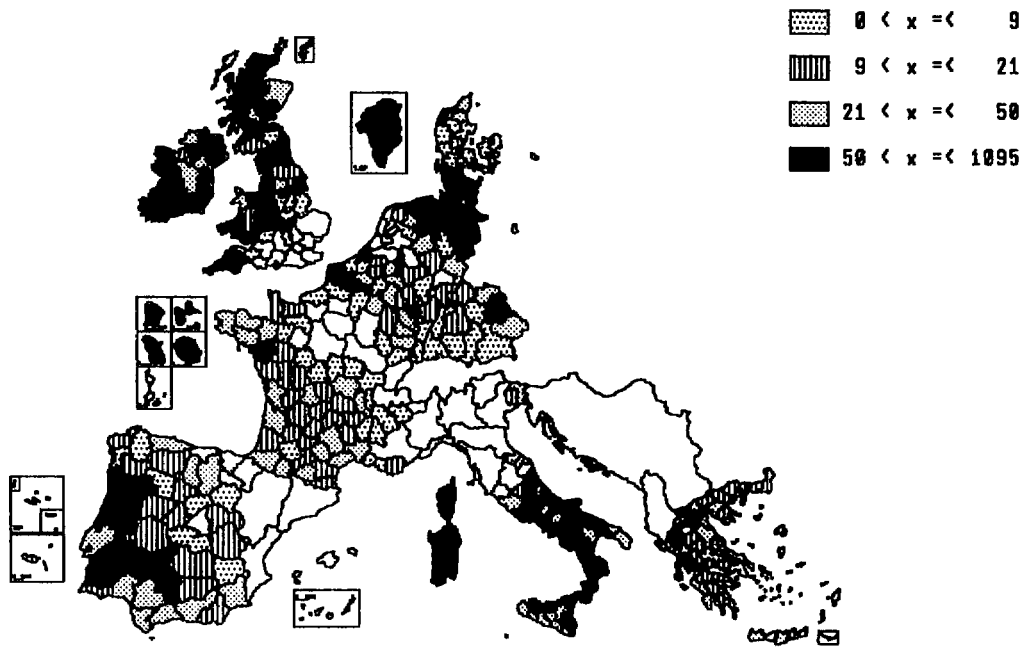
If assistance is calculated in per capita terms, the ranking changes slightly: Ireland comes top of the list with 283 ECU, closely followed by Greece (282 ECU), than Italy (259 ECU) and the United Kingdom (184 ECU). However, if the same calculation is made for the period 1981-86 (Community of Ten), Greece, which only joined the Community in 1981, emerges a clear leader.

The second group, made up of France (99 ECU), the Netherlands (96 ECU), Belgium (47 ECU), Luxembourg (42 ECU) and Germany (31 ECU), received much less than the Community average of 130 ECU per head.

Map 4 shows the breakdown by region of assistance granted in the period 1975-1986.

MAP 4.
 REGIONAL DISTRIBUTION OF ERDF AID 1975-1986
 ERDF, interventions (Mio ECU)

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7.3 Breakdown of assistance by sector of activity

155. Since the inception of the ERDF, more than 14 000 million ECU (slightly over four fifths of total assistance) have been allocated to infrastructure, investment.

Transport infrastructures - especially roads and highway structures - have received most: 5.45 thousand million ECU, or 39% of total infrastructure aid. In second place come water engineering projects, with slightly less than a quarter of infrastructure assistance, followed by energy investment projects (16%).

As regards grants for productive investment, the steady increase of recent years was not maintained in 1986 on account of the accession of Spain and Portugal, which submitted hardly any applications for industrial projects (see 6.2 above).

7.4 Employment

156. The creation or safeguarding of jobs is one of the main tasks of the ERDF.

Over the past twelve years, the ERDF has directly helped to create or safeguard some 800 000 jobs in industry, craft industry and services with an equivalent number of jobs indirectly created around them. This includes the 35 000 jobs generated by NPCIs.

TABLE 24.
Jobs created or preserved from 1975 to 1986 (estimate)

Member State	Number of jobs		
	created	main-tained	Total
B	7 165	102	7 267
DK	7 008	239	7 247
D	92 730	26 031	118 761
GR	7 018	67	7 085
E	1 726	97	1 823
F	188 832	18 943	207 775
IRL	76 043	1 646	77 689
I	93 333	17 501	110 834
L	-	-	-
NL	2 621	685	3 306
P	-	-	-
UK	142 520	79 084	221 604
EUR 12	618 996	144 395	763 391

The industries which created the most jobs were metalworking and precision engineering (430 000), followed by the other manufacturing industries (217 000) and the intermediate goods industries (96 000).

It should be remembered many jobs are also created directly and indirectly as infrastructure projects are carried out. These projects entail a large volume of work, particularly in the building and public work sector. According to some estimates, the activity generated by the infrastructure investment projects assisted by the ERDF since it was set up was sufficient to employ 1.4 million persons for a year in the building and public works sector.

7.5 Programmes

157. Programme financing is a major innovation introduced by the 1984 reform. Two years on, some promising results can already be reported for national programmes of Community interest, while Community programmes are still getting off the ground.

7.5.1 National programmes of Community interest (NPCIs) in 1985 and 1986

158. Since 1985 the Commission has received 64 applications for finance towards NPCIs (17 in 1985 and 47 in 1986).

Applications having been examined, and the ERDF Committee having given a favourable opinion, the Commission formally approved 17 programmes (three in 1985 and fourteen in 1986), with grants totalling 676 million ECU. Examination of a number of applications submitted in 1986 was held over until 1987.

During these two years, 248 million ECU were committed (134 million in 1985 and 114 million in 1986). As already noted in the section on employment, it is estimated that about 35 000 jobs were created or safeguarded by national programmes of Community interest.

The greatest interest in such programmes was shown by the United Kingdom, followed by France. Denmark and the Netherlands each submitted one programme. Three countries France, Luxembourg and Belgium are involved in the European Development Pole.

Programme financing is thus increasing significantly and, if the trend observed in 1986 is maintained, the target of 20% laid down in the Regulation should be achieved.

7.5.2 Specific (non-quota) Community measures

159. These measures are implemented in the form of multiannual special programmes presented by the Member States for approval by the Commission, after consultation of the ERDF Committee. They must form part of the regional development programmes of the countries concerned.

As can be seen from Table 25 the Commission by end-1986 had approved special programmes involving total assistance of 840.4 million ECU, or 78% of the planned Community contribution. Member States' claims for payment, however, have unfortunately been somewhat slower than forecast.

Commitments and payments 1986 and 1981-1986

Special programmes	Total allocation	Commitments		Commitm./ tot.alloc. %	Payments		Payments/ Commitm. %
		1986	1981-1986		1986	1981-1986	
		(Mio ECU)					
Belgium							
-Steel areas	34	11.22	12.20	35.9	6.73	7.71	63.2
-Textile areas	5.6	1.95	1.95	34.8	1.17	1.17	60.0
Germany							
-Shipbuilding areas	3	-	0.63	21.1	-	-	-
-Steel areas	44	-	10.36	23.6	4.32	6.79	65.5
Luxembourg							
-Steel areas	9	2.45	2.45	27.2	-	-	-
Greece							
-Enlargement	40	5.38	10.86	27.2	4.60	7.89	72.6
-Energy	20	1.68	2.94	14.7	1.51	2.26	77.0
France							
-Shipbuilding areas	10.6	1.53	1.53	14.5	-	-	-
-Enlargement	110	13.60	51.97	47.2	11.20	35.85	69.0
-Fisheries	9	1.82	1.82	20.3	-	-	-
-Steel I	21	5.25	5.25	25.0	3.15	3.15	60.0
-Steel II	46	13.83	13.83	30.1	-	-	-
-Textile areas	67.2	14.73	14.73	21.9	4.29	4.29	29.1
Ireland							
-Textile areas	3	0.70	0.70	23.3	-	-	-
-Border areas	16	0.92	16.00	100.0	2.25	14.29	89.3
Italy							
-Enlargement	130	20.20	54.02	41.6	10.61	15.45	28.6
-Energy	16	-	5.03	31.4	-	1.51	30.0
Netherlands							
-Steel areas	5	-	0.77	15.3	0.46	0.46	60.1
-Textile areas	7	1.44	2.70	38.5	0.86	1.93	71.7
United Kingdom							
-Shipbuilding areas	34	-	15.16	44.6	4.56	13.43	88.6
-Fisheries	15	1.99	1.99	13.3	-	-	-
-Steel areas	66	13.31	36.72	55.6	10.65	29.80	81.2
-Textile areas	105	26.25	47.25	45.0	21.00	33.60	71.1
-Border areas I	8	2.59	8.00	100.0	2.26	6.97	87.1
-Border areas II	16	1.19	1.19	7.4	-	-	-
Total	840.4	142.03	320.04	38.1	89.62	186.54	58.3

TABLE 25.
Commitments and payments 1986 and 1981-86

7.6 Studies

160. Since 1980, 148 studies have been financed throughout the Community, excepting Luxembourg, at a total cost of 46.98 million ECU.

TABLE 26.
Studies financed from 1980 to 1986

(Mio ECU)

Member State	1980-1986		
	Number	Amounts committed	Payments made
B	8	2.00	0.73
DK	6	5.97	5.63
D	3	0.19	0.04
GR	5	0.12	0.11
F	4	6.59	4.10
IRL	3	0.62	0.65
I	34	21.37	6.37
L	-	-	-
NL	5	0.19	0.06
UK	77	8.67	4.82
COM	3	1.26	0.35
EUR 12	148	46.98	22.86

Payments for the period 1980-86 amounted to 22.86 million ECU, equivalent to nearly one half of commitments (end-1985 one third). Despite this significant increase, further improvement is necessary and since 1985, the Commission has applied stricter arrangements to speed up the take-up of appropriations committed. In particular, the Commission departments are in regular contact with the Member States concerned in an attempt to speed up work on studies on which unsatisfactory progress has been made.

Appendix A. Statistical data 1986 and 1975-1986

TABLE 27.

Number of projects assisted in 1986 (detail)

Member State	Industry, services and crafts			Infrastructure			Total		
	Large ⁽¹⁾ projects	Small ⁽²⁾ projects	Total	Large ⁽¹⁾ projects	Small ⁽²⁾ projects	Total	Large ⁽¹⁾ projects	Small ⁽²⁾ projects	Total
B	-	14	14	-	24	24	0	38	38
DK	-	41	41	-	32	32	0	73	73
D	10	207	217	-	63	63	10	270	280
GR	-	6	6	6	241	247	6	247	253
E	2	23	25	28	210	238	30	233	263
F	3	132	135	9	106	115	12	238	250
IRL	2	29	31	4	66	70	6	95	101
I	5	566	571	21	808	829	26	1 374	1 400
L	-	-	-	-	-	-	-	-	-
NL	-	-	-	2	3	5	2	3	5
P	-	-	-	13	779	792	13	779	792
UK	8	273	281	8	608	616	16	881	897
EUR 12	30	1 291	1 321	91	2 940	3 031	121	4 231	4 352

(¹) Large projects: projects costing 15 million ECU or more.
(²) Small projects: projects costing less than 15 million ECU.

TABLE 28.

Amounts committed for projects in 1986 (detail)

(Mio ECU)

Member State	Industry, services and crafts			Infrastructure			Total		
	Large projects	Small projects	Total	Large projects	Small projects	Total	Large projects	Small projects	Total
B	-	3.00	3.00	-	12.46	12.46	-	15.45	15.45
DK	-	1.17	1.17	-	7.44	7.44	-	8.61	8.61
D	22.41	31.13	53.54	-	28.94	28.94	22.41	60.07	82.48
GR	-	1.72	1.72	149.21	134.36	283.57	149.21	136.08	285.29
E	5.20	5.95	11.16	303.61	320.29	623.90	308.81	326.25	635.06
F	3.42	15.48	18.89	75.28	135.10	210.38	78.70	150.58	229.28
IRL	6.62	15.36	21.98	38.09	64.46	102.55	44.71	79.83	124.54
I	28.64	157.45	186.08	390.37	236.83	627.20	419.01	394.27	813.28
L	-	-	-	-	-	-	-	-	-
NL	-	-	-	17.89	5.30	23.19	17.89	5.30	23.19
P	-	-	-	232.67	138.05	370.73	232.67	138.05	370.73
UK	32.29	51.82	84.11	109.47	261.09	370.56	141.76	312.91	454.67
EUR 12	98.57	283.07	381.64	1 316.60	1 344.32	2 660.92	1 415.17	1 627.40	3 042.56 ⁽¹⁾

(¹) These amounts have been calculated using the exchange rates in force when the commitment decisions were taken and which may be slightly different from the figures used at the time of the commitment in accounting terms.

TABLE 29.

Breakdown of amounts committed by type of infrastructure in 1986

(Mio ECU)

Type of infrastructure	Large projects		Small projects		Total	
	Projects	Assistance	Projects	Assistance	Projects	Assistance
1. LINKED TO PRODUCTIVE ACTIVITIES	7	131.7	307	98.3	314	230.0
11 Sites for productive activities	6	122.3	183	67.1	189	189.4
12 Factory construction	-	-	104	15.7	104	15.7
13 Centres for applied research - studies - support	1	9.4	13	12.2	14	21.6
14 Commercial centres	-	-	4	3.1	4	3.1
10 Miscellaneous	-	-	3	0.2	3	0.2
2. TRANSPORT	40	525.3	1 340	728.2	1 380	1 253.5
21 Roads, related works	24	367.0	1 116	528.5	1 140	895.5
22 Railways	11	99.6	80	101.5	91	201.1
23 Sea port installations	3	29.9	77	48.9	80	78.7
24 Waterways	1	12.2	3	2.2	4	14.4
25 Airports	1	16.6	61	42.0	62	58.6
27 Other transport systems (funiculars, etc.)	-	-	3	5.2	3	5.2
3. TELECOMMUNICATIONS	6	32.5	4	12.3	10	44.8
31 Telephone, telex	6	32.5	4	12.3	10	44.8
4. ENERGY	17	348.4	113	69.2	130	417.5
41 Electricity supply	4	105.1	9	4.0	13	109.1
42 Electricity distribution	3	114.6	67	12.0	70	126.7
43 Thermal installations	1	5.5	1	0.2	2	5.7
44 Gas distribution networks	9	123.1	36	53.0	45	176.0
5. WATER ENGINEERING	17	243.0	929	258.9	946	501.9
51 Dams	10	115.0	9	18.5	19	133.5
52 Water collection/distribution	1	27.4	562	148.4	563	175.8
53 Irrigation systems	-	-	10	2.5	10	2.5
54 Sewers, sewage treatment plants	6	100.5	345	88.7	351	189.2
50 Miscellaneous	-	-	3	0.8	3	0.8
6. ENVIRONMENT	-	-	63	45.3	63	45.3
61 Coastal protection	-	-	5	1.2	5	1.2
62 Clearance works, hydrogeological protection	-	-	27	29.5	27	29.5
63 Protection and clearance of sites	-	-	16	9.3	16	9.3
64 Incinerators/recycling plants for garbage	-	-	9	2.8	9	2.8
65 Anti-pollution systems	-	-	3	0.5	3	0.5
60 Miscellaneous	-	-	3	2.1	3	2.1
7. EDUCATION, SOCIOCULTURAL, SPORT/LEISURE	4	35.8	184	132.1	188	167.9
71 Education	2	14.3	95	72.2	97	86.5
72/73 Social, medical/paramedical infrastructure	1	3.1	21	7.8	22	10.9
74 Cultural infrastructure	1	18.4	31	26.7	32	45.1
75 Sport and leisure centres	-	-	35	25.0	35	25.0
70 Miscellaneous	-	-	2	0.3	2	0.3
Total	91	1 316.6	2 940	1 344.3	3 031	2 660.9(*)
Total investment		4 371.8		3 246.2		7 618.0
National aid		2 955.4		3 087.8		6 043.2

(*) These amounts have been calculated using the exchange rates in force when the commitment decisions were taken and which may be slightly different from the figures used at the time of the commitment in accounting terms.

TABLE 30.

Breakdown of commitments for projects by industry, craft industry and service sector in 1986

Sector NACE Code	Large projects			Small projects			Total		
	Projects	Assist.	Jobs	Projects	Assist.	Jobs	Projects	Assist.	Jobs
1. ENERGY	-	-	-	4	1.1	73	4	1.1	73
11 Extraction briquetts.solid.fuels	-	-	-	3	0.2	63	3	0.2	63
16 Prod. distrib. of elec., gas	-	-	-	1	0.9	10	1	0.9	10
2. EXTRACT.PROCESS. MINERALS,CHEMIST	6	22.5	1 938	265	72.7	10 501	271	95.2	12 439
21 Extrac. préparation minerais métalliques	1	2.9	161	-	-	-	1	2.9	161
22 Product./prelim.processing metals	-	-	-	22	5.2	822	22	5.2	822
23 Extract. non metallifer. minerals	-	-	-	23	4.4	598	23	4.4	598
24 Manuf.non metallifer.miner. prod.	1	6.4	101	141	39.5	4 765	142	45.9	4 866
25 Chemical industry	4	13.3	1 676	76	22.2	4 171	80	35.5	5 847
26 Man-made fibres industry	-	-	-	3	1.3	145	3	1.3	145
3. METAL MANUFACTURE, INSTR.ENGINEER.	15	45.1	6 725	435	83.2	22 487	450	128.3	29 212
31 Manufacture of metal articles	1	1.0	100	148	22.7	4 776	149	23.6	4 876
32 Mechanical engineering	1	3.9	530	111	15.5	4 339	112	19.4	4 869
33 Manuf.office/data process.machin.	4	18.7	1 822	8	1.7	446	12	20.4	2 268
34 Electrical engineering	1	1.4	700	83	17.7	5 587	84	19.1	6 287
35 Manuf.motor vehicul.,parts/acces.	7	17.7	3 469	52	20.0	5 709	59	37.7	9 178
36 Manuf. other means of transport	-	-	-	14	1.5	573	14	1.5	573
37 Instrument engineering	1	2.6	104	19	4.1	1 057	20	6.6	1 161
4. OTHER MANUFACTURING INDUSTRIES	8	30.6	1 785	559	122.5	23 606	567	153.1	25 391
41/42 Food, drink, tobacco industry	2	12.5	256	147	46.4	6 165	149	58.9	6 421
43 Textile industry	1	3.6	607	28	10.1	1 388	29	13.6	1 995
44 Leather/leather goods industry	-	-	-	11	3.3	755	11	3.3	755
45 Footwear/clothing industry	-	-	-	59	10.7	3 690	59	10.7	3 690
46 Timber/wooden furniture industry	-	-	-	107	16.5	3 851	107	16.5	3 851
47 Manuf.paper/prod.,print.,publish.	3	9.4	347	87	13.8	3 446	90	23.3	3 793
48 Processing of rubber and plastics	1	0.9	125	96	17.5	2 999	97	18.4	3 124
49 Other manufacturing industries	1	4.3	450	24	4.2	1 312	25	8.4	1 762
5. BUILDING AND CIVIL ENGINEERING	-	-	-	5	0.5	108	5	0.5	108
6. TO 9. SERVICES	1	0.3	95	23	3.1	744	24	3.5	839
61 Wholesale distribution	-	-	-	7	0.4	151	7	0.4	151
62 Scrap and waste materials	-	-	-	2	0.3	30	2	0.3	30
66 Restauration, hébergement	-	-	-	1	-	12	1	-	12
67 Repair of cons.goods and vehs.	-	-	-	3	0.5	45	3	0.5	45
72 Autres transports terrestres urbains routiers	-	-	-	2	0.3	216	2	0.3	216
77 Travel agents, freight brokers	-	-	-	1	0.4	39	1	0.4	39
79 Communications	-	-	-	1	0.8	55	1	0.8	55
83 Auxiliary to banking/insurance	1	0.3	95	5	0.4	180	6	0.8	275
98 Services personnels	-	-	-	1	0.1	16	1	0.1	16
Total	30	98.6	10 543	1 291	283.1	57 519	1 321	381.6	68 062
Investment	1 731.6			1 809.5			3 541.1		
National aid	327.8			410.7			738.4		

TABLE 31.
Budgetary situation 1986

1. Use of commitment appropriations

(Mio ECU)

Commitment appropriations available for 1986					Total	Use in 1985	Appropriations available at 31.12.86
Appropriations entered in 1986 budget	Appropriations outstanding from 1985	Appropriations made available by:		Commitments made			
		release of previous commitments	exch. rate fluctuations affecting amounts previously released				
3 003.00	16.58	68.92	112.80	3 201.30	3 186.10	15.20	

2. Use of payment appropriations

(Mio ECU)

Payment appropriations available in 1986			Payments made in 1986			Payment appropriations not used at 31.12.1986	
Carry-over 1985	Appropriations for 1986	Total	Out of carry-over from 1985	Out of approp. for 1986	Total	Out of carry-over from 1985	Out of appropriations for 1986
115.03	2 282.00	2 397.03	115.03	2 279.13	2 394.16	-	2.87

3. Commitments made.

(Mio ECU)

Commitments 1975-1985 unpaid at 1.1.1986	Amounts released and adjustments from 1985	Commitments made in 1986			Unpaid commitments 1975-1985 + 1986 commitments	Commitments paid in 1986	Commitments still to be paid at 31.12.86
		Out of approp. outstanding from 1985	Out of approp. from 1985	Total			
5 114.25	181.72	16.58	3 169.52	3 186.10	8 118.63	2 394.16	5 724.47

TABLE 32.
Payments in 1986 made from 1975-1986 commitments

(Mio)

Member State	Payments made in 1986 against commitments								Total payments 1986	
	1975-79 ECU	1980 ECU	1981 ECU	1982 ECU	1983 ECU	1984 ECU	1985 ECU	1986 ECU	National currency	ECU
B	0.05	0.38	-	0.48	0.30	5.23	15.11	0.06	952.07	21.61
DK	-0.06	0.01	0.10	0.75	3.42	5.81	0.33	8.58	150.08	18.94
D	-0.20	0.20	0.93	0.87	3.75	17.61	51.83	13.24	186.81	88.23
GR	-	-	2.15	0.54	2.39	13.55	124.26	159.98	41.84*	302.87
E	-	-	-	-	-	-	-	314.30	42.81*	314.30
F	1.00	6.05	15.02	23.18	42.06	48.26	64.63	0.16	1 366.60	200.36
IRL	-0.02	-	0.46	-0.47	-0.65	8.05	39.10	30.57	57.88	77.04
I	2.27	5.47	30.56	51.93	110.82	204.90	226.72	68.78	1 026.14*	701.45
L	-	-	-	-	-	0.13	-	-	5.51	0.13
NL	-	2.55	-	-	3.96	3.35	1.96	-	28.20	11.82
P	-	-	-	-	-	-	-	188.78	27.76*	188.78
UK	1.93	1.18	-1.96	6.85	31.45	104.45	273.29	51.07	315.99	468.26
	-	-	-	-	-	-	0.02	0.35	-	0.37
EUR 12	4.97	15.84	47.26	84.13	197.50	411.34	797.25	835.87	-	2 394.16

* in thousand millions

TABLE 33.
Payments 1975-1986

(Mio ECU)

Year	B	DK	D	E	GR	F	IRL	I	L	NL	P	UK	COMM	EUR 12
1975		1.64				15.63	5.21	34.20	0.25	3.29		13.85		74.06
1976	7.08	4.42	17.35			29.99	12.08	75.85	0.47	6.67		59.14		213.05
1977	3.46	6.14	34.40			45.40	14.09	92.82	0.13	3.64		75.62		275.70
1978	5.97	1.38	42.18			40.65	20.46	78.53	0.21	6.48		59.03		254.89
1979	3.10	9.13	46.03			103.61	32.89	143.73	0.30	8.65		165.73		513.10
1980	6.59	9.44	50.45			99.66	69.55	249.08	0.99	7.70		233.24		726.70
1981	9.17	10.69	36.19		122.00	62.16	79.32	210.16	0.96	5.66		255.10		791.41
1982	10.56	14.57	61.65		152.35	126.18	91.18	276.97	0.06	3.24		213.56		950.67
1983	7.03	16.70	45.05		214.59	214.56	91.57	344.50	0.02	18.12		294.46		1 246.60
1984	5.63	28.10	43.92		212.63	190.23	101.52	435.11	2.49	14.74		291.61		1 325.98
1985	12.00	7.69	59.19		309.04	233.23	114.66	381.13	0.65	15.31		457.75		1 590.65
1986	21.61	18.94	88.23	314.30	302.87	200.36	77.04	701.45	0.13	11.82	188.78	468.26	0.37	2 394.16

TABLE 34.

Breakdown by country of commitments for infrastructure projects in 1986

Member State	(Mio ECU)							
	Linked to productive activities	Transport	Telecommunications	Energy	Water engineering	Environment	Education, socio-cultural	Total
B	1.03	2.67	-	0.40	3.20	0.11	5.05	12.46
DK	0.30	4.84	-	-	0.36	0.38	1.56	7.44
D	4.01	10.15	-	5.08	8.19	0.22	1.30	28.94
GR	0.68	72.54	6.89	138.90	16.59	0.33	47.64	283.57
E	-	366.48	-	130.57	126.86	-	-	623.90
F	15.19	154.80	-	0.16	11.65	5.26	23.33	210.38
IRL	1.27	63.47	-	-	29.57	-	8.24	102.55
I	148.99	191.29	36.17	46.27	165.23	23.09	16.14	627.20
L	-	-	-	-	-	-	-	-
NL	-	21.92	1.28	-	-	-	-	23.19
P	7.82	188.66	-	92.45	64.80	0.25	16.74	370.73
UK	50.71	176.69	0.48	3.69	75.42	15.70	47.87	370.56
EUR 12	230.00	1 253.50	44.81	417.53	501.85	45.34	167.88	2 660.92

TABLE 35.

Breakdown by country of commitments for infrastructure projects 1975-1986

Member State	(Mio ECU)							
	Linked to productive activities	Transport	Telecommunications	Energy	Water engineering	Environment	Education, socio-cultural	Total
B	27.23	17.64	-	2.16	30.63	10.02	25.57	113.25
DK	10.65	62.78	15.27	30.77	7.63	0.38	9.49	136.97
D	133.23	27.64	-	20.31	60.62	7.19	43.77	292.76
GR	31.07	500.10	276.84	545.76	277.52	1.20	112.61	1 745.10
E	-	366.48	-	130.57	126.86	-	-	623.90
F	35.26	1 006.04	274.91	379.22	55.04	8.09	51.02	1 809.59
IRL	15.29	253.11	205.02	8.54	199.46	11.42	33.76	726.61
I	678.76	1 582.02	36.83	828.52	1 893.67	126.27	87.23	5 233.30
L	4.02	4.85	-	0.08	1.41	-	1.60	11.97
NL	10.46	145.08	1.28	-	2.76	-	3.98	163.56
P	7.82	188.66	-	92.45	64.80	0.25	16.74	370.73
UK	301.59	1 352.12	230.93	203.34	540.11	63.86	163.79	2 855.74
EUR 12	1 255.40	5 506.53	1 041.08	2 241.72	3 260.50	228.68	549.55	14 083.0

TABLE 36.

Breakdown by country of commitments for projects by industry, craft industry and service sector in 1986

Member State							(Mio ECU)
	Energy	Mineral products and by-products, chemicals	Metal processing instrument engineering	Other manufacturing industries	Building and civil engineering	Services	Total
B	0.94	0.72	0.56	0.78	-	-	3.00
DK	-	0.07	0.56	0.52	0.02	-	1.17
D	-	5.91	22.52	24.02	-	1.08	53.54
GR	-	0.06	0.55	1.10	-	-	1.72
E	-	3.86	2.61	4.67	-	0.02	11.16
F	0.09	1.28	10.18	7.35	-	-	18.89
IRL	-	1.74	12.74	7.50	-	-	21.98
I	-	63.20	42.73	79.63	-	0.52	186.08
L	-	-	-	-	-	-	-
NL	-	-	-	-	-	-	-
P	-	-	-	-	-	-	-
UK	0.04	18.33	35.89	27.53	0.47	1.85	84.11
EUR 12	1.07	95.16	128.34	153.11	0.49	3.47	381.64

TABLE 37.

Breakdown by country of commitments for projects by industry, craft industry and service sector 1975-1986

Member State							(Mio ECU)
	Energy	Mineral products and by-products, chemicals	Metal processing instrument engineering	Other manufacturing industries	Building and civil engineering	Services	Total
B	0.94	15.81	14.16	7.55	0.06	2.28	40.80
DK	-	1.97	8.33	5.98	0.02	0.42	16.72
D	1.81	65.31	195.82	137.46	0.25	7.42	408.07
GR	-	14.50	7.99	13.55	-	4.86	40.90
E	-	3.86	2.61	4.67	-	0.02	11.16
F	2.41	39.86	230.66	104.89	0.52	5.91	384.25
IRL	-	37.77	179.93	47.24	-	0.27	265.20
I	8.18	213.06	325.42	263.34	0.81	8.28	819.09
L	-	-	-	-	-	-	-
NL	-	8.63	5.48	12.21	3.70	2.79	32.82
P	-	-	-	-	-	-	-
UK	74.34	118.27	436.08	218.81	1.26	11.61	860.37
EUR 12	87.68	519.04	1 406.47	815.72	6.62	43.86	2 879.39

Appendix B. Bibliography (1986 publications)

B.1 European regional development fund

- Opinion of the Economic and Social Committee on the European Regional Development Fund Tenth Report from the Commission to the Council (OJ No C 101, 28.4.1986, p. 17)
- Amendments to the proposal for a Council Regulation (EEC) instituting a Community programme for the development of certain less-favoured regions of the Community by exploiting endogenous energy potential (VALOREN programme) (OJ No C 147, 14.6.1986, p. 4)
- Amendments to the proposal for a Council Regulation (EEC) instituting a Community programme for the development of certain less-favoured regions of the Community by improving access to advanced telecommunications services (STAR programme) (OJ No C 147, 14.6.1986, p. 4)
- Amendments to the proposal for a Council Regulation (EEC) instituting a Community programme for the development of certain less-favoured regions of the Community by improving access to advanced telecommunications services (STAR programme) (OJ No C 194, 1.8.1986, p. 6)
- Amendments to the proposal for a Council Regulation (EEC) instituting a Community programme for the development of certain less-favoured regions of the Community by exploiting endogenous energy potential (VALOREN programme) (OJ No C 194, 1.8.1986, p.7)
- Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EEC) instituting a Community programme for the development of certain less-favoured regions of the Community by exploiting endogenous energy potential (VALOREN programme) (OJ No C 207, 18.8.1986, p. 28)
- Opinion of the Economic and Social Committee on the amendments to the proposal for a Council Regulation (EEC) instituting a Community programme for the development of certain less-favoured regions of the Community by improving access to advanced telecommunications services (STAR programme) (OJ No C 263, 20.10.1986, p. 35)
- Council Regulation (EEC) No 3300/86 of 27 October 1986 instituting a Community programme for the development of certain less-favoured regions of the Community by improving access to advanced telecommunications services (STAR programme) (OJ No C 305, 31.10.1986, p. 1)
- Council Regulation (EEC) No 3301/86 of 27 October 1986 instituting a Community programme for the development of certain less-favoured regions of the Community by exploiting endogenous energy potential (VALOREN programme) (OJ No C 305, 31.10.1986, p. 6)
- ERDF in figures: 1985, 1975-85 (CB-46-86-234-EN-C)
- Eleventh Annual Report on the ERDF (1985) Document - Office for Official Publications of the European Communities 1987.

B.2 Specific community regional development measures

- Own-initiative opinion of the Economic and Social Committee on national regional development aid (OJ No C 75, 3.4.1986, p. 12)

- Commission Decision of 7 March 1986 concerning the zones referred to in Article 2(3) of 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 99, 15.4.1986, p. 25)
- Commission Decision of 27 May 1986 concerning the zones referred to in Article 2(3) of 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 (86/274/EEC) (OJ No L 171, 28.6.1986, p. 71)
- Court of Auditors: Special Report No 2/86 on the ERDF's specific Community regional development measures (non-quota measures), accompanied by the Commissions replies (OJ No C 262, 20.10.1986, p.1)

B.3 Integrated mediterranean programmes

- Commission Decision of 23 December 85 amending Decision 84/70/EEC instituting a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 62, 5.3.1986, p. 38)
- Commission Decision of 23 December 1985 amending Decision 84/73/EEC instituting a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 62, 5.3.1986, p. 38)
- Commission Decision of 23 December 1985 amending Decision 84/77/EEC instituting a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 62, 5.3.1986, p. 38)
- Commission Decision of 23 December 1985 instituting in the prefecture of Grevena, Greece, a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 62, 5.3.1986, p. 25)
- Commission Decision of 23 December 1985 instituting in the area of Lake Trasimeno, region of Umbria, Italy, a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 62, 5.3.1986, p. 30)
- 86/450/EEC: Commission Decision of 13 August 1986 instituting in the region of Basilicata, Italy, a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 265, 17.9.1986, p. 14)
- 86/451/EEC: Commission Decision of 13 August 1986 instituting in the region of Sicily, Italy, a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 265, 17.9.1986, p. 20)
- 86/452/EEC: Commission Decision of 13 August 1986 instituting in the region of Tuscany, Italy, a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 265, 17.9.1986, p. 26)
- 86/453/EEC: Commission Decision of 13 August 1986 instituting in the region of Calabria, Italy, a pilot action in preparation for the integrated Mediterranean programmes (OJ No L 265, 17.9.1986, p. 14)
- 86/477/EEC: Commission Decision of 20 August 1986 approving an integrated Mediterranean programme for the island of Crete (Greece) (OJ No L 282, 3.10.1986, p. 21)
- Information note from the Commission to the Council and the European Parliament: procedures and content for the implementation of an integrated approach,

B.4 Regional aid

Special Community assistance to disaster areas in Greece (Kalamata earthquake)

Appendix C. Symbols and abbreviations used

BIC	Business and Innovation Centre
COM	Commission of the European Communities
DOM	French overseas departments
EAGGF	European Agricultural Guidance and Guarantee Fund
ECSC	European Coal and Steel Community
EDP	European Development Pole (three-frontier)
EEC	European Economic Community
EIB	European Investment Bank
EMS	European Monetary System
ERDF	European Regional Development Fund
ESF	European Social Fund
GDP	Gross domestic product (at market prices)
IDP	Integrated development programme
IMP	Integrated Mediterranean programme
NACE	General industrial classification of economic activities within the European Communities
NCI	New Community Instrument
NPCI	National programmes of Community interest
PEDIP	Specific Development Programme for Portuguese Industry
RIA	Regional impact analysis
RPC	Regional Policy Committee
RDP	Regional development programme
SMEs	Small and medium-sized enterprises

B	Belgium
DK	Denmark
D	Germany
E	Spain
GR	Greece
F	France
IRL	Ireland
I	Italy
L	Luxembourg
NL	Netherlands
P	Portugal
UK	United Kingdom
EUR 12	All member countries of the European Communities

BFR	Belgian franc
DKR	Danish krone
DM	German mark
DR	Greek drachma
ESC	Portuguese escudo
FF	French franc
IRL	Irish pound
LIT	Italian lira
LFR	Luxembourg franc
HFL	Dutch guilder
PTA	Spanish peseta
UKL	Pound sterling
ECU	European Currency Unit
MUA	Million units of account

<	less than
>	more than
%	percentage
Mio	million
Mrd	'000 million

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