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DOCUMENT 1-104/83

REPORT

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

on integrated development operations (IDO) in Community
regional policy

Rapporteur: Mr T. von der VRING

By letter of 13 May 1982 the Committee on Regional Policy and Regional Planning requested authorization to draw up a report on integrated development operations (IDO) in Community regional policy.

Authorization was given by the President of the European Parliament in his letter of 16 June 1982.

On 19 October 1982 the committee appointed Mr VON DER VRING rapporteur.

At its sitting of 22 January 1982 the European Parliament referred to the Committee on Regional Policy and Regional Planning the motion for a resolution by Mr CLUSKEY and others pursuant to Rule 47 of the Rules of Procedure (Doc. 1-953/81). At its meeting of 28 April 1982, the committee decided not to draw up a report and to attach the motion for a resolution to the present report.

At its sitting of 10 May 1982 the European Parliament referred to the Committee on Regional Policy and Regional Planning the motion for a resolution by Mr ALMIRANTE and others pursuant to Rule 47 of the Rules of Procedure (Doc. 1-213/82). At its meeting of 23 June 1982 the committee decided not to draw up a report and to attach the motion for a resolution to the present report.

At its sitting of 5 July 1982 the European Parliament referred the motion for a resolution by Mr O'DONNELL and others pursuant to Rule 47 of the Rules of Procedure (Doc. 1-389/82) to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Youth, Culture, Education, Information and Sport for an opinion. At its meeting of 19 October 1982 the Committee on Regional Policy and Regional Planning decided not to draw up a report and to attach the motion for a resolution to the present report. The Committee on Youth, Culture, Education, Information and Sport decided not to deliver an opinion.

At its sitting of 5 July 1982 the European Parliament referred the motion for a resolution by Mr CECOVINI pursuant to Rule 47 of the Rules of Procedure (Doc. 1-439/82) to the Committee on Regional Policy and Regional Planning as the committee responsible and, at its sitting of 13 December 1982, to the Committee on Transport for an opinion. At its meeting of 19 October 1982 the Committee on Regional Policy and Regional Planning decided not to draw up a report and to attach the motion for a resolution to the present report. On 17 March 1983 the Committee on Transport adopted the opinion drafted by Mr GOUTHIER.

At its sitting of 7 February 1983 the European Parliament referred the motion for a resolution by Mrs THEOBALD-PAOLI pursuant to Rule 47 of the Rules of Procedure (Doc. 1-1191/82) to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Transport and the Committee on the Environment, Public Health and Consumer Protection for opinions. At its meeting of 24 February 1983 the Committee on Regional Policy and Regional Planning decided not to draw up a report and to attach the motion for a resolution to the present report. The Committee on Transport and the Committee on the Environment, Public Health and Consumer Protection decided not to deliver opinions.

The committee considered the draft report at its meetings of 27/28 January, 24/25 February and 17/18 March 1983 and unanimously adopted the motion for a resolution on 18 March 1983.

The following took part in the vote: Mr Costanzo, acting chairman; Mr von der Vring, rapporteur; Mrs Boot, Mr Berkhouwer (deputizing for Mrs Martin), Mr Blaney (deputizing for Mr Gendebien), Mr Griffiths, Mr I. Friedrich, Mr Harris, Mr Hutton, Mr Kazazis, Mrs Kellett-Bowman, Mr Klinkenborg (deputizing for Mr Karl Schon), Mr Maher (deputizing for Mr Cecovini), Mr Nikolaou, Mr O'Donnell (deputizing for Mr Giummarra), Mr Pottering, Mr J.D. Taylor, Mr Travaglini, Mr Vandewiele (deputizing for Mr Verroken) and Mr Ziagas (deputizing for Mr Hume).

The opinion of the Committee on Transport on the motion for a resolution by Mr CECOVINI (Doc. 1-439/82) is attached.

The report was submitted on 24 March 1983.

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

MOTION FOR A RESOLUTION

on integrated development operations (IDO) in Community regional policy

THE EUROPEAN PARLIAMENT,

- having regard to Article 29 of the proposal amending the Regulation of the European Regional Development Fund (COM(81) 589 final),
- having regard to the motion for a resolution tabled by Mr CLUSKEY and others concerning Community action in favour of Dublin (Doc. 1-953/81),
- having regard to the motion for a resolution tabled by Mr ALMIRANTE and others on the integrated operation 'Friuli-Venezia Giulia-Trieste' (Doc. 1-213/82),
- having regard to the motion for a resolution tabled by Mr O'DONNELL and others on the integrated development programme for the Gaeltacht (Doc. 1-389/82),
- having regard to the motion for a resolution tabled by Mr CECOVINI on behalf of the Liberal Group on a 'Trieste-Friuli-Venezia Giulia integrated operation' (Doc. 1-439/82),
- having regard to the motion for a resolution tabled by Mrs THEOBALD-PAOLI on a special Community programme for Toulon (Doc. 1-1191/82),
- having regard to the report of the Committee on Regional Policy and Regional Planning and the opinion of the Committee on Transport on the motion for a resolution by Mr CECOVINI on a 'Trieste-Friuli-Venezia Giulia integrated operation' (Doc. 1-104/83),

- (a) having regard to the two current Community integrated development operations (IDOs) in NAPLES and BELFAST,
 - (b) having regard to the observations made repeatedly by the European Parliament since 1980 on budget lines relating to integrated development operations,
 - (c) having regard to the context in which all efforts by the Community to achieve integration and coordination in regional policy must be seen, namely:
 - that the economic policies of the Member States are still far removed from Community coordination and are in many respects mutually incompatible,
 - that there is also little coordination of Community sectoral policies,
 - that both Community and national policies have an extremely unbalanced effect in the various regions,
 - that the various regional disparities which are increasingly forming a part of Community development illustrate the inadequate coordination between national and Community policies,
 - that any genuine solution to these problems requires firstly Community integration of national economic and financial policies and secondly general recognition of regional requirements in sectoral Community policies,
 - (d) recognizing that the responsibility for solving these problems cannot be borne solely by regional policy and that over-optimistic expectations should not be placed in the regional policy measures to achieve greater regional efficiency of Community policies,
1. Welcomes and supports the proposal from the Commission for integrated development operations in regional policy;

2. Regards this proposal above all as a pragmatic attempt to promote a favourable socio-economic development in a limited area characterized by a particularly serious development problem by means of intensive coordination of action by the Community, national government, regional and local authorities and effective coordination of the use of the various Community financial instruments;
3. Refers to the need not only to take account of the socio-economic background when an IDO is being geographically delineated but also to ensure that the number of local and regional decision-making bodies involved is not so great as to hamper the operation;
4. Notes that this represents an experiment which has not yet been completed and considers it necessary for the time being to retain this experimental nature of IDOs and a considerable degree of flexibility in their administration;
5. Regards the provisions of Article 29 of the proposal amending the regulation of the Regional Fund as appropriate but would welcome the inclusion of some additional elements in the further course of the discussion of this proposal;
6. Considers it particularly important that the regional policy experience gained from IDOs should be made public and exploited throughout the Community;
7. Notes already but without prejudice to subsequent evaluation of the experience gained, that the special efforts made in IDOs to ensure coordination are likely to increase the efficiency of the Community's regional policy measures;
8. Recommends therefore that greater use be made of other IDOs and that these should receive special financial support along the lines of Article 29(5) of the proposed amendment of the regulation of the Regional Fund;
9. Stresses that effective cooperation between all the bodies concerned - European Community, state, region, local authorities - in the planning and implementation of an integrated package of regional development measures is the most important essential condition for an IDO receiving special support from the European Regional Fund and that a formal cooperation agreement to this effect should be the justification for an IDO;

10. Believes that this cooperation can also be guaranteed by the Member State concerned in the context of a national IDO without any special staff commitment by the Commission; a Community IDO, i.e. special staff-intensive coordination by the Commission as in NAPLES and BELFAST should only be used where severe socio-economic obstacles to development exist which cannot be overcome by other means;

11. Calls on the Commission, irrespective of any action taken by national authorities, to expand the range of experience of IDOs by initiating further Community IDOs, particularly in
 - (a) problem areas where urban and rural problems are interconnected, especially in the Mediterranean area,
 - (b) structurally weak border areas,
 - (c) areas particularly hard-hit by industrial structural crises;

12. Stresses that the most important objectives of an IDO are:
 - (a) improving coordination of Community financial instruments,
 - (b) improving cooperation at all levels between the national institutions involved in regional development,
 - (c) increasing the overall benefit derived from individual projects,
 - (d) expediting implementation,
 - (e) mobilizing all indigenous development potential,
 - (f) improving the regional investment climate and stimulating private development initiatives;

13. Proposes the following as the basic conditions which should be placed on special IDO aid from the Community and which should be specified and more closely defined by the Commission on an ad hoc basis in accordance with regional circumstances:
 - (a) the positive outcome of a feasibility study,
 - (b) the possibility of making integrated use of various Community instruments,
 - (c) guarantees for the coordinated deployment of all the relevant financial instruments of the Member State concerned and its regional and local authorities,
 - (d) recognition of a special priority for IDOs in the regional policy of the Member State concerned,

- (e) incorporation of IDOs into a regional development programme,
 - (f) assessment and recognition of indigenous development potential and of the specific requirements of environmental protection,
 - (g) provision for participation by local social groups,
 - (h) compilation of a background file meeting certain requirements and enabling implementation and outcome to be monitored by the Community;
14. Welcomes the Commission proposal to give a higher priority and greater support to IDOs as a major contribution to concentrating Community resources for regional policy within the Member States;
15. Stresses that IDO does not represent a new Community financial instrument and that the appropriations under budget items 5410 and 5411 for IDOs are simply an addition to Regional Fund resources;
16. Supports the request for reserve appropriations for IDOs in Item 5411 for Community financing of specific measures which are not covered by the existing framework of Community financial instruments on the following conditions to ensure their exceptional nature:
- (a) the volume of appropriations under Item 5411 should be restricted to 1 to 2% of the total ERDF allocation,
 - (b) the special projects supported from these funds must be essential to the success of IDOs and increase the effectiveness of other measures,
 - (c) this form of Community aid should not account for an unduly large part of overall Community financing of an IDO;
17. Proposes that the powers to make use of Item 5411 should be regulated in the Regional Fund regulation; the adoption of a Council regulation in each case would contradict the principle of the flexibility of IDOs;
18. Considers the following basic requirements for the background file as sufficient although they should be specified in detail on an ad hoc basis by the Commission:
- (a) it should contain details of all operations, deliberations, planned measures and commitments which have been taken into account in the programming of an IDO (record),
 - (b) it should set out the special conditions on which Community aid is granted,

- (c) it should set out the funding to be provided by the bodies concerned and the Community instruments,
 - (d) it should contain specific criteria for monitoring the outcome;
19. Stresses that IDO planning should be on a roll-over basis and calls for regular documentation of monitoring and progress which must be made available to the European Parliament;
 20. Considers, where appropriate, that Community financial support should be provided in the form of specialist temporary assistance particularly with regard to the investigation and financing of indigenous development potential, programme development and the provision of marketing and technological expertise;
 21. Recommends the Commission to begin to build up such an external regional policy service organization without at this stage deciding on its final form;
 22. Draws the attention of the Commission and Council in particular to the problems which will be created concerning the relationship of European regional policy to European agricultural policy if the IDOs needed in rural problem areas in the Mediterranean are launched, in particular the question of which forms of agricultural production can be encouraged in any given case without damaging other regions and without increasing surpluses;
 23. Considers it inadvisable to restrict IDOs to urban areas and leave support for rural areas to agricultural development programmes; urges instead amalgamation of the two measures, IDO and Integrated Development Programmes (IDP);
 24. Regards the implementation of special IDOs in the Mediterranean area also as a promising pragmatic approach to the gradual reduction of divergences between regional and agricultural policy;
 25. Instructs its President to forward this resolution to the Commission and the Council.

EXPLANATORY STATEMENTINTRODUCTION

1. The following criticisms are regularly made of the lack of coordination in the Community:
 - national economic policies often run counter to instead of complementing each other.
 - there is little coordination between the different policies of the European Community which as a result are not effective enough.
 - the Common Agricultural Policy pays scant attention to the different regional requirements.
 - the growing gap between rich and poor regions, which is the exact opposite of what the Community was originally intended to achieve, is due in many ways to the lack of coordination in European policies.
2. The ever-growing demands that all Community policies for this decade must be geared to solving the problem of unemployment in Europe, necessarily imply a degree of coordination and integration from which the Community is still far removed.
3. Within the Community, such criticisms often take the form of proposing administrative reforms. As the deficiencies in Community development are generally revealed by regional disparities, discussions on reform focus on the integration of regional policy. This may in practice be perfectly justified. But if one loses sight of the underlying causes, namely insufficient integration and coordination of Community policies, one can all too easily be misled into overestimating and placing too much faith in regional policy measures.

I. THE INTEGRATION OF EUROPEAN POLICY

4. This is not the first time that Europe has faced the problem of coordinating the various economic and social policy measures.

Ever since the state first tried to redress the imbalance of market developments by means of a wide range of different measures, there has been the problem of coordinating such measures. The need for 'convergence' in economic policy has often been stressed.

5. The need for complete, effective coordination and harmonization of such policies by the state is quite evident in theory, but in practice creates a number of problems. The main difficulties are:

- The principle of the market economy means that the state can only intervene in the economic sphere if and when actual problems arise. A bewildering variety of state measures has developed as a result and their use at regional level is similarly confined to responding to specific problems. In some cases it is almost impossible to integrate the different policies even at the theoretical level.
- Regional autonomy creates a further obstacle to the supraregional coordination of policies, but even centralized bureaucracies have difficulty in coordinating their activities. It simply is extraordinarily difficult to coordinate the decisions of a large number of decision-making bodies.
- This problem is exacerbated by the fact that any measures taken by the state to compensate for differences in prosperity will directly or indirectly redistribute prosperity and opportunities. There is always give and take. Such policies are therefore resisted by the defenders of the status quo who are often politically organized. Efforts to redress the balance often only succeed because the people concerned realize that the crises produced by economic disparities and differences in prosperity ultimately harm everyone.

- Finally, a major hindrance to the successful coordination of policies is our lack of understanding of the real economic interrelationships and the effects of political measures on these. This is particularly true of the inevitable lack of certainty surrounding the future. There is always a considerable risk of policies being mistaken. Although this risk can be reduced by intensive preparatory work, ultimately it will always be present.
6. With their different constitutions, different traditions, the different mentality of their peoples and the differences in the political skills of their governments at various times, the Member States vary considerably in the extent to which they have succeeded in achieving the coordination and integration of economic and social developments. Attempts to improve policies can do a great deal, but at the same time any attempt to coordinate policy must recognize the simple fact that there can be no perfect system of integrated policy that in practice efforts towards political coordination consist of a host of disparate measures based on the hope that at some date in the distant future they will come together. Rational pragmatism is the watchword.
 7. The foregoing remarks are based on the experience of the national states. The problem of coordination is that much greater in a Community where although the markets have by and large coalesced, political decision-making processes are still in the early days of the integration which we all hope will come about.
 8. Until the Community has overriding political authority, any progress towards a general integration of policies is bound to be very modest and piecemeal. The criticism of the lack of integration in Community policies is in fact a criticism of the lack of political integration in the Community itself. The problems are essentially neither technical nor administrative. Our starting point must be to recognize this.

II. COMMUNITY POLICY FOR REGIONAL INTEGRATION

9. If we recognize the fundamental problems facing integration of Community policies, then we must first look for elements which can be used to further policy coordination. These elements are developing as the failures and problems due to the lack of coordination become apparent.
10. In the past the Commission in particular served as the sounding-board for criticism of the lack of effectiveness and coordination in Community policies. Time and again it responded to this criticism with pragmatic reform plans. It is therefore particularly valuable from the point of view of a pragmatic investigation of the scope for future development to study the special efforts made by the Commission to promote integration.
11. No-one would dispute the need to coordinate economic measures but the practical pressure for coordination in the Community both now and in the past has tended to come at regional level, where divergent market developments have had a particularly marked effect politically. It is precisely the exclusively sectoral nature of the original Community policies which has led to the political problem of their different regional effects.
12. Because of the overriding importance of agricultural policy in Europe, the need for regional coordination of Community policies was first felt in this field with its differences in regional developments. As however the creation of regional advantages and the elimination of less viable farms was more or less the declared aim, any regional intervention by the EAGGF which went beyond aid for restructuring was in the past regarded as the exception. Although agriculture, where differences in competition are to a large extent geographically determined, offers a basis for a regional orientation and regional distinctions in policy, the fundamental EAGGF principle of controlling the market by means of uniform Community prices has been and remains an immediate obstacle to any approach which makes distinctions between different regions.

13. If today we expect help for Mediterranean agriculture primarily to take the form of disproportionately large increases in prices and subsidies for Mediterranean products, this is a striking illustration of the convergence and coordination problem facing the Community. Because the Guarantee Section of the EAGGF accounts for 65.5% of the Community budget compared with 18.5% for the Regional Fund, Social Fund and Guidance Section of the EAGGF and under the present arrangements it is impossible to subject this guarantee expenditure to policy coordination to balance its regional effects.
14. It is hardly surprising, therefore, that little use has been made of the idea put forward in the very early days of regional planning of Community agricultural policy. Nor is this contradicted by the idea of integrated development programmes (IDP) which have emerged in recent years as part of the CAP. Only in particularly poor areas where extreme regional features mean that the conventional agricultural structural aids can achieve nothing is it proposed that a specific economic development is to be promoted as part of a small-scale integrated development programme with systematic account being taken of the existing development potential and coordinated deployment of all types of regional, national and Community aid.
15. True, areas other than agriculture are to be included in IDP, but there is no trans-sectoral integration in the real sense. Agriculture clearly forms the focal point of the programmes even for the supplementary non-agricultural measures. This is not a necessary consequence of the general concept but demonstrates the sectoral rigidity and the noticeable lack of interest in regional policy aspects of European agricultural policy which only makes use of IDP, an instrument of integration, in emergencies.
16. The marginal role of regional policy in the EAGGF is clearly shown by the fact that the proportion of the EAGGF budget accounted for by agricultural structural policy, which was 30% between 1964 and 1972 has now fallen to

4.4%. And only 0.3% of agricultural structural funding in 1983, i.e. 2 m ECU, has been made available for the existing integrated development programmes in Lozère, the Western Isles of Scotland and South-East Belgium.

17. The European agricultural sector has hitherto kept aloof from all attempts at regional policy integration. The questions in future will, however, be whether a large section of Mediterranean agriculture, e.g. in Southern Italy and Northern Greece, does not represent just such an 'extreme case', whether that which appears to be the exception in the North under the Common Agricultural Policy is not the norm in the South, and whether any regional policy which excludes agriculture can ever be effective in these regions.
18. In the field of industry, regional disparities in Community development were initially tackled with social measures. Since the introduction of the European Social Fund in 1971, European social policy has focussed on certain problem regions and, since the creation of the Regional Fund in 1975, development areas within these. The Council is now concentrating more and more Social Fund resources on those areas which are to be assigned priority under the amended Regional Fund regulation. The Social Fund, however, adds to and reinforces the strongly sectoral nature of European policy inasmuch as it confines itself to alleviating its negative effects at regional level. It is not particularly geared to integration as such but where regional development measures have been integrated into programmes the inclusion of the Social Fund with its coordinating component is a matter of course.
19. The principle of policy coordination received official backing in the Community in 1975 with the introduction of the European Regional Development Fund. As the other individual Community policies remained essentially discrete, regional policy was endowed with the paradoxical nature of a separate policy in its own right but one directed against the omissions in Community integration.

20. The Fund regulation attached special importance to coordinated programmes from the outset. Article 6 reads:

'1. Investments may benefit from the Fund's assistance only if they fall within the framework of a regional development programme, the implementation of which is likely to contribute to the correction of the main regional imbalances within the Community ...

4. The programmes shall indicate the objectives and the means for developing the region ...'

21. A great deal of faith was placed in these regional development programmes. While it is true that they retain the reaction aspect of regional policy inasmuch as they only relate to specific European development areas thus covering the Community with a patchwork of problem regions and development programmes, their most significant feature is that they do make explicit regional development goals.

22. Such goals can achieve the integration of all regional, national and Community measures in the area concerned. There is however no control, even by such regional development programmes, of the repercussions on the development areas of the more general economic development both in individual sectors and in prosperous regions. Unless there is regional coordination of sectoral Community policies, there is no appreciation of their regional effects and regional policy has to accept as given the developments which take place year by year at regional level.

23. The fundamental lack of coordination in other Community policies as regards their regional effects determines the special nature of regional policy. There is therefore no point in measuring the success of regional policy against the yardstick of such broad formulations of coordination and integration. Nor is it fair to reproach the Commission with failing to coordinate the deployment of Community policy instruments in terms of their regional effects. The divergent regional development of the Community is not the end result of an inadequate regional policy but its basis and starting-point.

24. Finally there is the question of coordinating regional and national regional policies with Community regional policy. The regional development programmes represent the utmost that the Community can currently do in this respect. They offer guidelines for regional policy measures. But the size alone of the regions in the programme and the macro-economic nature of the regional development programmes rule out any contribution to coordination in terms of concrete development measures over and above the formulation of regional policy objectives. And its guidelines are purely recommendations. They are only binding in cases where funds are provided by the ERDF or EIB.
25. As long as there are rich and poor countries and as long as this fact influences policy-making decisions in the Community, the effect of European regional policy on national and regional policies will in practice depend on the level of poverty and need for support in individual regions and states. As long as most financial and economic policy decisions are taken at national level, the Commission will be exceeding its authority if it tries to impose Community criteria on the regional policy of the more prosperous countries. The most important function of the regional development programmes at present, therefore, is to prevent clashes in the individual development areas between regional, national and Community regional policies.
26. The price which the ERDF pays for the general lack of integration in economic policy is the relatively non-binding nature of its regional development programmes. Contrary to the hopes expressed when the regional development programmes were introduced, they by no means provide optimal coordination of public financing. It is therefore hardly surprising that even when the network of European development programmes was complete the criticism of lack of coordination and inefficiency of regional policy measures in no way abated.
27. It was at this point in 1978, that the Commission formulated the idea of integrated development operations (IDO), and they must be viewed and assessed within this context. Any interpretation of these measures which ignores their origins and development must lead to misunderstandings.

28. This programme is a first step. It is a response to what, under the present circumstances, is an intractable problem. It presupposes that any systematic integration and coordination of Community policies is still a long way off. And it is one way of achieving some progress towards Community integration. The questions it raises are. what can it achieve? How far can it take us? And how can it usefully be further developed?
29. In this respect it was both logical and typical that in 1978 the Commissioner responsible for regional affairs, Mr GIOLITTI, should be entrusted by the Commission with the coordination of the Community's financial instruments. The same applies to the creation of the task force which was set up in the same year to coordinate structural policy financial instruments at the administrative level in the Commission. Without any special powers - and what special powers could it have given the legal situation? - this was intended to encourage on a voluntary basis an agreement between the Directorates-General responsible in the Commission and between the Commission and the European Investment Bank (EIB). In fact the various Community policies are so far from being integrated that their administrators have to be asked to work together!
30. Integrated development programmes in the agricultural sector and integrated development operations in the regional sector are currently the two most important regional coordination programmes of the European Community. They accept as fact, the individual Community instruments and their regional effects and their sole aim, but one which is pursued vigorously, is to coordinate the deployment of national and Community aid. The use of these two systems is confined to a few particularly difficult regions and represents therefore an exception. The question is whether it can serve as an example for other areas of regional policy.
31. As far as the integrated development programmes which fall mainly within the Common Agricultural Policy are concerned, this question arises in the context of Mediterranean agriculture and has raised the issue of a general reform of the CAP. This report concentrates on the question of what conclusions are to be drawn for the further development of European regional policy from the integrated development operations.

III. INTEGRATED DEVELOPMENT OPERATIONS (IDO)

32. The integrated development operations (IDO) are a particularly intensive method for integrated programming of regional policy measures in smaller sub-regions as part of a comprehensive regional development programme. Unlike the indicative, macro-economic orientation function of regional development programmes these represent programmes which are binding on all those involved at Community, state, regional and local level, and which form, as it were, a microsection of a regional development programme.

33. No legal or technical definition of this term has yet emerged. It was formulated in Commission documents, in public discussions, not least in the Economic and Social Committee, and in the practical activities of the two IDOs which have since been launched: Naples and Belfast. The Commission has now submitted a draft legal definition in Article 29 of its proposal for an amendment of the Regional Fund regulation (COM(81) 589 final). The striking feature of this formulation is its indeterminate nature which is in accordance both with the earlier experimental nature of IDO and also the principle of pragmatic adjustments to local circumstances.

34. The proposed Article 29 reads as follows:

(1) In the granting of Fund assistance, investments and measures referred to in Titles III and/or IV which form part of an integrated development operation may be accorded priority treatment and a preferential rate.

(2) An 'integrated development operation' comprises a coordinated package of public and private measures and investments which have the following characteristics:

(a) They relate to a limited geographical area suffering from particularly serious problems associated in particular with under-development or with industrial or urban decline and likely to affect the region in question;

(b) The Community through the combined use of various structural, financial instruments, and the national and local authorities in Member States contribute in close association to their implementation.

(3) The Member States concerned shall ensure the concerted use of Community and national financial resources in close coordination between the individual public authorities taking part in the implementation of the integrated operation.

(4) The Commission too shall ensure the concerted use of the various Community structural financial instruments

(5) The Fund's contribution to investments and measures that form part of the operations referred to in this Article may be increased by 10% points but shall not exceed 80% of expenditure, according to the Article 31.'

35. Strictly speaking an IDO is the planning and implementation of a coherent range of projects in a relatively small area. Unlike other regional measures by the Community, including the IDP of the EAGGF, the Commission's involvement in these measures does not presuppose the existence of corresponding regional planning. Indeed one main idea of these programmes is to encourage regional planning to begin. The starting-point for an IDO is a particularly intransigent regional development problem. Their planning activities start from square one.

36. The Community's criteria for selecting such regions are extremely vague. Proposals can be made by regional governments; but the initiative can equally well come from the Commission. They always relate to a region with extreme socio-economic problems which, because of special local circumstances, cannot be overcome with conventional regional policy measures.

37. The first step in an IDU is to bring together the bodies involved, the Community, the state, the region, the local authority, and to agree on a form of regional policy cooperation adapted national legal traditions. The regional action programmes for Naples and Belfast would probably never have come about without coordinating work by the Commission.
38. The next step is to analyse the particular obstacles to development and to investigate the development potential of the region itself. The Commission has the necessary resources under Item 5410 of the Community budget. This highly empirical approach requires intensive cooperation with local firms, trade unions, and, via the mass media, with the public.
39. The aim is also to provide a pragmatic experimental basis for the concentrated deployment of all types of Community aid: ERDF, Social Fund, EAGGF, Guidance Section, NCI, and subsidized interest rates from the EMS, ECSC and EIB. Thus the scope for involving several Community financial instruments is an implicit criterion for selecting an IDU region. The contributions from these Community funds are combined with all the regional policy measures of the various national bodies to form a coherent, integrated action programme.
40. This joint planning work is summarized in the background file of an IDU, a document which contains among other things the following:
- the public and private measures proposed specifying costs and time schedules;
 - the inter-relationships between these measures;
 - concrete objectives and monitoring criteria;
 - the financial contributions of the parties involved.

As far as the public bodies are concerned this constitutes a binding agreement even though its legal form may vary.

41. Essentially IDU serve to increase the effectiveness of the Community financial resources used for regional policy. They fall under the ERDF, and do not therefore represent any new Community instrument. Although they have been given two new budget headings, one is for additional financing of preparatory studies (Item 5410), and the second a reserve for subsidizing those measures which cannot receive funds from existing Community instruments (Item 5411).

42. The main objectives of an IDU are as follows:

- improving coordination of Community financing;
- improving cooperation at all levels between the national institutions involved in regional development;
- increasing the overall benefit derived from individual projects;
- expediting implementation;
- mobilizing all indigenous development potential;
- improving the regional investment climate and stimulating private development initiatives.

43. The European Parliament has strongly backed this concept over the last few years, above all by allocating additional resources to Items 5410 and 5411. These budget headings have developed as follows since 1980:

Payment appropriations in m ECU

		1980	1981	1982	1983
5410	Preparatory studies for IDU	pm	pm	2	2
5411	IDU	-	pm	16	16 (1)

(1) entered in Chapter 100

44. The Council has so far refused to adopt a regulation for an IDO in Belfast, which includes among other things aid for housing. West Germany in particular rejects Community financing for regional housing construction because this threatens to expand the area of involvement for Community aid to such an extent that it is feared there would no longer be any link between regional policy and productive development aims.

IV. CONCLUSIONS AND PROSPECTS

45. As the IDOs in Naples and Belfast only began in 1979 and 1980 respectively, it is still too soon to report on the experience gained and the outcome (1). There is nevertheless no doubt that such an intensive form of regional policy programming should improve the regional policy cost-benefit relationship and that coordination of this kind by the Commission in some of the Community's other problem regions could assist their development greatly.
46. The Community should therefore welcome in principle the IDO proposals and support these. It is however also important at the present time to be on guard against applying the concept too rigidly or to the exclusion of all else.
47. IDOs are no more than a method for improving the effectiveness of regional policy planning in a small area. This is a particularly appropriate method for taking account of indigenous development potential and at the same time answers the need for a form of regional policy the financing which minimizes risks of red-tape ineffectuality.
48. But this method of programming does not provide any solution to the Community's fundamental problem of coordination. It changes nothing as regards the failure of Community and national sectoral policies to take account of regional matters although it does highlight these problems

(1) For conclusions relating to the Naples IDO see the TRAVAGLINI report on Community intervention in the Naples metropolitan area and the earthquake-stricken areas of Campania and Basilicata (PE 82.662)

in the areas concerned. Its coordinating effects are also restricted to a small subsection of a region as defined for the regional development programmes. Only if IDOs were used over an entire area would it be possible to remedy the lack of coordination between subregions and regions. And for the time being this is impossible. Moreover the pragmatic approach of the IDOs can only exploit such willingness to coordinate policies as is already present in a dormant state.

49. The IDOs currently in progress and planned for the near future are experimental. They will build up a reserve of experience and insights which could prove useful for the general orientation of Community regional policy. How can this experience be used?
50. One special feature of the present concept needs to be taken into account if one is considering the further development and more extensive use of IDOs. This is the intensive staff commitment by the Commission needed to overcome local resistance to regional programming the roots of which are usually political and sociological. Not only the limited staff capacity of the Commission - two or three permanent Commission representatives per IDU - but even more so the scale of Community aid make it clear that this use of IDU must remain confined to a few extreme cases.
51. On the other hand the use of the IDO method will normally be possible even without aid for coordination from the Commission. In the case of purely national IDOs, the Commission could respond to the use of the IDO procedure by granting the aid it proposes in Article 29 of the Fund regulation and ensure the coordinated use of Community finance but for the rest confine itself to monitoring.
52. The recommendation therefore is for two different types of IDO:
- in exceptional cases requiring coordinating staff from the Commission, Community IDOs can be implemented if the government concerned wishes;
 - in other cases national authorities can carry out national IDOs in consultation with the Commission if they provide the coordination between all the bodies involved.

The initiative for both types of IDO can, of course, come from the Commission.

53. This systematic distinction would prevent the arguments which currently look like taking place on the selection or criteria for selection of future IDOs. One further point must also be made clear: apart from the special resources under budget items 5410 and 5411, financial support for an IDO would only consist of an increase in the ERDF support rate by 10 percentage points as set out in the proposal supported by the European Parliament. Even if this led to an increase in Community aid for an IDO region, the distribution of fund resources between the Member States would not change. The positive effect would be the increased use of IDOs to concentrate regional policy measures within the Member States concerned. Such a step would be welcome. Greater use of IDOs in future should also be viewed from this aspect. It is therefore appropriate that Article 29(1) of the proposed Fund regulation assigns priority to the granting of fund assistance to IDOs.

54. With all due respect for the necessary pragmatic flexibility in the use of IDOs, certain basic conditions must be placed on special assistance by the Community in the form of an IDO:

- the positive outcome of a feasibility study;
- the possibility of making integrated use of various Community instruments;
- guarantees for the coordinated deployment of all the relevant financial instruments of the state, government, region, local authorities etc. concerned;
- recognition of a special priority for IDOs in the regional policy of the Member State concerned;
- incorporation of IDOs into a regional development programme,
- assessment and recognition of indigenous development potential and the specific requirements of environmental protection;
- provision for participation by local social groups
- compilation of a background file meeting certain requirements and enabling implementation and outcome to be supervised by the Community.

To ensure flexibility, the Commission should be authorized to specify these conditions on an ad hoc basis having regard to local circumstances.

55. Further conditions should be formulated for the exceptional use of IDOs in a special Community action by the Commission. These should be restricted to genuine socio-economic emergencies which cannot be coped with without special intervention by the Commission.

These should moreover serve as a particularly valuable opportunity to gain experience. This would imply their use in as different types of problem as possible. The Commission should be recommended to initiate further IDOs in

- rural problem areas
- structurally weak border areas and
- areas particularly hard-hit by industrial structural crises.

There should also be particularly exhaustive documentation to permit subsequent evaluation.

56. The basis for every IDO is an agreement between the Commission and the national decision making bodies involved on the nature, scale and function of cooperation and the division of powers for planning and implementation of the IDO. It will not normally be possible to settle either the legal nature or the division of powers in advance; this should be done on an ad hoc basis in a manner appropriate to the constitutional traditions of the state concerned. As a general rule the background file should require the consent of the Commission which should be permitted to set conditions. This also implies the right of the Commission, should the agreements not be adhered to, to withhold sums promised and demand restitution of payments already made.

57. One important section of the agreement is an organizational structure for the IDO which ensures the effective cooperation of all the bodies involved in the planning and implementation of the IDO and participation by important social interests, in particular firms and trade unions. But intensive efforts to inform the general public in the regions so as to mobilize private initiative are also essential.

58. The special commitment of Commission staff in Community IDUs represents an implicit political commitment on the part of the Community and should be not misinterpreted as simply as an administrative service. At the same time administrative and technical assistance from the Community with planning and implementation might well form part of any IDU. This applies in particular to studies of the indigenous development potential, consultancy on programme development and financing and providing marketing and technological expertise.
59. In the interests of efficiency, these services should be organized at a supra-regional level but there is little point in this organization becoming part of the Commission's internal structure. The Commission should therefore be recommended to begin cautiously to build up such a regional service organization while further developing IDUs and without having at this stage to define its ultimate form (e.g. European Development Association). More generally the Commission should publish a series of methodological recommendations and model projects which could serve as a guide for national IDUs and the conditions specified by the Community, both generally and in relation to specific projects.
60. The financing of preparatory studies by the Community will assist regional policy coordination and creates no problems of political control. The appropriate scale can be ensured by restricting the allocation under budget item 5410. It is far harder, however, to control the use of resources under budget item 5411.
61. In its preliminary draft budget for 1983 the Commission made the following observations on item 5411:
- 'Appropriations to enable the financing of specific measures in the framework of integrated operations together with national or local authorities, where such measures are not covered by the existing framework of Community financial instruments.'
62. This is therefore only a contingency reserve for use in exceptional situations, for which it is not possible to specify formal standards. This budget item must not be allowed to develop into a new financial

instrument. The scale of such a contribution to IDO financing must not be so large as to raise questions of due proportion. On the other hand it would not be appropriate to make such specific intervention dependent on the adoption of a regulation by the Council. Given the pragmatic and flexible nature of IDO, it would be advisable to allow the Commission to decide on the use of appropriations from item 5411.

63. The following restrictions should be imposed to ensure the exceptional nature of such financing:

- the allocation of appropriations under heading 5411 should be restricted to 1 - 2% of the total ERDF allocation;
- the special projects should be essential to the success of an IDO and increase the effectiveness of other measures;
- this form of Community aid should not account for an unduly large part of overall Community financing of a project.

Should specific measures occasionally become necessary on a scale which exceeds these restrictions, then a separate budget item distinct from Item 5411 should be created.

64. The question of the duration of IDOs has been raised. A five-year planning perspective would seem reasonable. But adherence to the planning objective, particularly as regards employment and especially in socio-economic problem areas means that the plans will have to be constantly reviewed. An IDO is determined by the special problems of a region and should continue until these problems have been overcome.

65. The principle of roll-over planning must also apply to the background file setting out the aim, analysis, financial planning and monitoring criteria. Numerous conditions could be drawn up for such background files but we should be chary of so doing as this would violate the principle of pragmatic flexibility. Above all we should remember that the use of IDO is particularly desirable in those areas which lack a large number of the requirements for sophisticated programming methods.

66. The background file should contain all the observations, deliberations, intentions and commitments which have found their way into the planning. To this extent it represents a record. At the same time it should set out the conditions upon which Community assistance was granted and the criteria for monitoring implementation. The Commission should be authorized to specify appropriate requirements for the background file on an ad hoc basis.
67. The background files should be regularly reviewed. This implies firstly explicit monitoring of implementation. In this respect the review would provide a report on implementation to which the European Parliament would also have access. Secondly, the experience gained and changes in the actual situation need to be incorporated into planning while retaining the general five-year perspective. This also implies a review or modification of the agreement between the parties involved.
68. Finally mention should be made of a problem which is inevitable if IDU is to be used more widely: its relationship to agricultural policy. In their approach there is a great deal of similarity between the IDM in the regional sector and the IDU in the agricultural sector. The co-existence of these two unconnected measures demonstrates the estrangement of Community agricultural policy from Community regional policy.
69. This separation can no longer be maintained once IDU is extended to the Mediterranean regions. The IDU in Naples already includes a limited number of agricultural projects although it focusses on the problems of a metropolitan area. The problem areas around the Mediterranean are often characterized by a complex of structural weaknesses in which it is impossible to separate agricultural problems from other development problems. And an approach which bases integrated programming on the indigenous potential of the region must combine agricultural structural measures with measures relating to industrial development and transport infrastructure.
70. The use of IDU in the classic problem areas in the Mediterranean requires the Community to clarify systematically the relationship between agricultural and regional policy. Above all the indigenous development

potential cannot be assessed without establishing at Community level which regional agricultural products are marketable under the EAGGF without damaging other agricultural areas and without increasing Community surpluses. The Commission should be urged most strongly to clarify this matter.

71. In this respect, the use of IDO in the problem areas around the Mediterranean represents a further step towards sectoral coordination of Community policies which would also lead to greater harmonization of Community and national regional policies. This step can be taken quite easily and in relation to specific cases without any strain on the present willingness within the Community for integration although certain readjustments within the CAP are inevitable.
72. This step fits neatly into the pattern of the pragmatic work by the Community towards coordination and integration which is briefly described in the second section of this report. It is a very important albeit small step for the development of the Community in a number of ways. Integration within the Community can only be achieved by means of small steps. It is therefore all the more important for the European Parliament to insist on their swift and consistent implementation.

MOTION FOR A RESOLUTION (DOCUMENT 1-953/82)

tabled by Mr CLUSKEY, Mr HORGAN, Mr PATTISON, Mr TREACY and Mr HUME

pursuant to Rule 47 of the Rules of Procedure

concerning Community action in favour of DUBLIN

The European Parliament,

- aware of the continuing deterioration in the economic and social infrastructure of the Dublin area, and particularly of the inner city, seriously aggravated by the current economic crisis, but with its origins in the city's social and economic history,
- emphasizing the fact that unlike almost every European city, Dublin has a rapidly expanding population due both to natural increase and in-migration, and that 33% of the metropolitan population are deprived in a number of respects relative to the Dublin population as a whole, and that the city's financial situation does not allow for measures adequate to resolve these problems,
- also aware of the fact that the city contains a third of the total population of the country, and that the birth rate is twice the average for the EEC as a whole,
- concerned in particular that unemployment, historically endemic in Dublin, is now particularly affecting young people, and that the proportion of young people who are unemployed has risen by 90% since the beginning of 1980, while in some centre city areas 55% of heads of household are out of work,

- aware of the fact that the labour force in the area is expected to rise by 50% in the 1977-1991 period, and that in many new housing estates the proportion of the population aged between 0-14 is already between 40% and 50%,
- further concerned at the housing situation in which some 10,000 families are in need of re-housing, in which 32% of inner city residents live at a density of more than three persons per room in housing which is in 55% of cases in poor or only fair condition, and at recent legal developments which have threatened the security of tenure of residents living in already overcrowded and inadequate conditions,
- anxious at the threat posed by these problems and their human consequences - including the possible resumption of large-scale emigration - to the cultural, social and economic fabric of life in the Irish capital, if urgent measures are not undertaken at all levels by all concerned to find an immediate solution,
- welcoming the initiatives (1) already underway at Community level towards the development of the concept of integrated operations, which will have the aim of dealing with all the problems of particular areas, by concentrating and integrating all the resources available to all the bodies involved, on that particular area,
- noting the recent report of the Irish National Economic and Social Committee (NESC) (No. 55 on 'Urbanization: problems of growth and decay in Dublin'),
- believing that Dublin requires such action immediately, to provide adequate opportunities for employment, to stimulate housing growth, and to strengthen the residential function of the city core areas,

(1) COM(81) 707 fin., COM(81) 370 fin., COM(81) 589 fin. (Doc. C 1-735/81)

1. Calls on the Commission to

- undertake as a matter of urgency a study of the Dublin area, in conjunction with the appropriate authorities, at city and national level, as well as voluntary organization, with a view to assessing the depth of the problem, and establishing priorities for action,

- draft within 6 months, again in conjunction with the appropriate authorities, concrete proposals for integrated operations towards employment creation and improvements in the social, cultural and economic infrastructure, especially housing and associated amenities in the framework of a draft Council decision.

MOTION FOR A RESOLUTION (DOCUMENT 1-213/82)

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

pursuant to Rule 47 of the Rules of Procedure

on the integrated operation 'Friuli-Venezia Giulia-Trieste-Europe'

The European Parliament,

- whereas the city and port of Trieste and the Venezia Giulia region in general are in a period of very serious economic crisis which can be resolved only with European participation in the revival of the city and the entire region,
- whereas the Italian Government has made preparations for an integrated operation 'Friuli-Venezia Giulia-Trieste-Europa', which would qualify for Community aid under the new financial regulation for the Regional Fund which the European Parliament adopted at its April 1982 part-session,
- whereas inexplicably, the Italian government has not yet officially submitted this integrated operation project to the European Community authorities,
- having regard to the exceptional nature of the region's economic crisis,
 1. Requests the Commission to speed up the procedures in the appropriate quarters of the European Community for the granting of such aid;
 2. Invites the Council of Ministers to consider the Italian Government's scheme as soon as possible;
 3. Instructs its President to forward this motion for a resolution to the Council and the Commission.

MOTION FOR A RESOLUTION (DOCUMENT 1-389/82)

tabled by Mr O'DONNELL, Mr RYAN, Mr CLINTON and Mr McCARTIN

pursuant to Rule 47 of the Rules of Procedure

on the integrated development programme for the Gaeltacht
(Irish speaking regions in Ireland)

The European Parliament,

- A. recognizing that the Gaeltacht has a special significance since the region is the source and foundation of the language and culture of Ireland,
- B. aware that the Irish speaking communities are located almost exclusively in the poorest and most isolated area of the Community and include several small islands,
- C. whereas the Gaeltacht areas have suffered substantially from depopulation and underdevelopment,
- D. whereas the future existence of the Gaeltacht as a viable and distinctive economic and cultural region is now threatened unless substantial measures are taken in the immediate future,
- E. whereas the Member State concerned has established a development body to encourage the cultural and economic development of the areas concerned, and whereas a number of the local community cooperatives have already been encouraged to begin, the development of the area,
- F. whereas a number of Community measures are already applicable in the Gaeltacht areas,
- G. whereas those measures should be brought together in one development plan and further specific measures should be proposed for the areas concerned,

H. whereas the Gaeltacht regions are peripheral regions of the Community experiencing particularly serious structural problems and therefore have priority status in both the national and Community context and benefit from several types of specific action in various fields,

1. Calls on the Commission to establish, in consultation with the Irish Government, an integrated development programme for the Gaeltacht;
2. Requests that special attention be given to the cultural as well as the economic development of these regions;
3. Requests its President to forward this resolution to the Council and the Commission.

MOTION FOR A RESOLUTION DOCUMENT(1-439/82)

tabled by Mr CECOVINI on behalf of the Liberal and Democratic Group

pursuant to Rule 47 of the Rules of Procedure

on a 'Trieste-Friuli-Venezia Giulia-Europe integrated operation'

The European Parliament,

- A. whereas the city and port of Trieste and the entire Friuli-Venezia Giulia frontier region are facing a very serious economic crisis which can be overcome only by united action on the part of the Italian Government and the European Community,
- B. whereas the European Parliament has already recognized the importance to the Community of that frontier region as the site of the 'Adriatic route' linking the centre of Europe to the Mediterranean Sea (Res. 2-90/80),
- C. whereas the city and port of Trieste and the entire Friuli-Venezia Giulia region are adversely affected by the Community policy, which favours the construction of the major overland route linking Central Europe with Greece via Yugoslavia, without however involving that region or the city or port of Trieste,
- D. whereas the Italian Government drew up plans long ago for a 'Trieste-Friuli-Venezia Giulia-Europe integrated operation' which would enable that region to obtain Community aid in the same way as Naples and Belfast,
- E. whereas the Italian Government has, inexplicably, still not officially submitted this integrated operation to the Commission,
- F. whereas any delays will accentuate the exceptional gravity of the economic crisis in that region,

1. Requests the Commission, in the interests of the Community itself, to take the initiative and request the Italian Government to speed up the official submission of the 'Trieste-Friuli-Venezia Giulia-Europe integrated operation' to the responsible Community bodies so that Community aid can be made available;
2. Requests the Council of Ministers to give immediate and positive consideration to the integrated operation submitted by the Italian Government;
3. Instructs its President to forward this resolution to the Commission and to the Council of Ministers.

MOTION FOR A RESOLUTION (DOCUMENT 1-1191/82)

tabled by Mrs THEOBALD-PAOLI

pursuant to Rule 47 of the Rules of Procedure

on a special Community programme for Toulon

The European Parliament,

- having regard to the motions for resolutions tabled by Mr KYRKOS (Doc. 1-735/82) and Lord BETHELL (Doc. 1-507/82),
 - having regard to Article 2 of the Treaty establishing the European Economic Community,
 - having regard, also, to the report on the role of ports in the common transport policy (Doc. 1-844/82),
- A. whereas the European institutions have a duty to contribute to the development and convergence of the economies of the various regions within the Community,
- B. concerned at the growing disparity between the situation in the Mediterranean regions of the Community and the situation in the northern regions,
- C. having regard to the specific geographical location of TOULON, an enormous port on the Mediterranean coast locked between the Faron mountain range and a deep, wide harbour basin which constitute natural obstacles to land transport along a route which is of vital importance to the Community,

- D. having regard to the burden which TOULON is forced to accept by virtue of the fact that heavy traffic travelling East-West along the coast and in particular commercial or industrial vehicles travelling from the South-West of the Community to Italy and Greece have to pass through the town centre, this situation being aggravated in summer by thousands of private vehicles belonging to tourists or temporary residents from the North of Europe on their way to the French and Italian Riviéras, southern Italy and Greece,
- E. whereas this is an absolute nightmare for Toulon in terms of noise, pollution, deterioration of the environment and living conditions and whereas these problems are further aggravated by the fact that Toulon is a major gateway for maritime passenger transport to and from the Community resulting in additional burdens on the public transport services in this large port,
- F. whereas the only industrial activity in the port of Toulon is shipbuilding and whereas this solitary heavy industry, which is in the grips of a serious crisis and cannot undergo rapid or satisfactory conversion, cannot under any circumstances contribute financially to efforts to compensate for the drawbacks resulting from the burdens imposed on Toulon from outside,
- G. whereas Toulon receives no compensation in terms of jobs for the nuisances inflicted upon it because they are caused by external traffic that merely passes through the city,
- H. having regard to the effects of this situation on the centre of Toulon which has been deserted by the well-to-do and middle classes in favour of less polluted residential areas and is now inhabited by the (numerous) underprivileged groups of society, the unemployed and the victims of the economic crisis who do not have the resources to prevent the deterioration of the buildings, which have become insalubrious and dangerous for both the inhabitants and the general public,
- I. whereas these very serious problems of through traffic call for a major programme of roadworks and town planning, which cannot be carried out unassisted by a town or a département which totally lack the necessary funds and whose only industry is in a chronic state of crisis,

- J. considering the general advantages to the Community of improved transit conditions in the South of France, particularly with a view to enlargement of the Community which will result in a substantial increase in road traffic along the French coast from Spain to Italy,
- K. having regard to the economic and social benefits for the Community of combining improvements in the transit conditions with the establishment of industries and services of Community interest,
1. Invites the Commission to carry out, within six months, a study on the centre of the city of Toulon, in conjunction with the French authorities, the regional authorities and the associations concerned, in order to assess the scope of a Community programme of road infrastructures and town planning which could be accompanied by a scheme for reindustrialization and the establishment of services of community interest;
 2. Invites the Commission to submit, within six months of the publication of the study, a series of practical measures for the implementation of such a programme and of a related Community scheme;
 3. Instructs its President to forward this resolution to the Commission, the Council and the Governments of the Member States of the Community.

OPINION OF THE COMMITTEE ON TRANSPORT

on the motion for a resolution

Doc. 1-439/82

Draftsman: Mr GOUTHIER

On 13 December 1983, the Committee on Transport appointed Mr A. GOUTHIER draftsman of the opinion.

The Committee on Transport considered and subsequently adopted the draft opinion at its meeting of 17 March 1983.

The following took part in the vote: Mr Seefeld, chairman; Mr Gouthier, draftsman (deputizing for Mr Carossino), Mr Buttafuoco, Mr Cardia, Mr Gauthier, Lord Harmer-Nicholls, Mr Key, Mr Klinkenberg and Mr Vandewiele.

1. The motion for a resolution on a Trieste-Friuli-Venezia Giulia-Europe integrated operation should be assessed in the light of the common transport policy both because of the particular situation of Trieste and the Northern Adriatic and the precise nature of the integrated operation proposed.
2. The outstanding feature of the economic situation of Trieste is its port activities. The conditions under which these activities are carried out in the Northern Adriatic are, however, quite special when compared with conditions in other Italian regions and in the other Member States of the Community. Furthermore, this region is still suffering from the severe damage caused by the 1976 earthquake.
3. The particular characteristics of the situation of Trieste as a port are the following:
 - the close proximity of Yugoslavia which lies outside the Community and has a weak economic system different from that of the Community

- the competition over links with central Europe from ports on the North Sea which enjoy various advantages, particularly in the area of tariffs
 - the lack of an Italian Government policy either for modernizing and extending infrastructures or on the matter of tariffs.
4. The plan for a Trieste-Friuli-Venezia Giulia-Europe integrated operation could be a major factor in making good the lack of infrastructures in the Northern Adriatic. It was approved by the Committee for the Coordination of Community Aid (1) and submitted to the Italian Government which, however, has not yet forwarded it to the Commission.
 5. The plan consists of 27 different infrastructure schemes which in 1980 amounted to a total expenditure of 1,278 thousand million lira (approximately 1 thousand million ECU) of which 465 thousand million (approximately 350 million ECU) are intended for road infrastructures, 28 thousand million lira (approximately 25 million ECU) for lorry part infrastructures, 365 thousand million lira (approximately 280 million ECU) for rail infrastructures and 429 thousand million lira (approximately 345 million ECU) for port and maritime infrastructures.

Some of this aid would be used purely for improving infrastructures and local and regional links. However, the more important projects in the programme would include significant improvements to the main transport routes on which Trieste's port industry depends.

(1) This Committee for the Trieste-Friuli-Venezia Giulia border region was set up by government decree on 12 October 1980

In particular the following projects should be mentioned:

- linking the Monte Croce Carnico tunnel to the Udine-Tarvisio motorway
 - roadlinks between passes from Yugoslavia and the Italian motorway network
 - reorganization of the 'Pontebbana' railway line between Udine and Tarvisio and construction of a second line
 - the construction of roll-on/roll-off terminals and a coal and mineral terminal instead of the construction of a second wharf at the port of Trieste.
6. If these measures were implemented, the necessary links on a European level would be established so that the present bottlenecks in these important areas for transport from Central Europe to ports in the Northern Adriatic and vice versa could be eliminated. The need has become even more pressing since, following the accession of Greece to the Community, both road traffic via Yugoslavia and the volume of roll-on/roll-off transport between Greece and Central Europe through ports in the Northern Adriatic have increased continuously.
7. As far as the Monte Croce Carnico tunnel is concerned, it should also be remembered that this motorway link is a natural branch of the north-west/south-east transit highway across Austria for which the European Parliament has already requested a financial contribution from the Community in its resolution of 15 October 1982 (1) on the basis of the report by Dame Shelagh ROBERTS (Doc. 1-651/82). These measures as a whole would therefore provide a solution not only to the problem of transit via third countries but also to that of linking the Northern Adriatic too Central Europe.

(1) OJ C 292 of 8.11.1982, p. 103

8. As regards possible Community financial contributions for implementing this integrated operation, particular account ought to be taken of the instruments of the Regional Fund and of the NCI (New Community Instrument) for which the Council recently approved sizeable appropriations, and of other Community financial instruments from which it is possible to benefit, including the EIB.

9. In order to be as effective as possible, all such schemes for the improvement of links between the Northern Adriatic ports and their natural hinterland in Central Europe must be accompanied by the harmonization of the conditions for competition on the transport sector, especially in respect of ports.

10. Finally, the Committee on Transport requests the Committee on Regional Policy:
 - to take into account in its consideration of the plans for the integrated operations the specific nature of the projects proposed and, in the case of infrastructure projects for transport which are not purely of local or regional importance, to check whether they meet the criteria of the common transport policy

 - to support the plan for a Trieste-Friuli-Venezia Giulia-Europe integrated operation taking into account its considerable importance for the common transport policy. However, it is an essential prerequisite that the project be submitted to the Commission by the Italian Government.