



*European Communities  
Commission  
Press Release*

20 Kensington Palace Gardens  
London W8 4QQ  
Telephone: 01-727 8090

EMBARGO: Not for use by media,  
nor on agency of club tapes  
until 15.00 hrs, Friday,  
September 9, 1977

September 9, 1977

COMMUNITY HELP FOR THE NORTH OF ENGLAND

The need for an active Community regional policy

Summary of the speech held by Commission Giolitti in Newcastle,  
September 9, 1977.

Mr Giolitti, Member of the European Commission responsible for regional development, today addressed the quarterly meeting of the North of England Development Council in Newcastle. He also had talks with local authority representatives in Middlesbrough and Durham, and visited the site of the Kielder dam, being built on the North Tyne river near the Scottish border. This major project to bring water for the needs of new and expanding industry on Tyneside and Teesside has received more Community aid than any other investment in Britain: £10.5 million in Regional Fund grants, plus loans totalling £17.5 million from the European Investment Bank.

The following is a summary of his speech:

Investments in the Northern Region of England have to date been granted almost £42 million from the European Regional Development Fund - substantially more than any other region anywhere in the Community", Antonio Giolitti told the North of England Development Council today. In addition the North has benefitted from loans of £328 million from the Community. "But, he went on, the problems remain. I am only too aware that your region has one of the highest rates of unemployment in the Community. The Community has every intention of making its contribution towards solving those problems.

The last three years have been devoted to setting up and then running in the present Regional Fund. This has been an important task, and within its limits I feel that the Fund has been a success. But frankly, in its present form it is essentially an instrument for providing additional Community assistance for national

regional policies. While it is clear that this assistance must be continued, we feel it is now time to develop the Community's own regional policy, endowed with adequate and effective means. Our new proposals are concerned with this aim, not just with extending the existing Fund.

As I see it, then, Community regional policy must have two aims. On the one hand, it must add its effort to that of national, regional and local authorities, to help reduce the regional imbalances which exist already, both in the traditionally less developed regions, or in areas undergoing a process of industrial or agricultural redevelopment.

On the other hand, it must seek to prevent new imbalances from appearing as a result of changes in world economic patterns or of policy decisions taken by the Community.

This requires a comprehensive and active Community regional policy based on four essential elements:

- 1) An effective monitoring system which can keep the situation of all the Community's regions under regular review and define where Community action is required.
- 2) The introduction of a "regional dimension" into Community decisions in all fields in order to protect the interest of regions faced with special problems.
- 3) Closer coordination of national regional policies.
- 4) Increased and diversified financial resources.

+++++