

EUROPEAN PARLIAMENT

Working Documents

1984-1985

2 April 1984

DOCUMENT 1-86/84/A

Report

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

on the proposal from the Commission of the European
Communities to the Council (COM(83) 649 final -
Doc. 1-1159/83) for a regulation amending Regulation
(EEC) No. 724/75 establishing a European Regional
Development Fund

- Part A: Motion for a resolution

Rapporteur: Mr P. DE PASQUALE

PE 89.078/fin./A
Or. It.

By letter of 5 December 1983 the President of the Council of the European Communities requested the European Parliament to deliver an opinion, pursuant to Article 235 of the EEC Treaty, on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 724/73 establishing a European Regional Development Fund (COM(83) 649 final - Doc. 1-1159/83 - OJ No. C 360, 31.12.1983).

On 15 December 1983, the President of the European Parliament referred this proposal to the Committee on Regional Policy and Regional Planning as the committee responsible, and to the Committee on Budgets and the Committee on Budgetary Control for an opinion.

At its meeting of 17 January 1984 the Committee on Regional Policy and Regional Planning confirmed the appointment of Mr DE PASQUALE as rapporteur on this proposal, an appointment conferred upon him on 24 September 1981 for the first proposal (COM(81) 589 final - Doc. 1-735/81 - OJ No. C 336, 23.12.1981) amending the Regulation establishing a European Regional Development Fund.

The committee considered the Commission's proposal and the draft report at its meetings of 2 February, 24 February and 21/22 March 1984.

At the last meeting, the committee decided unanimously to recommend Parliament to adopt the Commission proposal as amended.

The following were present for the vote: Mr De Pasquale, chairman and rapporteur; Mrs Fullet and Mr Costanzo, vice-chairmen; Mrs Boot, Mr Hutton, Mr Kazazis, Mr McCartin (deputizing for Mr Travaglini), Mr Pöttering, Mr Karl Schön, Mr Vandewiele (deputizing for Mr Verroken) and Mr Von der Vring.

The committee then adopted unanimously with one abstention the motion for a resolution as a whole.

The following were present for the vote: Mr De Pasquale, chairman and rapporteur; Mrs Fullet and Mr Costanzo, vice-chairmen; Mrs Boot, Mr Forth (deputizing for Lord O'Hagan), Mr Griffiths, Mr Hutton, Mr Kazazis, Mr McCartin (deputizing for Mr Travaglini), Mr Pöttering, Mr Karl Schön, Mr Vandewiele (deputizing for Mr Verroken) and Mr Von der Vring.

The opinion of the Committee on Budgets is attached.

The Committee on Budgetary Control did not deliver an opinion.

The report was tabled on 26 March 1984.

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

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OPINION of the Committee on Budgets	

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

Proposal from the Commission of the European Communities
to the Council for a regulation amending
Regulation (EEC) No. 724/75 establishing
a European Regional Development Fund (Doc. 1-1159/83)¹

Amendments tabled by the Committee
on Regional Policy and Regional
Planning

Text proposed by the Commission
of the European Communities

PREAMBLE AND RECITALS 1, 2 and 3 UNCHANGED

Amendment No. 1

add the following new recital 3a:

whereas this coordination must also take into account the regional effects of both national and Community economic and sectoral policies;

RECITALS 4 and 5 UNCHANGED

Amendment No. 2

add the following new recital 5a:

whereas the concentration of the resources of the Fund in the less-favoured regions, and above all in regions characterized by structural and deep-rooted underdevelopment, is an essential prerequisite for helping to stimulate a harmonious development of economic activities in the Community as a whole;

¹ OJ NO. C 360, 31.12.1983, page 1 ff.

RECITALS 6 and 7 UNCHANGED

Amendment No. 3

add the following new recital 7a:

whereas the effectiveness and immediate relevance of Fund operations and the strictly Community nature of the objectives of Community programmes make it necessary and justified in particular for the adoption of these programmes to be the responsibility of the Commission, after consultation of the Fund Committee;

RECITAL 8 UNCHANGED

Amendment No. 4

add the following new recital 8a:

whereas the concentration of the Fund's resources in regions marked by particularly acute structural problems and the progressive introduction of a system of financing by programme can make a tangible contribution to the achievement of the objectives of the Community's regional policy only if accompanied by effective coordination between the Regional Fund and the other Community funds and financial instruments both between themselves and with national, regional and local financial instruments;

Amendment No. 5

add the following new recital 8b:

whereas this coordination should
in particular also be extended
to the integrated Mediterranean
programmes in regions where these
are being implemented;

Amendment No. 6

add the following new recital 8c:

having regard to the importance
of the measures which the Fund
can conduct to assist employment
in vigorous and competitive
industries,

RECITALS 9 and 10 UNCHANGED

ARTICLE 1 UNCHANGED

Amendment No. 7

Article 2

Article 2 to read as follows:

This regulation shall enter
into force on 1 January 1985.

This regulation shall enter
into force on 1 January 1984.

Amendments tabled by the Committee
on Regional Policy and Regional
Planning

Text proposed by the Commission
of the European Communities

This regulation shall be binding
in its entirety and directly
applicable in all Member States.

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in its entirety and directly
applicable in all Member States.

Amendment No. 8

add the following title to the
annex:

Regulation on the coordination
of regional policies and the
European Regional Development
Fund.

Amendment No. 9

Article 1

1. Unchanged

Article 1

1. In order to contribute to the
achievement of a higher degree of
convergence of the economies of
Member States and to ensure a
more balanced distribution of
economic activities within the
territory of the Community,
Member States and the Commission
shall coordinate:

- Community policies with each
other, to the extent that they
affect regional development,
taking account of the aims of each of
those policies,
- the guidelines and orientations
of the Community's regional
policy and those of the
national regional policies,

in accordance with the procedure
laid down in Article 2

2. The object of such coordination shall be to avoid inconsistencies between the policies referred to in paragraph 1.

This coordination shall also take account of the regional impact of Community and national economic and sectoral policies. The Commission shall ensure that the resources of the European Regional Development Fund and of the Community's other financial instruments, to the extent to which they affect regional development, are used in a consistent manner, taking into account the intensity of regional problems measured not only in relation to the individual Member States but also in relation to the position of the Community.

3. For the regions located along internal Community frontiers, the Member States concerned, with the active participation of the Commission where requested, shall pursue - without prejudice to the application of Articles 92, 93 and 94 of the Treaty - within the framework of their bilateral relations, transfrontier coordination of regional development by the means and at the levels which they jointly consider appropriate. In this context, they shall foster cooperation between the regional and local bodies involved.

2. The object of such coordination shall be to avoid inconsistencies between the policies referred to in paragraph 1.

This coordination shall also take account of the regional impact of Community and national economic and sectoral policies. The Commission shall ensure that the resources of the European Regional Development Fund and of the Community's other financial instruments, to the extent to which they affect regional development, are used in a consistent manner.

3. For the regions located along internal Community frontiers, the Member States concerned shall endeavour to pursue - without prejudice to the application of Articles 92, 93 and 94 of the Treaty - within the framework of their bilateral relations, transfrontier coordination of regional development by the means and at the levels which they jointly consider appropriate. In this context, they shall foster cooperation between the regional and local bodies involved.

Amendment No. 10

Article 2

Article 2 to read as follows:

1. The periodic report, the regional development programmes, integrated programmes, integrated development operations, regional impact assessment and the European Regional Development Fund shall contribute to the performance of the tasks provided for in this regulation.

Furthermore, coordination of general regional aid schemes shall be an essential feature.

2. After consulting the Regional Policy Committee, the Commission shall prepare a periodic report on the situation and the socio-economic changes in the regions of the Community and on national regional policies. To this end, Member States shall provide the Commission with the relevant information permitting an analysis to be made of regions or sub-regions which, as far as possible, are comparable.

The periodic report prepared at intervals of two and a half years, coinciding on every second occasion with the examination of the medium-term economic policy programmes, (18 words deleted), shall be examined by the Council after consultation of the European Parliament and the Economic and Social Committee.

Article 2

1. The periodic report, the regional development programmes, regional impact assessment and the European Regional Development Fund shall contribute to the performance of the tasks provided for in this Regulation.

Furthermore, coordination of general regional aid schemes shall be an essential feature.

2. After consulting the Regional Policy Committee, the Commission shall prepare a periodic report on the situation and socio-economic changes in the regions of the Community. To this end, Member States shall provide the Commission with the relevant information permitting an analysis to be made of regions or sub-regions which, as far as possible, are comparable.

The periodic report, prepared at intervals of two and a half years, coinciding on every second occasion with the examination of the medium-term economic policy programmes, shall be examined by the Council after consultation of the European Parliament and the Economic and Social Committee.

Amendments tabled by the Committee
on Regional Policy and Regional
Planning

Text proposed by the Commission
of the European Communities

On the basis of this report, and
also taking into account:

- the reports, documents and programmes of the Member States referred to in paragraph 3 of this Article and
- the assessments carried out by the Commission, pursuant to paragraph 4 of this Article of the regional impact of the Community, economic and sectoral policies,

the Council, on a proposal from the Commission and following consultation of Parliament and the Economic and Social Committee, shall adopt Community regional policy guidelines and priorities.

3. (a) Member States shall communicate to the Commission their regional development programmes, and any amendments thereto, for the assisted regions and areas eligible for assistance from the European Regional Development Fund.

Such programmes shall be prepared in accordance with the common outline drawn up¹ by the Regional Policy Committee and in the light of the Commission recommendation of 23 May 1979².

Where other regions or areas are covered by national regional policy measures, the Member States shall also communicate to the Commission the corresponding programmes or other documents, which should indicate at least the priorities, objectives and financial and operational means to be applied for the development of the region.

On the basis of this report the Commission shall, where appropriate, present proposals for Community regional policy guidelines and priorities.

3. (a) Member States shall communicate to the Commission their regional development programmes, and any amendments thereto, for the assisted regions and areas eligible for assistance from the European Regional Development Fund.

Such programmes shall be prepared in accordance with the common outline drawn up¹ by the Regional Policy Committee and in the light of the Commission recommendation of 23 May 1979².

Where other regions or areas are covered by national regional policy measures, the Member States shall also communicate to the Commission the corresponding programmes or other documents, which should indicate at least the priorities, objectives and financial and operational means to be applied for the development of the region.

Member States shall provide a description of the relevant natural and physical assets essential to a complete assessment of the viability of a programme.

The regional development programmes shall be indicative in nature and shall specify the development objectives for the region and the practical measures to be applied and shall be drawn up in cooperation with the regional and local authorities concerned within the limits laid down by national legislation. When communicating these programmes to the Commission, Member States shall (~~4 words deleted~~) transmit to it the information concerning, as regards their entire territory, the essential public measures that are likely to influence the regional balance including expenditure in each region under their infrastructure budgets.

The regional development programmes and other documents transmitted to the Commission under this paragraph shall be examined, in the light of their consistency with the Community's programmes and objectives, by the Commission and the Regional Policy Committee, which shall make known its views on them to the Commission. The latter shall, where necessary, address appropriate recommendations to Member States.

The regional development programmes shall be indicative in nature and shall specify the development objectives for the region and the practical measures to be applied. The regional authorities concerned shall be involved as much as possible in their preparation. When communicating these programmes to the Commission, Member States shall, as far as possible, transmit to it the information concerning, as regards their entire territory, the essential public measures that are likely to influence the regional balance, including expenditure in each region under their infrastructure budgets.

The regional development programmes and other documents transmitted to the Commission under this paragraph shall be examined, in the light of their consistency with the Community's programmes and objectives, by the Commission and the Regional Policy Committee, which shall make known its views on them to the Commission. The latter shall, where necessary, address appropriate recommendations to Member States.

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Text proposed by the Commission
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(b) Before 1 July each year, Member States shall send to the Commission a report on the implementation of the regional development programmes and the documents and programmes mentioned at (a) above, giving for each region and for the preceding year, on the basis of a standard outline drawn up by the Commission following consultation of the Regional Policy Committee:

- quantified information on the results of measures carried out in the regions in terms of investment and jobs,
- the financial resources deployed, both from national and Community sources, distinguishing, where applicable, those provided by the European Regional Development Fund from those provided under the Community's other financial instruments,
- where possible, the rate of utilization of the major infrastructures completed during the year,
- the amounts of assistance made available under regional aid schemes,
- quantified information on the results of measures taken to harness the region's indigenous potential.

(b) Before 1 July each year, Member States shall send to the Commission a report on the implementation of the regional development programmes and the documents and programmes mentioned at (a) above, giving for each region and for the preceding year:

- quantified information on the results of measures carried out in the regions in terms of investment and jobs,
- the financial resources deployed, both from national and Community sources, distinguishing, where applicable, those provided by the European Regional Development Fund from those provided under the Community's other financial instruments,
- where possible, the rate of utilization of the major infrastructures completed during the year,
- the amounts of assistance made available under regional aid schemes,
- quantified information on the results of measures taken to harness the region's indigenous potential.

4. Unchanged

4. The Commission shall make a regional impact assessment of Community economic and sectoral policies in which it shall examine the main common policies and essential measures which it proposes to the Council. It shall inform the latter and the European Parliament of the way in which account is taken of this assessment.

Amendment No 11

Article 3

Article 3

Article 3 to read as follows:

The reduction and prevention of regional imbalances and the elimination of backwardness in the less favoured regions shall form part of the priority objectives of all common policies.

(Three words deleted) The European Regional Development Fund, hereinafter referred to as 'The Fund', is the specific instrument for contributing to the development and structural adjustments of regions experiencing delayed development and also to the conversion of declining industrial regions.

The purpose of the European Regional Development Fund, hereinafter referred to as 'The Fund', is to contribute to the development and structural adjustment of regions experiencing delayed development and to the conversion of declining industrial regions.

Amendment No. 12

Article 4

paragraph 3 to read as follows:

3. The Fund's resources shall be used on the basis of ranges of which the upper and lower limits are shown below.

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Amendments tabled by the Committee
on Regional Policy and Regional
Planning

Text proposed by the Commission
of the European Communities

Member State	Lower limit	Upper limit
Belgium	0.61	0.85
Denmark	0.58	0.81
Germany	2.54	3.57
Greece	11.83	16.66
France	7.45	10.48
Ireland	5.40	7.61
Italy	32.30	45.47
Luxembourg	0.04	0.05
Netherlands	0.68	0.95
United Kingdom	21.66	30.49

Member State	Lower limit	Upper limit
Belgium	0.85	1.20
Denmark	0.81	1.14
Germany	3.55	4.81
Greece	11.05	15.60
France	10.44	14.74
Ireland	5.05	7.13
Italy	30.17	42.59
Luxembourg	0.06	0.08
Netherlands	0.95	1.34
United Kingdom	20.23	28.56

Amendment No. 13

Article 5

Article 5 to read as follows:

The Fund shall participate in the financing of:

- Community programmes,
- national programmes of Community interest,
- operations for exploiting the indigenous development potential of the regions,
- projects,
- studies.

Amendment No. 14

Article 6

Paragraph 2 to read as follows:

Article 5

The Fund shall participate in the financing of:

- Community programmes,
- national programmes of Community interest,
- projects,
- studies.

Article 6

2. The Commission and the individual Member States shall adopt the measures necessary to submit an appropriate number of programmes so that the Commission may ensure in its management of the Fund that the share of assistance allocated to programme financing, including Community programmes, represents an increasing percentage of the overall endowment and is equal to at least 10% of the available appropriations at the end of the second year (8 words deleted) and at least 40% at the end of the fourth year.

2. Each Member State shall submit an appropriate number of grant applications in the form of programmes so that the Commission may ensure in its management of the Fund that the share of assistance allocated to programme financing, including Community programmes, is equal to at least 10% of the available appropriations at the end of the second year, 20% at the end of the third year and 40% at the end of the fourth year.

Amendment No. 15

Article 7

paragraph 1 to read as follows:

1. A Community programme means a coordinated series of multiannual measures directly serving Community objectives and the implementation of Community policies. Its purpose shall be to help resolve serious problems affecting the socio-economic situation in one or more regions. It shall provide a better link between the Community's objectives for the structural development and conversion of regions and the objectives of other Community policies.

These measures shall not have as their object the internal reorganization of declining sectors but may, by establishing new economic activities, promote the creation of alternative employment in regions or areas in a difficult situation.

Article 7

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Amendment No. 16

Article 7

add the following new paragraph:

- 1 (a) These measures shall cover in particular, jointly or separately, investments in infrastructures, aid schemes for companies in industry, craft industries and services and measures to exploit the indigenous development potential.

Amendment No. 17

Article 8

Article 8 to read as follows:

1. Community programmes shall be undertaken at the Commission's initiative taking particular account of the Community regional policy guidelines and priorities laid down according to the procedure under Article 2 (2) and the intensity of regional problems measured in relation to the position of the Community as a whole as they emerge from the periodic report referred to in Article 2.

After consulting the Fund Committee according to the procedure under Article 39, the Commission shall adopt:

- the specific objectives,
- the Community criteria for determining the territorial scope,
- the nature and terms of assistance,
- the planned overall contribution of the Fund,
- the foreseeable duration,

that constitute the framework of the programme.

Article 8

Community programmes shall be undertaken at the Commission's initiative.

Acting on a proposal from the latter and after consulting the European Parliament, the Council shall adopt by a qualified majority:

- the specific objectives,
- the Community criteria for determining the territorial scope,
- the nature and terms of assistance,

that constitute the framework of the programme.

Amendments tabled by the Committee
on Regional Policy and Regional
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Text proposed by the Commission
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2. The Fund's contribution to the financing of the various measures provided for in Community programmes shall be adjusted in the light of socio-economic situation in the regions and the types of measures involved in the programme. It shall not however be less than 65% of the total public expenditure involved in the programmes.

3. On the basis of the framework set out in paragraph 1, a programme shall be drawn up in consultation with the authorities of the Member State or States concerned and with the involvement of the regional and local authorities concerned within the limits laid down by national legislation.

It shall be adopted in the manner provided for in Articles 14 and 39.

2. The Fund's contribution to the financing of Community programmes shall be determined in the light of the socio-economic situation in the regions and the types of measures involved in the programmes.

3. On the basis of the framework set out in paragraph 1, a programme shall be drawn up in consultation with the authorities of the Member State or States concerned.

It shall be adopted in the manner provided for in Articles 14 and 39.

It shall be adopted in the manner provided for in Articles 14 and 39.

Amendment No. 18

Article 9 .

Article 9 to read as follows:

Community programmes shall include at least the following:

- (a) the areas and regions receiving Fund assistance;
- (b) the objectives as defined by the procedure under Article 8, and the expected results, where possible in quantified form, particularly in the economic and employment fields;
- (c) the nature of the operations involving the Fund;

Article 9

Community programmes shall include at least the following:

- (a) the areas and regions receiving Fund assistance;
- (b) the objectives as defined by the Council and the expected results, where possible in quantified form;
- (c) the nature of the operations involving the Fund;

- (c) a Planned operations and projects and the timetable for their implementation;
- (c) b The financial estimates for the programme indicating separately the various sources and types of Community finance and, where appropriate, national finance making it clear that the Fund's contribution represents an overall additional financial effort to assist the regions and areas affected by the programme;
- (c) c The arrangements and timetable for coordinating aid from the Fund in particular with aid from the other Community financial instruments with structural objectives including EIB, NIC and ECSC loans;
- (c) d The rate or rates of the Fund contribution to the various measures provided for in the programme;
- (d) the categories of recipients of Fund assistance;
- (d) a The authorities or bodies responsible for implementing the programme and the measures which it includes;
- (e) where applicable, related measures essential for implementing the programmes, and in particular, measures necessary in the field of training and for the protection of the environment;
- (d) the financing arrangements;
- (e) the assistance made available by the national authorities;

Amendments tabled by the Committee
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Text proposed by the commission
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(f) the arrangements for publicizing the provision of Fund assistance, for the purpose of informing potential recipients and business interests of the opportunities offered by the programme and of the role played by the Community.

(f) a The duration

(f) the amount of Fund assistance and the interventions, where applicable, of other Community instruments;

(g) the categories of recipients of Fund assistance;

(h) where applicable, related measures, essential for implementing the programmes, and, in particular, measures necessary in the field of training and for the protection of the environment;

(i) the arrangements for publicizing the provision of Fund assistance, for the purpose of informing potential recipients and business interests of the opportunities offered by the programme and of the role played by the Community.

ARTICLES 10 and 11 UNCHANGED

Amendment No. 19

Article 12

Article 12

Article 12 to read as follows:

1. National programmes of Community interest shall be undertaken on the initiative of Member States. The Member State concerned shall first prepare the programme in association with the regional and/or local authorities concerned, or other competent bodies, within the limits laid down by national legislation,

1. National programmes of Community interest shall be undertaken on the initiative of Member States. The Member State concerned shall first prepare the programme in association with the authorities or bodies concerned within the limits laid down by national legislation,

and then present it to the Commission. The Commission shall examine whether the measures provided for by the programme are consistent with all the operations to assist the region carried out by the public authorities of the Member State concerned and with the objectives and priorities of Community policies and, in particular, with the guidelines and priorities of the Community's Regional Policy laid down according to the procedure in Article 2 (2).

2. Programmes shall be assessed on the basis of their contribution to:

(a) the economic development of the region, in particular as regards:

- the impact on employment,
- the improvement of productivity,
- the diversification of economic structures,
- the accelerated provision of the necessary infrastructure facilities,
- the careful use of natural resources,
- the exploitation of the indigenous development potential referred to in Article 16,
- acquisition of new technology and skills.

(b) the attainment of Community objectives, in particular as regards:

- the consistency of the programme's objectives and measures with the Community's objectives and policies,

and then present it to the Commission. The Commission shall examine whether the measures provided for by the programme are consistent with all the operations to assist the region carried out by the public authorities of the Member State concerned and with the objectives and priorities of Community policies.

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(a) the economic development of the region, in particular as regards:

- the impact on employment,
- the improvement of productivity,
- the diversification of economic structures,
- the accelerated provision of the necessary infrastructure facilities,
- the careful use of natural resources.

(b) the attainment of Community objectives, in particular as regards:

- the consistency of the programmes's objectives and measures with the Community's objectives and policies,

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- the integrated use of any other Community financial instrument for structural purposes including in particular EIB, NIC and ECSC loans.

Other Community assistance shall thus be coordinated with Fund assistance in such a way as to promote convergent measures in a given region in order to guarantee, in particular, consistency between regional policy and other community policies.

3. Regions and areas which may benefit from Fund assistance through national programmes of Community interest shall be limited to those assisted areas designated by Member States for the purposes of their regional aid schemes. In the selection of programmes, priority shall be given to investments in Community priority areas as indicated in the periodic report referred to in Article 2, taking account of the principles for the coordination (3 words deleted) of regional aids.

4. UNCHANGED

5. If the Commission considers that the draft programme submitted merits assistance from the Fund, it shall so inform the Member State concerned, adding its observations. The Commission and the Member State, with the active involvement of the regional and local authorities concerned, shall by common consent finalize the programme. The programme shall be adopted as laid down in Articles 14 and 39.

- the integrated use of any other Community financial instrument for structural purposes. Other Community assistance shall thus be coordinated with Fund assistance in such a way as to promote convergent measures in a given region in order to guarantee, in particular, consistency between regional policy and other Community policies.

3. Regions and areas which may benefit from Fund assistance through national programmes of Community interest shall be limited to those assisted areas designated by Member States for the purposes of their regional aid schemes. In the selection of programmes, priority shall be given to investments in national priority areas, taking account of the principles for the coordination at Community level of regional aids.

4. National programmes of Community interest shall form part of the regional development programmes referred to in Article 2(3).

5. If the Commission considers that the draft programme submitted merits assistance from the Fund, it shall so inform the Member State concerned, adding its observations. The Commission and the Member State shall by common consent finalize the programme. The programme shall be adopted as laid down in Articles 14 and 39.

6. UNCHANGED

6. The Fund's contribution to the financing of national programmes of Community interest shall be determined in the light of the socio-economic situation of the regions and the types of measure involved. It may amount to 65% of the total public expenditure taken into account in the programmes.

Amendment No. 20

Article 13

Article 13

Article 13 to read as follows:

1. National programmes of Community interest shall include the following:

(a) an indication of the regions or areas concerned;

(b) the objectives and the results expected, where possible in quantified form, in particular in the economic and employment fields;

(c) UNCHANGED

(d) UNCHANGED

(e) UNCHANGED

1. National programmes of Community interest shall include the following:

(a) an indication of the regions or areas concerned;

(b) the objectives and the results expected, where possible in quantified form.

(c) the nature of the measures;

(d) the operations and assistance planned and their time scale;

(e) a forward plan for financing the programme, making a distinction between the various sources of national finance and highlighting the fact that Fund assistance takes the form of an overall supplementary financial contribution in favour of the regions or areas concerned.

(e) a The arrangements and timetable for coordinating aid from the Fund in particular with aid from the other Community financial instruments with structural objectives including EIB, NIC and ECSC loans;

(e) b The rate or rates of the Fund contribution to the various measures provided for in the programme;

(e) c The categories of the recipients of Fund assistance;

(f) an indication of the authorities of agencies responsible for implementing the various parts of the programme;

(g) where applicable, related measures essential for the implementation of the programme and, in particular, measures necessary in the field of training and for the protection of the environment which are undertaken in the Member State and receive or do not receive financial assistance from the Community;

(h) UNCHANGED

(i) UNCHANGED

(i) a The duration

(f) an indication of the authorities or agencies responsible for implementing the various parts of the programme;

(g) where applicable, related measures essential for the implementation of the programme and, in particular, measures necessary in the field of training and for the protection of the environment which are undertaken in the Member State and receive no financial assistance from the Community;

(h) the arrangements for publicizing the provisions of Fund assistance, for the purpose of informing potential recipients and business interests of the opportunities offered by the programme and of the role played by the Community;

(i) - in the case of infrastructure investment programmes: a description of the most significant projects,

- in the case of the co-financing of aid schemes: the priorities and criteria for selecting investment projects,

- in the case of operations to exploit the potential for internally generated development, a description of the operations as laid down in Article 16.

Amendments tabled by the Committee
on Regional Policy and Regional
Planning

Text proposed by the commission
of the European Communities

2. UNCHANGED

2. For national programmes of
Community interest relating to:

- infrastructure investment projects,
the provisions of Article 19
shall apply,
- investment projects in industry,
craft industries and services,
the provisions of Article 20 (1)
and (2) shall apply.

ARTICLE 14: UNCHANGED

Amendment No. 21

Article 15

Article 15 to read as follows:

1. UNCHANGED

2(a) Each year before 1 June the Member State concerned, or the bodies responsible for implementing the programmes, shall submit to the Commission a progress report for each programme concerning the preceding calendar year, with reference to the information required under Articles 9 and 13. This report shall be such as to enable the Commission to satisfy itself as to the implementation of the programmes to take note of their effects, where possible in quantified form, (one word deleted) where applicable to establish that the operations are being carried out in a consistent manner and to determine whether there is any need to make changes to the programmes themselves. The report shall be communicated to the Fund Committee.

(b) UNCHANGED

(c) In the event of a programme in the course of implementation being substantially amended, the procedure provided for in Articles 14 and 39 shall apply.

(d) UNCHANGED

Article 15

1. The Commission shall supply national and regional administrations which so wish with technical assistance to help them in the preparation and implementation of the programmes.

2(a) Each year before 1 June the Member State concerned, or the bodies responsible for implementing the programmes, shall submit to the Commission a progress report for each programme concerning the preceding calendar year, with reference to the information required under Articles 9 and 13. This report shall be such as to enable the Commission to satisfy itself as to the implementation of the programmes, to take note of their effect where possible in quantified form, and where applicable, to establish that the operations are being carried out in a consistent manner. The report shall be communicated to the Fund Committee.

(b) On this basis, the Commission shall report to the Council and the European Parliament as laid down in Article 45.

(c) In the event of a programme in the course of implementation being substantially amended, the procedure provided for in Article 39 shall apply.

(d) Upon completion of each programme, the Commission shall inform the Fund Committee of the results achieved.

Amendment No. 22

Article 16

Article 16 to read as follows:

1. For the purposes of greater exploitation of the potential for internally generated development of regions, the Fund may contribute (six words deleted) to the financing of measures for assisting undertakings, especially small and medium sized undertakings, cooperatives and local employment initiatives (LEI's)¹, in industry, craft industries and the tourist industry in order to:

Article 16

1. For the purposes of greater exploitation of the potential for internally generated development of regions, the Fund may contribute, within the framework of the programmes, to the financing of measures for assisting undertakings, especially small and medium-sized undertakings, in industry, craft industries and the tourist industry in order to:

Amendments tabled by the Committee on
Regional Policy and Regional Planning

- provide them with facilities enabling them to expand their activities and to obtain access to new technology,
- facilitate their access to the capital market.

These measures shall involve in particular:

- (a) aid for studies to help identify the opportunities for internally generated development in the regions assisted by the Fund;
- (b) aid for the establishment and operation of local and regional agencies for applied research to further internally generated regional development;

and, only in the case of small and medium-sized undertakings, cooperatives and local employment initiatives:

- (c) financing the transfer of technology through operating aids for agencies compiling and disseminating information on product and technological innovations and for feasibility studies and projects permitting the application of these innovations in undertakings;
- (d) aid for sectoral studies to improve knowledge of opportunities for access to national Community and external markets and for the dissemination of the results of such studies;
- (e) unchanged
- (f) unchanged
- (g) unchanged

Text proposed by the Commission
of the European Communities

- provide them with facilities enabling them to expand their activities and to obtain access to new technology,
- facilitate their access to the capital market.

These measures shall involve in particular:

- (a) aid for studies to help identify the opportunities for internally generated development in the regions assisted by the Fund;
- (b) aid for the establishment and operation of local and regional agencies for applied research to further internally generated regional development;

and in the case of small and medium-sized undertakings only:

- (c) financing the transfer of technology through operating aids for agencies compiling and disseminating information on product and technological innovations and for feasibility studies and projects permitting the application of these innovations in undertakings;
- (d) aid for sectoral studies to improve knowledge of opportunities for access to national Community and external markets and for the dissemination of the results of such studies;
- (e) aid to increase the efficiency of undertakings by making it easier for them to obtain management or organization advice; this aid shall cover the expenditure of undertakings on services provided by consultancy firms or agencies;
- (f) start-up aids to facilitate the establishment of services common to several undertakings and covering part of the operating expenditure of the common services;
- (g) aid to improve exploitation of the regional potential for tourism and covering part of the operating expenses of agencies for the promotion and coordinated management of accommodation.

(h) unchanged

(h) measures to promote the establish-
ment and expansion of these under-
takings by providing them with
easier access to the capital market.

2. UNCHANGED

2. Within the limits laid down by
national legislation, the Fund may also
make a contribution towards expenditure
by national, regional or local authori-
ties on the planning, technical prepara-
tion and implementation of operations
in respect of which a Member State has
applied for aid from the Fund.

2.(a) The Fund may make a contribution
under this Article either, as a
priority, to several measures
linked together or also for
individual measures whether or not
included in programmes.

Amendment No. 23

Article 17

Paragraph 1 to read as follows:

1. The Fund's contribution to the
measures provided for in Article 16
may not exceed 65% of the (one word
deleted) financing for each measure
or series of measures (eight words
deleted). The contribution for
each study or inquiry may not exceed
70,000 ECU.

Article 17

1. The Fund contribution to the measures
provided for in Article 16 may not
exceed 65% of the public financing for
each measure or series of measures
covered by one and the same programme
contract. The contribution for each
study or enquiry may not exceed
70,000 ECU.

Amendment No. 24

Article 18

Paragraph 3 to read as follows.

3. Regions and areas which may benefit
from the Fund by way of projects shall
be limited to those aided areas estab-
lished by Member States in applying
their systems of regional aids. When
projects are selected, priority shall
be given to investments in Community
priority areas, as indicated in the
periodic report referred to in Article 2,
taking account of the principles for the
coordination (three words deleted) of
regional aids.

Article 18

3. Regions and areas which may benefit
from the Fund by way of projects shall
be limited to those aided areas estab-
lished by Member States in applying
their systems of regional aids. When
projects are selected, priority shall
be given to investments in national
priority areas, taking account of the
principles for the coordination at
Community level of regional aids.

ARTICLE 19: UNCHANGED

Amendment No. 25

Article 20

Delete paragraph 4:

4. DELETED

Article 20

4. The contribution from the Fund may, pursuant to a prior decision of the Member State concerned communicated at the same time as the request for this contribution, either supplement aid granted to the relevant investment by public authorities or remain credited to those authorities and considered as a partial repayment of such aid.

ARTICLE 21: UNCHANGED

Amendment No. 26

Article 22

Paragraph 1 to read as follows:

1. The provision of Fund assistance shall be decided upon by the Commission in the light of the relative severity of the economic imbalance of the region in which the investment project is carried out and of the direct or indirect impact of the project on employment. The Commission shall examine, in particular, the consistency of the project with all the measures taken by the Member State concerned to assist that region, as described in the information supplied by Member States pursuant to Article 2, with particular reference to:

- (a) the project's contribution to the economic development of the region;
- (b) its consistency with the Community's programmes or objectives;
- (c) the situation in the economic sector concerned and the profitability of the investment made;
- (d) whether the project is located in a frontier area, i.e. in a region adjacent to one or more other Member States;

Article 22

1. The provision of Fund assistance shall be decided upon by the Commission in the light of the relative severity of the economic imbalance of the region in which the investment project is carried out and of the direct or indirect impact of the project on employment. The Commission shall examine in particular, the consistency of the project with all the measures taken by the Member State concerned to assist that region, as described in the information supplied by Member States pursuant to Article 2, with particular reference to:

- (a) the project's contribution to the economic development of the region;
- (b) its consistency with the Community's programmes or objectives;
- (c) the situation in the economic sector concerned and the profitability of the investment made;
- (d) whether the project is located in a frontier area, i.e. in a region adjacent to one or more other Member States;

(d) a the inclusion of measures involving several regions, even if they are not adjacent, belonging to different Member States and concerned in the implementation of the measures;

(e) delays and imbalances due to the fact that the area which the investment is intended to benefit is located on an island, or is a peripheral area;

(f) the effects of the investment on the region's natural resources;

(g) other assistance granted by Community institutions or by the European Investment Bank either in respect of the same project or for other measures in the same region; other Community assistance shall therefore be coordinated with Fund assistance in such a way as to promote convergent measures in a given region in order to guarantee, in particular, consistency between regional policy and other Community policies.

(e) delays and imbalances due to the fact that the area which the investment is intended to benefit is located on an island, or is a peripheral area;

(f) the effects of the investment on the region's natural resources;

(g) other assistance granted by Community institutions or by the European Investment Bank either in respect of the same project or for other measures in the same region; other Community assistance shall therefore be coordinated with Fund assistance in such a way as to promote convergent measures in a given region in order to guarantee, in particular, consistency between regional policy and other Community policies.

Amendment No. 27

Article 23

Add the following new paragraph 5a:

Member States may also give priority to the submission of joint grant application in respect of a project costing 10 million ECU or more in each Member State, where the project concerns an investment in industry or infrastructure.

Amendment No. 28

Article 24

Paragraphs 2 and 3 to read as follows:

2. (six words deleted) Member States, in agreement with the Commission, shall take all necessary steps to ensure that all assistance from the Fund to the different types of projects is given suitable publicity.
3. The list of all projects that have received Fund assistance shall be published every six months in the Official Journal of the European Communities.

For each project the list shall specify its object, its precise location, the name of the investor and the amount of the assistance granted.

Article 24

2. In the case of infrastructure projects, Member States, in agreement with the Commission, shall take all necessary steps to ensure that the assistance from the Fund is given suitable publicity.
3. The list of projects that have received Fund assistance shall be published every six months in the Official Journal of the European Communities.

For each project the list shall specify its object, its precise location, the name of the investor and the amount of the assistance granted.

Amendment No. 29

Article 25

Paragraph 1 to read as follows:

1. The Fund shall contribute to the financing of studies closely related to its operations. In the case of studies carried out at the request of a Member State the Fund's contribution may not exceed 70% of the cost of the studies.

The Commission shall decide on the Fund's contribution and shall inform the Fund committee of the studies carried out and the results obtained.

Article 25

1. The Fund shall contribute to the financing of studies closely related to its operations.

The Commission shall decide on the Fund's contribution and shall inform the Fund committee of the studies carried out and the results obtained.

ARTICLES 26, 27, 28, 29, 30, 31, 32, 33 and 34:

UNCHANGED

Amendment No. 30

Article 35

Article 35 to read as follows:

All or part of the Fund assistance granted may be in the form of an interest-rate subsidy on Community loans

In order to favour aid to investment by small and medium-sized undertakings in industry, the craft industries and the services sector, the Member States and the Commission shall allocate at least 15% of the Fund's total endowment for assistance in the form of interest-rate subsidies of up to 5% on Community loans for small and medium-sized undertakings.

Applications for interest-rate subsidies should in principle be given priority over other forms of assistance

Article 35

All or part of the Fund assistance granted may be in the form of an interest-rate subsidy on Community loans

In order to favour aid to investment by small and medium-sized undertakings in industry, the craft industries and the services sector, the Member States and the Commission shall allocate at least 5% of the Fund's total endowment for assistance in the form of interest-rate subsidies on Community loans for small and medium-sized undertakings.

Amendment No. 31

Article 35a (new)

Add the following new article 35a:

The Fund's contribution, granted pursuant to Articles 8, 12, 16 and 20, must be in addition to the aid granted by the national public authorities, subject to the rules of competition. In any case the financial contribution of the Member State in the areas concerned must be increased by the amount of the Community contribution.

Amendment No. 32

Article 36

Article 36 to read as follows:

The Member States, in submitting their applications, and the Commission, in administering the Fund, shall (6 words deleted) ensure that the maximum possible proportion of the Fund's endowment is allocated to investments in industry, the craft industries and the services sector (5 words deleted)

Article 36

The Member States, in submitting their applications, and the Commission, in administering the Fund shall, in so far as is possible, ensure that at least 40% of the Fund's total endowment is allocated to investments in industry, the craft industries and the services sector during a given three-year period.

Amendment No. 33

Article 36a (new)

Add the following new article 36a:

The Member States and the Commission shall coordinate in particular:

- investments in infrastructure affecting agriculture and aquaculture with the various structural measures under the guidance section of the EAGGF, with the measures¹ under Regulation (EEC) No. 2908/83 and, in areas where they apply, with the integrated Mediterranean programmes,
- investments in transport infrastructures with the objectives and priorities of the common transport policy and with measures carried out under that policy.

¹ Council Regulation No. 2908/83, 4 October 1983: OJ No. L 290 of 22.10.1983

ARTICLES 37 and 38: UNCHANGED

Amendment No. 34

Article 39

Paragraph 3 to read as follows:

3. The Commission shall take decisions which shall apply immediately and must give reasons for decisions not in accordance with the opinion of the Committee: these decisions and the reasons therefor shall be set out in the report which the Commission must present pursuant to Article 45.

Article 39

3. The Commission shall take decisions which shall apply immediately. However, decisions not in accordance with the opinion of the Committee shall forthwith be communicated by the Commission to the Council. In that event, the Commission shall defer application of the decisions taken by it for not more than two months from the date of such communication. The Council, acting by a qualified majority, may take a different decision within two months.

ARTICLES 40, 41, 42 and 43: UNCHANGED

Amendment No. 35

Article 44

Article 44 to read as follows:

The Commission, the Member States and the regional and local authorities concerned shall take account of the situation of and outlook for the employment of women and the different age groups on the basis of comparable statistical data:

- in the preparation of the coordination instruments referred to in Article 2, and in particular in the Regional Development programmes and the reports on their implementation;
- in the applications for assistance for investment programmes and projects;
- in the Fund assistance decisions concerning those applications.

The Commission shall set out this information in the report on the implementation of this Regulation referred to in Article 45.

Article 44

The Commission shall ensure that, as far as statistics allow, account is taken of the situation of and outlook for the employment of women and the different age groups:

- in the preparation of the coordination instruments referred to in Article 2, and in particular in the regional development programmes and the reports on their implementation.
- in the applications for assistance for investment programmes and projects,
- in the Fund assistance decisions concerning those applications,
- in the preparation of the reports on the implementation of this Regulation referred to in Article 45.

Amendment No. 36

Article 45

Amend paragraph 1 to read:

1. Before 1 October each year, the Commission shall present to the Council, to the European Parliament, to the Economic and Social Committee ~~and to the regional authorities concerned~~ a report on the implementation of this Regulation during the preceding year.

Article 45

1. Before 1 October each year, the Commission shall present to the Council, to the European Parliament and to the Economic and Social Committee a report on the implementation of this Regulation during the preceding year.

Amendment No. 37

Article 46

Amend Article 46 to read as follows:

On a proposal from the Commission and following consultation of Parliament and the Economic and Social Committee, the Council shall review this regulation within 5 years from its entry into force or even earlier, if necessary, in the light of the experience of the first three years of implementation of the regulation and/or following any enlargement of the Community.

Article 46

On a proposal from the Commission, the Council shall review this Regulation within five years from its entry into force.

Amendment No. 38

Article 47

Amend Article 47 to read as follows:

This Regulation shall enter into force on 1 January 1985.

Article 47

This Regulation shall enter into force on the day following its publication in the Official Journal of the European Communities.

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 724/75 establishing a European Regional Development Fund

The European Parliament,

- having regard to the proposal from the Commission to the Council (COM(83) 649 final)¹,
 - having been consulted by the Council pursuant to Article 235 of the Treaty establishing the European Economic Community (Doc. 1-1159/83),
 - having regard to the report of the Committee on Regional Policy and Regional Planning and the opinion of the Committee on Budgets (Doc. 1-86/84),
 - having regard to the result of the vote on the Commission's proposal,
 - having regard to the resolution of 22 April 1982 on the first proposals amending the Regulation establishing a European Regional Development Fund (ERDF)², and to that of 17 November 1983 on the proposals on the European Regional Development Fund (ERDF) contained in the Commission's report on ways of increasing the effectiveness of the Community's structural funds³,
1. Approves the Commission's proposal in principle subject to adoption of the amendments thereto;
 2. Reiterates that it is vitally important for ERDF assistance to be placed in the context of:

¹ OJ No. C 360, 31.12.1983, p. 1 et seq.

² OJ No. C 125, 17.5.1982, p. 108 et seq.

³ OJ No. C 342, 19.12.1983, p. 94 et seq.

- (a) a general economic policy aimed at increasing investment in the weak regions in order to prevent a rise in inflation coupled with a widening of regional disparities,
- (b) and a Community regional policy to reduce regional disparities by consolidating economic structures in disadvantaged regions, as opposed to a compensatory distribution of wealth. To achieve this end, investment will to a large extent have to be directed, through channels such as strategic administrative action and tax facilities, into creating dynamic industrial, agricultural and tertiary sectors;
3. Points out that in a global policy of this type, an important role must fall to the assistance coordinated between the ERDF and the other Community structural funds, and between the ERDF and the Community's borrowing and lending instruments, which must be supplemented as soon as possible by the integrated Mediterranean programmes¹ and the revolving fund requested in the resolution of 16 February 1982², and in connection with this last urges the Commission to submit suitable proposals establishing such a fund;
4. Considers it essential that the political choices and Community measures outlined above should be defined and adapted at periodic intervals, as part of the coordination of Community policies and national regional policies, in special Council decisions, adopted on a proposal from the Commission with prior consultation of Parliament and the Economic and Social Committee. These decisions will set the directions and priorities for a practical Community regional policy, of which the other national and Community policies will also have to take account, and will thus mark out, among other things, the immediate objectives on which the Community programmes in particular must be based;

¹ OJ No. C 251, 19.9.1983

² See especially paragraphs 4, 5 and 6 of the resolution in OJ No. C 66, 15.3.1982, p. 26 et seq. - Pöttering report: Doc. 1-736/81

5. Reiterates the assertion made in the resolution of 17 November 1983, namely: '..... the main priority must still be given to correcting structural imbalances in the Community, taking into account the objective criteria for identifying intervention areas which were used in the proposals of 5 November 1981;¹
6. Declares that the necessary aid for the reconversion of the regions affected by severe industrial crises must be provided in accordance with the established objectives of the Fund, whose financial endowment should be increased on a scale commensurate with the continually growing requirements it is called upon to meet;
7. Draws attention to the potential of the Fund for Community firms which are involved in transnational associations for the acquisition and commercialization of new technologies, and to small and medium firms capable of stimulating the scientific and technical potential of the Community;
8. Emphasizes in connection with the geographic concentration of resources, which is one of the factors essential to the effectiveness of ERDF assistance, that the new system of national indicative ranges must under no circumstances have the effect of modifying the criteria for allocating resources, which were approved in the resolution of 22 April 1982 on the first proposals amending the ERDF Regulation² to ensure that, in the selection of the areas to be assisted and in decisions on the eligibility of the various programmes and projects for a Community contribution, account would be taken of the degree of structural underdevelopment in relation to the Community norm;
9. Considers it essential, still in the interests of efficiency, that the management of the ERDF should be entrusted entirely to the Commission of the European Communities, which should respect the policies of the Council and the political scrutiny of Parliament;
10. Emphasizes that it would be desirable for the Commission to assume increased powers and responsibility for the initiation, formulation, finalization and financial assessment of Community programmes;

¹ See especially paragraph 14. OJ No. C 342, 19.12.1983, p. 94 et seq.

² OJ No. C 125, 17.5.1982, p. 108 et seq.

11. Considers it therefore extremely important that the Commission, in terms of staff, organization and resources, should be in a position to provide the least endowed administrative bodies in particular with adequate assistance, which must cover not only technical questions but also public relations, especially in the case of Community programmes and operations aiming to enhance the indigenous development potential of the regions;
12. Requests therefore, not only for the purposes of the abovementioned assistance but also in the interests of coordinating and increasing the effectiveness of the funds, that the relevant Commission departments should be expanded to meet the new needs and responsibilities arising from the new rules, and that such expansion should take place within the existing organizational framework of the Commission itself, thereby avoiding any proliferation of bodies and agencies which would, among other things, pose serious problems with respect to coordination and supervision;
13. Addresses in addition an urgent appeal to the Member States to afford the fullest possible cooperation to the Commission of the European Communities and allow, and indeed encourage, the regional and local authorities concerned to participate as actively as possible, especially in the selection, elaboration and implementation of the programmes and operations aimed at enhancing indigenous development potential: actions to increase awareness among and the involvement of economic and social forces are also of particular importance;
14. Expresses its support not only for geographical concentration, as referred to above, which, while retaining the necessary flexibility, would in no way penalize the areas characterized by the most severe and historically conditioned structural underdevelopment, but also for 'financial' concentration, which could be achieved by proportionately high ERDF contributions, especially to directly productive investment and investment aiming to develop indigenous development potential;

15. Considers it to be of the greatest importance that ERDF contributions should be made as additions to national efforts, and calls on the Commission, in fulfilment of the much more active role which falls to it by virtue of the proposal for a regulation under consideration, to exercise particular vigilance in ensuring that the principles of transparency and additionality are observed in respect of Community measures.
16. Calls on the Commission to adopt, pursuant to Article 149, second paragraph, of the EEC Treaty, the amendments to the text of the proposal for a regulation as previously approved, without prejudice to the provisions of Rule 36 of Parliament's Rules of Procedure;
17. Asks the Council to apply the conciliation procedure as laid down in the agreement concluded among the three institutions on 4 March 1975 and points out that, if the Council proposed to deviate from the opinion adopted by Parliament, this procedure would become mandatory pursuant to paragraph 4 of the abovementioned agreement;
18. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.