

European Communities

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ANNEX

to the report by Mr KAZAZIS

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

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Opinion of the Committee on Agriculture

Opinion of the Committee on Economic and Monetary Affairs

Opinion of the Committee on Budgets

Opinion of the Committee on Social Affairs and Employment

Opinion of the Committee on the Environment, Public Health
and Consumer Protection

PE 86.184/fin./Ann.

OPINION

(Rule 101 of the Rules of Procedure)
of the Committee on Agriculture

Draftsman: Mr B. THAREAU

On 13 July 1982 the Committee on Agriculture appointed Mr THAREAU draftsman.

At its meetings of 22/23 November 1983, 1/2 February 1984 and 21/22 February 1984, the committee considered the draft opinion. At the last of these meetings it adopted the conclusions by 16 votes to 10 with 3 abstentions.

The following took part in the vote: Mr CURRY, chairman; Mr ABENS (deputizing for Mr WETTIG), Mr BOCKLET, Miss BROOKES (deputizing for Mr KIRK), Mr CLINTON, Mr CRONIN (deputizing for Mr DAVERN), Mrs DESOUCHES (deputizing for Mr LYNGE), Mr EYRAUD, Mr GATTO, Mr GOERENS (deputizing for Mrs MARTIN), Mr HELMS, Mrs HERKLOTZ, Mr HOWELL (deputizing for Mr HORD), Mr MARCK, Mr MERTENS, Mr PAPAPIETRO, Mrs PERY (deputizing for Mr GAUTIER), Mr PROVAN, Ms QUIN, Mr SIMMONDS, Mr STELLA (deputizing for Mr DIANA), Mr SUTRA, Mr J.D. TAYLOR (deputizing for Mr BATTERSBY), Mr THAREAU, Mr TOLMAN, Mr VERNIMMEN, Mr VGENOPOULOS, Mr VITALE and Mr WOLTJER.

I. INTRODUCTION

1. This opinion is concerned with the problems surrounding the integrated Mediterranean programme (IMPs) in the light of the following:

- (a) the motion for a resolution tabled by Mrs Barbarella and others on the Mediterranean programmes (Doc. 1-1006/81);
- (b) the Commission's proposals for the integrated Mediterranean programmes (Parts I and II) (COM(83) 24 final);
- (c) the Commission's proposal for a Council regulation instituting integrated Mediterranean programmes (COM(83) 495 final);
- (d) the Commission's proposal for a Council regulation instituting integrated Mediterranean programmes - Fisheries and aquaculture (COM(83) 641 final);
- (e) the following resolutions adopted by Parliament:
 - resolution of 18 November 1983 on the Commission's new proposals for the common agricultural policy (report drawn up by Mr Curry - Doc. 1-987/83 on COM(83) 500 final);
 - resolution of 17 November 1983 on ways of increasing the effectiveness of the Community's structural funds, especially that of the EAGGF Guidance Section (report drawn up by Mr Davern - Doc. 1-990/83 on COM(83) 501 final);
 - resolution of 17 November 1983 on new guidelines for the Community's structural policy in the agricultural sector (report drawn up by Mr Thareau - Doc. 1-923/83);
 - resolution of 15 December 1983 on the establishment of young farmers in the Community (report drawn up by Mrs S. Martin - Doc. 1-922/83);
 - resolution of 10 February 1983 on Community fisheries policy in the Mediterranean (report drawn up by Mr Gautier - Doc. 1-949/82);
 - resolution of 10 February 1983 on the development of fisheries in Greek bays, lagoons and inland waters (report drawn up by Mr Papaefstratiou - Doc. 1-950/82).

II. OBJECTIVES OF AND PROPOSALS FOR THE IMPs

2. The objective of the IMPs is to speed up the development of the Mediterranean regions, especially that of their rural areas.

Because of local agricultural production and natural and structural handicaps these regions have hitherto benefited less than other more northerly regions of the Community from aid from the EAGGF Guarantee Section and from the horizontal structural measures financed by the EAGGF Guidance Section.

3. The IMPs extend and strengthen the regionalized sectoral measures adopted since 1978 the effectiveness of which is, however, restricted by a lack of coordination.

The application for accession made by Spain and Portugal increases the urgency of and the need for these programmes.

4. The word 'integrated' reflects the fact that measures and financing falling within the EAGGF, the ERDF and the ESF have been brought together in a single programme.

5. The approach to the IMPs is based on the following principles:
- restoration of the balance in regions in difficult economic situations;
 - consideration of the specific problems of those regions and of the ability of the Member States to make financial contributions;
 - the overall nature of regional development;
 - improvement of the employment situation;
 - new guidelines for agricultural production, taking into account the Community's shortfalls;
 - conservation of the environment.

6. In addition, the IMPs aim to improve the effectiveness of Community action by:

- coordination of the three structural funds;
- better deployment of Community aid and national aid;
- promotion of vocational training, technical assistance, advisory services and research in conjunction with aid to activities which are directly productive.

Parliament has often delivered opinions and voted resolutions in favour of these guidelines referred to in paragraphs 5 and 6 of this opinion.

7. The three IMPs for France, Greece and Italy concern:

- the five programme regions of the South of France;
- the whole of the agricultural territory of Greece;
- the whole of the Mezzogiorno, Lazio, Liguria, Tuscany, Umbria and the Marches in Italy.

Neighbouring regions whose economy is likely to be affected by the accession of Spain and Portugal have been added to regions whose agricultural economy is heavily dependent on typically Mediterranean products.

The programmes contain only a limited number of projects for these neighbouring regions.

8. For all regions the IMPs propose:

- (a) as regards non-agricultural activities, the promotion of small and medium-sized undertakings, rural tourism and renewable energy sources, and improvement of infrastructures;
- (b) for all activities (whether or not agricultural) 'back-up measures' to develop vocational training, advisory services, technical assistance and research.

9. As regards the agricultural measures coming within the EAGGF, the IMPs make a distinction between:

- lowland and coastal areas;
- inland areas corresponding to the less-favoured areas within the meaning of Directive No. 75/268/EEC and the Greek islands.

The amount of aid will be higher in these areas which are the most underprivileged.

10. The agricultural measures involve the following:

- land improvement (reparcelling, irrigation, development of wasteland);
- amenities for the cessation of farming and compensatory allowances for handicaps;
- encouragement and conversion of certain agricultural products in order to adapt to the market;
- forestry;
- increasing the market value of products (storage and processing, support to producer groups).

11. Besides some new measures, most of them aim to extend existing projects by:

- including new areas of application, new products and new classes of beneficiary, in particular young people;
- increasing financial aid, either the volume of appropriations allocated to a project or the rate of co-financing provided by the EAGGF or the unit amount of the aid.

12. Reorientation of agricultural production is to be achieved by:

- reserving aid to stock-farming for areas in which it is irreplaceable;
- varietal conversion of perennial crops;
- encouraging products in which there are shortfalls (protein crops, rice, certain vegetables, medicinal plants, aromatic plants, production of seeds and seedlings, nuts, soft fruit, exotic fruit, forests, chestnut plantations and cork oak).

13. Fisheries projects include:

- the creation and development of protected marine areas;
- the development of aquaculture, which is in fact the project on which the Commission has concentrated its efforts since this activity has great potential in warm waters. The Commission advocates the improvement of infra-structures in lagoons and the development of low-technology fish-farming;
- the restructuring of certain fishing fleets;
- technical assistance in the fisheries sector;
- the improvement of port facilities which are specifically for fishing activities, the construction of coastal shelters for fishing boats and the development of unloading facilities on lakes;
- the temporary or permanent halting of fishing activities;
- increasing the market value of products;
- the construction of research centres and the financing of research programmes.

14. Research is of cardinal importance for the implementation of the integrated Mediterranean programmes. The projects planned relate to agriculture, fisheries, renewable energy sources, the environment and industry. In addition to publishing the results of research, the feasibility of many projects to be implemented must be proved and the true scale of their economic benefits must be demonstrated to enable their direct large-scale application in the regions concerned, bearing in mind their particular characteristics. It goes without saying that these research projects must be supplemented by advisory services and professional training measures so as to obtain the best results.

15. The financing of the IMPs is planned to last for a period of 6 years. Their total cost and the rates of co-financing break down as follows:

	Rate of EAGGF co-financing			EEC financing (in million ECUs)	Financing borne by the Member States (in million ECUs)
	(1)	(2)	(3)		
Italy	65%	50%	60%	2 951	2 050
Greece	75%	50%	60%	2 545	1 300
France	50%	50%	45%	1 132	995
TOTAL	-			6 628	4 345

Through the level of and differentiation between the rates of co-financing, the Commission takes into account the Member States' difficulties in contributing their share of co-financing.

1. Infrastructures, advisory services, socio-structural measures
2. Investment in production
3. Processing and marketing of products

The average annual Community contribution (1,105 million ECUs) will be more than the current average annual budget of the EAGGF Guidance Section (751 million ECUs).

It is provided that beneficiaries of the aid to directly productive activities will provide a limited proportion of the co-financing.

III. THE LIMITS OF THE PRESENT PROPOSAL FOR IMPs

16. As regard agriculture, the IMPs supplement 10 horizontal measures and 17 measures relating to sectoral projects which will remain in force in 1984 in the regions concerned.¹

The IMPs therefore appear to be a series of measures supplementing those provisions and not complete coherent programmes as suggested by the word 'integrated'. In so doing the Commission aims above all to preserve the 'Community patrimony' and to avoid the risk of a legal void. It is a way of affirming that existing measures will not be called into question and that the IMPs are indeed an additional intervention package.

17. This approach leads to administrative complications and a piecemeal effect which would have been avoided if the other regionalized sectoral measures in respect of those regions could have been included in the IMPs.

This difficulty is increased by the fact that the 1972 socio-structural directives and Directive No. 75/268/EEC, to which the IMPs refer, expired on 31 December 1983 and the new horizontal measure (COM(83) 559 final) intended to replace them has not yet been adopted.

It should however be noted that the Commission proposes to extend the abovementioned directives for 6 months.

18. The products encouraged by the IMPs are not subject to a market organization equal to guaranteeing the level and security of agricultural incomes.

The new Commission proposals for the CAP (COM(83) 500 final) do not offer active prospects for the development of products in which there are shortfalls. As regards sheepmeat, the Commission adapts the existing situation without aiming to achieve self-sufficiency. Guarantee thresholds are fixed for colza, rapeseed and sunflower seed although the whole of the vegetable oils and fats sector is one in which there is a huge shortfall.

In addition, the IMPs do not take into account certain products in which there are shortfalls, such as soya and tobacco, nor is it clearly stated that the 'products produced on a small scale' referred to (such as nuts, cork oak etc.) are given as examples and that the list is not restrictive.

However well-founded the guidelines and the amount of aid, farmers cannot tie up investment without sufficient price guarantees. This is a genuine prerequisite for the success of the IMPs.

¹ See Mr Thareau's report (Doc. 1-923/83)

In the long term the measures to reorientate production which are undertaken in the IMPs will help to limit expenditure by the EAGGF Guarantee Section on products in surplus.

19. The IMPs stress the need to create jobs for redundant agricultural workers but they do not sufficiently emphasize the fact that a different, autonomous pattern of agricultural development might limit the flow of rural depopulation.

20. The proposed measures have loopholes and shortcomings. They should therefore be supplemented by the following measures:

- a review of natural potential so as to draw up a complete list of agricultural production possible in each region;
- improvement of the conditions of supply of holdings which are often remote from industrial production centres and from adequate port facilities;
- an advisory service for the overall development, by small regions, of the implementation of the programme. If it is not the Commission's task to set up this advisory service it should provide more expressly for its financing and encourage vocational training for this new post of development adviser.

21. In view of the unfavourable age structure of agricultural workers, which is all too often associated with small agricultural holdings, it is clear that measures relating to the cessation of farming and the establishment of young people are more than ever necessary.

However, with regard to the first category of measures, the proposal for a regulation on improving the efficiency of agricultural structures (COM(83) 559 final) does not readopt the premiums and annuities for the cessation of farming laid down in Directive No. 72/160/EEC, which has lapsed.

This directive, in any case, has had virtually no effect in the Mediterranean regions. It must be replaced by another system based on the following criteria:

- a link between aid for the cessation of farming and compensatory allowances for handicaps,
- the assignment of the land thus released to be managed by a public body,
- interest subsidies for the purchase of released land, whether purchased by farmers or public bodies, depending on the Member State.

22. As regards fisheries, the IMPs strengthen the existing projects under Regulation (EEC) No. 2908/83¹ on a common measure for restructuring, modernizing and developing the fishing industry and for developing aquaculture, Directive No. 83/515/EEC² concerning certain measures to adjust capacity in the fisheries sector and Regulation (EEC) No. 355/77³ on common measures to improve the conditions under which agricultural products are processed and marketed, both by increasing the Community's financial contribution and by implementing new projects such as improvement of the infrastructure of lagoons with a view to developing aquaculture, as stated above.

Although the methodological reservations expressed with regard to the agricultural sector remain, in that the IMPs restate and strengthen existing measures instead of completely replacing them, the series of measures proposed for the fisheries and aquaculture sector can nevertheless be approved. In view of all the measures, including those relating to infrastructures, increasing the market value of products, and research, the amount of the Community's financial contribution to the fisheries and aquaculture sector should be 466 million ECU out of a grand total of 6.628 million ECU.

¹OJ No. L 290 of 22.10.1983, page 1

²OJ No. L 290 of 22.10.1983, page 15

³OJ No. L 51 of 23. 2.1977, page 1

23. In general, despite the effort to achieve regionalized adaptation, the measures planned are too horizontal in character, since the volume of financing for some of them has been laid down for each type of area defined in the IMPs. This method reduces the extent to which local priorities and responsibilities can be expressed.

24. The proposal for a regulation instituting the IMPs provides for the setting up of a 'Guidance Committee' for each of them. The role of these guidance committees is to provide continuing momentum for the execution of the IMPs. Provision is also made for the Member States to set up an 'operational plan of campaign'. This consists of a description of the financial resources and mechanisms for the implementation of the IMPs. It is specified that the Member States may, if necessary, adjust their regional development programmes in order to take account of the implementation of the IMPs.

A genuine dialogue must be initiated between the Commission, the Member States and the regions, leading to a contractual agreement. It would be more rational and more effective for these consultation structures to be a forum in which regional priorities and specifically Community policies could be balanced against one another so as to achieve a single genuine integrated regional development programme.

In any case, the IMP proposals provide that each Member State must, having regard to its own concept of administrative decentralization, notify the Commission of the division of powers between the national and regional bodies responsible.

25. The IMPs will only become a reality if the Member States can provide their share of co-financing. In view of present budgetary restrictions the Member States will find it difficult to release new resources. This will not always be easy. Their financial contribution to the IMPs will be eased if national aid is already provided for in respect of the proposed measures or, if not, if existing appropriations can be reallocated. This is an additional reason for involving the Member States more closely in the drawing-up of the IMPs.

To ease these difficulties, the European Investment Bank could perhaps play a greater part in relieving national budgets by allowing the Member States to provide their share of co-financing by means of loans. This presupposes that the EIB would give priority to projects coming within the IMPs.

26. The Commission documents (COM(83) 24 final, (COM(83) 495 final and COM(83) 641 final) do not show how the IMPs prepare the regions concerned for possible enlargement of the Community to include Spain and Portugal, nor whether this preparation is adequate.

Nor do they envisage how the IMPs could be applied to Spain and Portugal, a question which those countries will certainly ask as soon as they join.

IV. USING THE EXPERIENCE GAINED WITH IMPs FOR THE GENERAL IMPLEMENTATION OF REGIONAL INTEGRATED DEVELOPMENT PROGRAMMES

27. In view of the reservations set out above and the vote on paragraphs 40 to 46 of the resolution on new guidelines for the Community agricultural structures policy, the IMPs should be considered as an important stage in the implementing of a new structural policy, based on the concept of regions rather than on that of a fund.

They should however incorporate as rapidly as possible all measures concerning a region which do not form part of horizontal measures and horizontal measures should be reduced to the absolute minimum.

Then, using the experience gained with the integrated programmes relating to the Western Isles of Scotland, Lozère and the South-East of Belgium and the first results of the implementation of the IMPs, the Commission should draw up a framework regulation instituting integrated regional development programmes.

An implementing regulation will institute for each region, on the basis of that framework regulation and in consultation with the Member States and the regions, the measures financed by the Community to contribute to overall development, taking account of differences and special characteristics. The Community funds for these regional programmes will be allocated on the basis of the number of agricultural workers in inverse proportion to the relative wealth of the region.

28. Advantage should be taken of the fact that most of the structural measures have expired in order to plan for and speed up this stimulus to development by agreement between the Community, the Member States and the regions.

V. CONCLUSIONS

29. The Committee on Agriculture submits to the Committee on Regional Policy and Regional Planning the following conclusions :

The Committee on Agriculture

1. Approves the principles underlying the IMPs;
2. Approves the measures at present proposed in the IMPs, as regards both agriculture and fisheries, in favour of Greece, Italy and France, particularly the introduction of new specific measures and the strengthening of the Community's financial participation, and requests that they should be implemented as rapidly as possible;
3. Regrets the lack of flexibility in the measures envisaged under the IMPs, which reduces the extent to which local responsibilities can be expressed and the possibilities of adaptation to a variety of situations;
4. Regrets, that too many of the proposed measures supplement existing measures, which makes the programmes inconsistent and leads to great administrative complexity; requests, therefore, that any extension or creation of further special measures in favour of the regions concerned should in future be incorporated in the IMPs;

5. Stresses the need for greater coherence between the IMPs on the one hand and guidance for production, market and pricing policy and the structural measures currently being worked out (COM(83) 559 final) on the other;
6. Requests that the measures contained in the present proposal should be supplemented and strengthened on the following points :
 - (a) exhaustive review of the natural potential of each region;
 - (b) improvement of the supply conditions of farmers;
 - (c) financing of a general advisory service for each small geographical sector, enabling the maximum number of beneficiaries of the IMPs to participate;
 - (d) cessation of farming by elderly farmers, assignment of released land and establishment of young people, in particular by encouraging the setting-up and operation of public bodies;
 - (e) contribution, where necessary, to the utilization of adequate means for the planning and integration of regional development programmes, this contribution being limited in the present proposal to projects initiated by the Commission;
7. Approves loans to the Member States through the existing Community financial instruments (EIB, NCI etc.,) and calls for the continuation and strengthening of these financing mechanisms so as to enable the Member States to provide their share of co-financing within the time-scale envisaged by the IMPs;
8. Supports the Commission proposal to create a special budget heading for the IMPs, the appropriations of which would be added to the budget laid down for the EAGGF Guidance Section;
9. Recalls emphatically that, in order for farmers to commit themselves and make the necessary investment, which is a genuine prerequisite for the success of the IMPs, objectives of the following conditions are absolutely necessary; increasing the volume of products, improvement of the market organizations and improvement of price maintenance for the products which are to be encouraged;
10. Urges the Commission and the Member States, with a view to speeding up the development process begun by the IMPs, to :
 - (a) give priority to the three integrated development programmes in progress and the pilot projects intended to perfect the IMP mechanisms;
 - (b) clarify and specify the division of responsibilities between national and regional levels, having regard to each Member State's own concept of decentralization.
11. Recalls that this draft opinion focuses particularly on agricultural measures, including fisheries, and that the solutions to agricultural problems also depend on the overall socio-economic environment; therefore urges that the process of integrating regionalized measures should be speeded up, with a simplification of all administrative and financial procedures, from the drafting of programmes to their implementation;

12. Calls on the Commission to improve its proposal to give the Member States and the regions greater responsibility and enable local priorities and initiatives to be expressed, so that the proposal becomes more like a framework regulation;
13. Considers also that this approach should be adopted generally in a second stage, so that regional integrated development programmes, agreed between the Community, the Member States and the regions, are drawn up for other disadvantaged regions of the Community which need a major stimulus to bring them up to the same level as more prosperous regions of the Community.

OPINION

(Rule 101 of the Rules of Procedure)

of the Committee on Economic and Monetary Affairs

Draftsman: Mr PAPANTONIOU

At its meeting on 19-20 September 1983 the Committee on Economic and Monetary Affairs appointed Mr PAPANTONIOU as draftsman of an opinion for the Committee on Regional Policy and Regional Planning.

The committee considered the draft opinion at its meeting of 17-19 October 1983 and adopted it unanimously on the latter date.

The following took part in the vote:

Mr Moreau, chairman; Mr Hopper, vice-chairman, Mr Papantoniou, draftsman; Mr Beazley, Mr Bonaccini, Mr CABORN, Mr Herman, Mr Muller-Herman, Sir Brandon Rhys-Williams, Mr Wagner, Mr Welsh

BACKGROUND

1. The Commission has now presented its proposal for a Council Regulation instituting integrated Mediterranean programmes, covering almost the whole of the territory of Greece, Southern Italy as well as certain other regions in Italy and in France.

Many of the measures proposed concern agricultural support measures which are outside the competence of the Committee on Economic and Monetary Affairs. However, the integrated programmes also provide for complementary measures to be taken to provide alternative job opportunities for those leaving farms, and to provide additional sources of income for those remaining. Besides measures to strengthen the agri-foodstuffs and farm equipment industry, to improve the possibilities for rural tourism, to develop renewable sources of energy, and to strengthen relevant research activities, the integrated programmes also provide, in particular, for varying forms of support to small and medium-sized enterprises and to craft industries, aid to relocate businesses away from over-crowded urban areas such as Athens, and aid to improve the infrastructure needed for the development of job-creating activities.

CONCLUSIONS

2. The Committee on Economic and Monetary Affairs strongly supports the concept of these integrated programmes. It believes that they can help to promote economic convergence between the richer and poorer regions and countries of the Community which it has repeatedly underlined as being a pre-requisite for further development of the Community, and without which further integration will be impossible. It also believes that Community actions in the past have often been too fragmented and piecemeal, and that coordinated use of all Community instruments to meet the priority objective of reducing economic disparities is absolutely essential. Such integrated measures are also an indispensable complement to the process of Community enlargement.

3. The committee specifically welcomes the measures envisaged to help small and medium-sized enterprises (SME's), and craft industries such as provision of common services like accounting, improving management capabilities, assuring better access for them to risk capital, strengthening the links between them and research centres, and providing them with better analysis of technological possibilities, and of relevant markets. Nevertheless the committee would point out that while smaller enterprises should be the prime beneficiaries of integrated programmes larger enterprises could also be assisted in cases where this would help to meet national development objectives for particular regions, and where this is not incompatible with wider Community objectives.
4. The Committee also emphasises the vital need for a balanced spread of economic activities in the poorer regions of the Community. The diseconomies of over-concentrating activities in limited regions, in terms of congestion, environmental decay and adverse economic and social effects on peripheral regions, have become more and more apparent. In this context the Committee supports the proposed aid for relocation of industry away from the Athens region in particular.
5. The Committee points out the potential importance of the new information technologies in helping to meet the objectives of the integrated programmes. Modern developments in telecommunications and the establishment of European scale information network can help to overcome some of the disadvantages of remoteness and of "smallness" which have inhibited the non-agricultural development of the poorer Mediterranean regions. Complementary measures provided for in the context of the integrated programmes such as those dealing with training, should place a high priority on promoting greater awareness of the possibilities of these technologies.

6. In this context infrastructure investments in the field of communications such as data transmission and telecommunications, should be strongly encouraged, as should other infrastructure investments that will help to reduce the isolation of the poorer Mediterranean regions.

7. The Committee on Economic and Monetary Affairs fully supports the Commission's proposals concerning the financing of the projects relating to the non-agricultural section of the integrated programmes.

8. Finally, the committee believes that, in view of their importance for the integration of the Mediterranean regions within the Community economy, and for the promotion of economic convergence integrated Mediterranean programmes should be implemented as a matter of urgency.

O P I N I O N

(Rule 101 of the Rules of Procedure)

of the Committee on Budgets

Draftsman : Lord Douro

On 11 October 1983, the Committee on Budgets appointed Lord Douro draftsman of the opinion.

The Committee considered the draft opinion at its meetings of 23/24 November, 28/30 November, 5/7 December 1983 and 25/26 January 1984. It adopted the draft opinion on 26 January 1984 by 8 votes to 5 with no abstentions.

The following took part in the vote: Mr Lange, Chairman; Mr Notenboom and Mrs Barbarella, Vice-Chairmen; Lord Douro, draftsman; Mr Adonnino, Mr Balfe, Mr Kellett-Bowman, Mr Langes, Mrs Nikolaou, Mr Newton Dunn, Mr O'Mahony, Mr Protopapadakis and Mr Konrad Schön.

CONCLUSIONS

In the light of Parliament's past resolutions, the Committee on Budgets welcomes the formal proposals that have now been made for Integrated Mediterranean Programmes. In particular it recalls Parliament's commitment to further enlargement of the Community and to the increased efforts in favour of Mediterranean regions of the existing Community which this entails. The Committee also:

- (a) welcomes the closer integration of Community and Member State regional development projects, while stressing that the objectives of the new proposals ought to be more clearly stated and that the programmes complement the market measures for Mediterranean agricultural products proposed by the Commission;
- (b) points out that the Commission has not calculated the precise financial commitment implied by the new programmes, and that - in accordance with Parliament's long-standing policy - the level of funding will be fixed each year in the budgetary procedure;
- (c) believes it essential that the Commission report annually on the implementation of these measures; recognises, as does the Commission, that the initial period will be one of learning and therefore decides that it will - when debating the report presented by the Commission in the third year - pay particular attention to any improvements that might subsequently be made;
- (d) considers that the high level of proposed expenditure and the uncertainties which inevitably exist at present necessitate a particularly close scrutiny of that expenditure, and accordingly asks the Commission to pay particular attention to this in its annual report and also invites the Court of Auditors to prepare a special report on the efficiency of these programmes, in their third year;
- (e) believes the potential of lending operations to be considerable, and that such operations could both make additional resources available and enhance commercial efficacy; believes further that subsidised lending operations are particularly appropriate for SMEs and a "revolving fund" for large-scale projects; and considers that the regulation should provide for such operations.

EXPLANATORY STATEMENT

Parliament's commitment to enlargement of the Community

1. Parliament has expressed on several occasions its firm political wish that the Community be enlarged to include Spain and Portugal, and has recognized that this enlargement will necessitate a substantial effort in favour of Mediterranean regions of the existing Community; they will be much affected by such an enlargement. This commitment has been expressed in the following terms:

"(Parliament) reminds the Council that in 1977 all the then member states welcomed the applications of Portugal and Spain; these political commitments must be honoured."

"(Parliament) calls on the member states to recognize the political importance and advantages of allowing Spain and Portugal to join the Community in 1984 despite the difficulties which this may pose for each member state in differing sectors."

"(Parliament) considers that the accession of two new Mediterranean countries to the European Community makes it essential to define an overall agricultural and non-agricultural strategy for the Mediterranean area in order to ensure that enlargement brings an equitable distribution of advantages and burdens for the present member states."

(Parliament's resolution on the enlargement of the Community to include Spain and Portugal, O.J. C 334, 1982, paragraphs 75, 74, 50)

Parliament's commitment to integrate development measures

2. Recognizing that the existing regional development instruments of the Community were inadequate to deal with the scale of challenge posed by enlargement to certain Mediterranean regions of the existing Community, Parliament has repeatedly called for an integrated approach:

"(Parliament) is of the opinion that as a step towards achieving regional balance, a systematic Community aid policy is required concentrating on integrating regional projects which should use the various Community funds (EAGGF Guidance, Social, Regional, EIB, NCI) available for financing projects in agriculture and associated areas (processing industry, craft industries, tourism, vocational training, etc.)"

(FAURE report, resolution of 16.2.82, OJ C 66, 1982, paragraph 3)

"(Parliament) calls on the Commission to draw up, in collaboration with the member states and the applicant countries, integrated development programmes for the severely disadvantaged Mediterranean regions."
(PÖTTERING report, resolution of 16.2.82, O J C 66, 1982, paragraph 1).

"(Parliament) considers that, to bring about a regional aid policy, coordination of funds must be guaranteed and that consequently an appropriate chapter be designed to finance integrated programmes, its appropriations to be drawn from the Community funds, must be included in the budget."

(FAURE report, resolution of 16.2.82, OJ C 66, 1982, paragraph 7)

"(Parliament) calls on the Commission to draw up proposals for the creation of a "development fund for the Mediterranean regions of the Community and the applicant countries" to be constituted within a period of 6 to 8 years to provide effective aid to self help."

(PÖTTERING report, resolution of 16.2.82, OJ C 66, 1982, paragraph 4)

3. The FAURE and PÖTTERING reports debated thoroughly the form of regional development measures which would be most useful for primarily rural and/or Mediterranean areas. In general, these measures recognize that such areas will remain primarily agricultural, that agricultural production has to be made more efficient without however creating additional surplus production of unwanted products, and that every effort should be made to create additional employment opportunities (in small and medium-sized enterprises, tourist ventures, etc.) for workers displaced from agriculture. In the Mediterranean regions, there is considerable scope to invest in fishing and fish processing, and also in forestry.

Parliament's use of budgetary initiative

4. As the Commission recognises in the explanatory memorandum concerning this proposed regulation, and as the above quotations show, Parliament has been instrumental in promoting this initiative for integrated Mediterranean programmes. This impetus has been reflected in Parliament's amendments to the budget where a token entry was made in the 1982 budget for a "revolving fund for Mediterranean countries". This was followed in the 1983 budget by money "on the line" (Article 550 - 7 mECU) for preparatory actions for the Mediterranean programmes, together with the insertion of 1 mECU (Article 551) to start implementing the programmes themselves. The Commission proposed preparatory actions of 6 mECU early in January 1984; these do not require a specific legal base.

5. It will be recalled that the joint declaration of 30 June 1982 on measures to improve the budgetary procedure ⁽¹⁾ contained the provision that - where funds were entered in the budget for "significant new Community actions" - the Commission should bring forward a proposal by the end of January, and Parliament and Council should endeavour to adopt any necessary legal base before the end of May. Undoubtedly these Mediterranean programmes constitute a significant new Community action, but the Commission was able to produce an explanatory memorandum only in March and a proposed regulation only in August. ⁽²⁾

The Commission's proposal

6. The areas eligible for aid have been chosen for their high dependence on so-called 'Mediterranean products', and because agriculture there needs to be restructured and other jobs created. The economic performance of these regions (in Greece, Italy and France) is well below the Community average.

7. The programmes are the counterpart to the Commission's proposals concerning the markets for the main products. They differ for each member state but are centred on agriculture, through improving the infrastructure, implementing technical and socio-cultural measures and providing back up in fields such as research and training. Job creation outside agriculture is foreseen in processing trades, SMEs and craft industries, tourism, and energy generation.

8. The total cost of the six-year programme is estimated at 11 000 mECU. The Community will finance 60% of this, namely 6 628 mECU. The rhythm of expenditure expected is as follows:

Annual spread of Community expenditure

	m ECU					
	1st year 1985	2nd year 1986	3rd year 1987	4th year 1988	5th year 1989	6th year 1990
TOTAL	663	796	994	1 392	1 392	1 392
%	10	12	15	21	21	21

(1) OJ C 194 1982, 28.7.82

(2) OJ C 251 1983, 19.9.83

9. This total (in 1982 prices) is broken down as follows:

Summary table of the overall costs of the various measures (1982 prices)
by Member State

	Greece	Italy	France	Total	%
Agriculture	1 235	941	471	2 647	40
Forestry	120	190	50	360	5.5
Fisheries	139	153	60	352	5.5
Increasing the market value of products	172	235	63	470	7
Non-agricultural measures	330	740	336	1 406	21
Infrastructure	283	376	50	709	11
Back-up measures	263	316	105	684	10
TOTAL	2 542	2 951	1 135	6 628	100
Annual average	424	492	189	1 105	

It can be seen that expenditure in Greece will concentrate more on agricultural measures than in the other two countries, and that 'non-agricultural measures' will receive proportionately greater emphasis in France. The degree of Community contribution also varies according to member state and to the measure concerned: support varies between 45% and 75%, and is greatest in Greece and least in France. Infrastructure and labour market measures attract more aid than, say, measures to increase the market value of products.

Putting the proposals into practice

Objectives and administration

10. The regions covered by these measures are undoubtedly poor, and the gap between their performance and the Community average has certainly not narrowed; enlargement will increase competition in the markets for the staple products of these regions. The Community is already channelling substantial aid to these regions; combined budgetary aid in 1982, for example, amounted to 1 198 mECU for the Italian regions, 302 mECU for Greece and 138 mECU for the French regions. (The figures for loans were 1 327 mECU, 462 mECU and 111 mECU respectively.) Without entering into a debate on whether such aid has been useful, if little convergence can be identified it is fair to ask for a clear statement of objectives

for the new approach. In the draft regulation this is not altogether easy to find: there are indirect references to giving agriculture a better competitive position, and to stepping up the overall productivity of the fishing sector, but that is about all. The explanatory memorandum refers in its introduction to a "smoother intermeshing of Community policies", and it is only in paragraph 16 that the two basic objectives are indicated, namely to raise income levels and to improve the employment situation. It is for the Committee on Regional Policy to judge whether the programmes are likely to achieve these aims.

11. The Commission lays great stress on improving the efficiency of existing measures by integrating them. It should be recalled that, in addition, a new regulation for the Social Fund has just been adopted, a new regulation for the Regional Fund is under discussion, and that the Commission has made proposals on way of increasing the effectiveness of the Community's structural funds.⁽¹⁾ This multiple approach risks creating confusion but the Budgets Committee opinions (for example, that of Mr Protopapadakis on the structural funds) stressed the need both for clear objectives and to integrate Community efforts with those of member states.

12. The programmes represent a step towards the application of Community criteria to regional development, even though action continues to be taken via member states. The regulation specifies the programme outline, and member states then have to submit detailed programmes and regional development strategies which correspond. The Committees set up under existing funds continue to operate and there is in addition a Guidance Committee (plus a technical working group) for the Mediterranean programmes. Parliament thoroughly dislikes these committees which tend to usurp the Commission's prerogatives.

Additional expenditure

13. The Commission proposes that money be entered in the Community budget in a single Chapter entitled "Mediterranean programmes", broken down according to the sub-programmes. As all the appropriations are entered in a single Chapter, any transfers which might be necessary in the light of experience will be more easily made by the Commission. Community instruments such as the ESF and ERDF will continue in operation, both in their own right and as channels for funds under the integrated Mediterranean programmes.

⁽¹⁾ COM(83) 501

14. The programmes "subsume, supplement and expand a number of measures" (para. 19 COM(83) 24). In addition Article 1.2, second sub-paragraph, makes it clear that operations under the Mediterranean programmes shall "complement present or future Community operations". Thus the bulk of the 6 628 mECU foreseen for this programme will be additional expenditure; on the other hand, increased efficiency of Community funding is expected to result and some existing measures will be adapted. The exact scale of the financial commitment is thus not stated, but will have to be evolved during the budgetary procedure.

15. An essential corollary to these programmes are the market measures the Commission has proposed for Mediterranean products. Market measures and structural measures have to go hand in hand if any lasting progress is to be made. Although the hope is to discourage production of products already in surplus, the possibility and indeed likelihood of increasing gross production of all products should not be discounted. The Commission has not attempted to estimate the costs of this, and suggests that this aspect need be noted only "pro memoria" (paragraph 4(b) of Part II).

Scope for lending operations

16. The new programme is clearly expensive, and in this period of budgetary stringency one might have expected more attention to be paid to potential of the Community's borrowing and lending instruments. After many years of encouragement, the EIB has found ways of helping SMEs, and the potential role of banking in rural development is well illustrated by the Credit Agricole in France. Although lending operations may not be appropriate for some types of peasant farmer, an element of loan could well enhance the commercial efficacy of other investments. Whilst it is true that large-scale lending operations are specified in an annex only, the budget proper does contain some operations for which repayment is foreseen, e.g. demonstration projects, and special loans.

17. Even the elevated sums proposed hardly reflect the scale of investment needed. In order to mobilise really large expenditure, Parliament proposed a "revolving fund".⁽¹⁾ Proposals are still awaited from the Commission.

⁽¹⁾ Resolution of 16.2.82, OJ C 66, 1982

Review and control

18. The Commission itself emphasises the uncertainties which prevail as to the precise allocation of resources between the different sectors of activity (e.g. para. 18 of COM(83) 24). The Commission's report in the third year provides an opportunity to reflect on the lessons learnt so far.

19. As to scrutinising the expenditure to be made, Parliament has control mechanisms such as the decision on the discharge for any given year. There are however precedents for making a special effort when the expenditure is large or prone to uncertainty as is the case here. The Court of Auditors has prepared a number of special reports on individual subjects. That Member States are willing to cooperate in such exercises is shown by the UK government's invitation that a Parliament delegation review expenditure on the UK supplementary measures, and the offer of cooperation made by the French Cour des Comptes late in 1983.

OPINION

of the Committee on Social Affairs and Employment

Draftsman: Mr D. CERAVOLO

On 20 September 1983 the Committee on Social Affairs and Employment appointed Mr Ceravolo draftsman.

At its meeting of 2 November 1983 the committee considered the draft opinion and adopted its conclusions unanimously.

The following took part in the vote: Mr Papaefstratiou, chairman; Mr Peters and Mr Frischmann, vice-chairman; Mr Ceravolo, draftsman; Mr Alexiadis (substitute member, non-attached), Mr Brok, Mr Calvez, Mrs Cassanmagnago Cerretti, Mr Chanterie, Mrs Duport, Mr Geurtsen (deputizing for Mrs Pauwelyn), Mr Kellett-Bowman (deputizing for Mr Tuckman), Mrs Maij-Weggen, Mr Ouzounidis (deputizing for Mr Dido), Mr Patterson, Mr Simpson and Mr Wawrzik (deputizing for Mr McCartin).

C O N T E N T S

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INTRODUCTION

1. The integrated Mediterranean programmes proposed by the Commission are directed towards improving the situation of agriculture in the Mediterranean regions. This objective accords with the view that such regions are 'amongst the poorest' of the Community, being characterized by weak industrial structures, high unemployment and a very low level of economic activity, and the fact that their agriculture, although it is the dominant economic sector, is handicapped by 'the structural backwardness of the production, marketing and processing apparatus'.

It appears that having reached the inescapable conclusion that the disparities between the Mediterranean regions and the rest of the community are becoming increasingly marked, the Commission is equally concerned by the need to strengthen 'Community cohesion' in view of the duration of the crisis and the probable consequences of the enlargement of the EEC to include Spain and Portugal.

Regardless of whether these proposals are motivated primarily by a genuine spirit of solidarity and a determination to combat the deteriorating economic and social situation of these areas, or whether we should regard them as purely functional compensatory measures designed to help mitigate the effects of the mistaken policies conducted hitherto and the failure to redress the balance between the regions, we are generally in favour of the introduction of such programmes, the stated objective of which is to improve the employment situation, reform structures, increase productivity and raise incomes in the regions in question.

2. Although the stated purpose of the programmes is to develop the rural areas of the Mediterranean regions, they are not concerned solely with the agricultural sector, but also extend to fisheries and include a series of measures for the development of non-agricultural sectors, such as aid for infra-structures, agricultural information services, technical assistance, training, research, compensatory allowances and aids to promote integration. Investments in non-agricultural activities of this kind are primarily intended to create alternative jobs to absorb 'excess' agricultural manpower.

This 'excess' results either from the pursuit of traditional sectoral policies, particularly with regard to agriculture, which have led to a drift from the land, forced urbanization and emigration, or from the nature of the Mediterranean programmes themselves,

which aim to increase productivity and raise incomes by structural reform and hence will involve a reduction in the number of people employed.

REMARKS

3. This emphasis on promoting investment to create alternative jobs is one aspect of the 'integrated' character of the programmes and, we believe, an innovation in comparison with current policies, which are mostly sectoral and aid-oriented.

It must be said at once, however, that the adoption of this new unified and complex strategy at micro-economic level is not reflected by the provision of adequate funds to support the programmes, or even by coordinated implementing procedures capable of ensuring the attainment of the objective of maintaining or increasing employment while the process of restructuring, retraining and development goes ahead in the climate of economic and social decline which characterizes the Mediterranean regions.

In fact, while allocating a limited amount of aid to activities to create alternative jobs, the Commission states that 'the programmes, while not ignoring them, do not set out to solve the problems stemming from the general shortcomings of industry, transport, energy, the environment, etc; these problems must be solved through the sectoral and regional policies which will continue to be applied, alongside the integrated programmes, in the regions in question'.

This seems to conflict with the general approach of these programmes. On the one hand, the Commission recognizes the relative lack of success of Community policies in those Mediterranean regions to which the programmes apply, the fact that the funds provided were not only inadequate in comparison to the scale of the problems involved, but also negligible in relation to the size of the Community budget (amounting to only 31% of the total budget for the structural Funds between 1973 and 1982, or 6% of total Community expenditure), the lack of a clearly-defined overall approach and, worse still, the mistaken adoption of an approach based on sectoral measures; while on the other hand, the chosen method of financing the programmes falls back on appropriations from the usual intervention Funds (EAGGF, ERDF, ESF), which will continue to operate in accordance with administrative mechanisms and de facto objectives which have so far failed to achieve the desired results.

4. The Commission states in its proposals that the breakdown of the budgetary estimates between the various sectors of activity is merely provisional, and that 'the precise allocation of resources (...) will be determined as the operation gets underway', that is in the course of the 6-year period for which the programmes will be in effect. However, it is evident that the necessary financial arrangements will need to extend far into the future, given that - as the Commission document explicitly states - the highest expenditure will be incurred from the third year onwards. For example, if the integrated programmes were approved by the end of 1983, the first really significant expenditure would be incurred in 1985, in anticipation of contributions by the Member States. Funding requirements would reach a high level from 1987 onwards, and would have implications for successive budgets up to 1990.

It should also be remembered that nowadays the problems of the agricultural employment market are more complex than they were in the past, when the large numbers of people leaving the countryside were absorbed by heavily-industrialized areas within the same state or elsewhere in Europe. Nowadays such areas are facing the problems involved in technical restructuring and the reduction of manpower, which are resulting in widespread redundancy and hence the reversal of previous migratory trends of labour. The theory of 'development poles' is looking increasingly unsound, given that the creation of industries with a high rate of employment (such as the motor-vehicle industry, iron and steel, construction, petrochemicals, etc.) is unthinkable.

The prospects of creating large numbers of jobs therefore remain conditional upon and determined, or at least influenced, by agricultural development. Thought must therefore be given to all the problems involved in, or resulting from, the development of coordinated agri-industrial structures.

5. In the light of experience, and having regard to the inflexibility of sectoral management structures and the inefficiency of regional authorities, it is difficult to believe that the Regional Fund, the Social Fund or the EAGGF can be expected to function in an integrated and efficient fashion in connection with the Mediterranean programmes.

For example, it should not be forgotten that in these under-developed areas the Social Fund has traditionally been utilized to encourage farmers to leave the land, and that vocational training has hardly ever been used to promote agricultural development. According to the procedures adopted by the ESF, particularly with regard to vocational training, if an action which forms part of an integrated programme coincides with those promoted by the Fund, it is the latter which is called upon to provide the necessary funds.

Moreover, the restraints imposed by the reform of the Social Fund, particularly the obligation for 75% of funds to be given to young people under 25, even in structurally under-developed regions, may mean that the reorganized Fund is no longer capable of coping with the scale and nature of the demand for aid to promote labour mobility arising from the programmes to reform agricultural structures.

6. With regard to measures to achieve coordination - in the field of implementing provisions and their timing, or between agricultural and non-agricultural investment, Community and national policies and the actions of the various Community structural funds - the question arises whether it would not have been more appropriate for the Mediterranean programmes to have been provided with funds which would need to be applied at grass-roots level and the means of administering them autonomously. This, however, raises the problem of creating local mechanisms capable of ensuring that the available funds are used in a coordinated fashion.

7. We approve of the inclusion of expenditure on fisheries and aquaculture in fresh and salt water, in view of the employment opportunities that this sector could offer if it were developed properly. Without going further into the question of the break-down of expenditure (port facilities, aquaculture, restructuring of fleets, etc.) - which we shall leave to the committee responsible - it should be emphasized that the amount which it is proposed to set aside for this sector is very small (350 million ECU, or 5.3% of total expenditure).

In this context it is necessary, as the European Parliament itself stressed recently, to develop a genuine 'coastal plan' with a view to striking a balance between economic activities such as fisheries, aquaculture, marine aquaculture, tourism and industry, in order to avoid Community funds being provided for overlapping or conflicting purposes. Coastal planning would be consistent with the integrated character of the Mediterranean programmes and would increase the potential of the latter for the creation of jobs.

8. We approve of the provision intended to create non-agricultural jobs, and the special emphasis given in this context to the development of small and medium-sized undertakings and craft firms. Indeed, craft firms seem to offer the most flexible opportunities for utilizing technology and helping to develop healthy socio-economic structures, while helping to create new jobs. It should be stressed, however, that measures concerning non-agricultural sectors should not extend to sectors which are completely unrelated to agriculture.

For employment and social purposes, and also for economic reasons, it is more than ever necessary to promote activities which are ancillary to, connected with, or complementary to agricultural development. This would facilitate vocational retraining, reduce the need for geographical mobility and form the development of part-time employment in a whole series of services connected with productive, processing and marketing activities. The potential of part-time employment has already been demonstrated, particularly in traditionally agricultural regions where industrial development has occurred.

In fact, the Commission document also refers to 'activities directly linked to agriculture, namely the agri-foodstuffs and farm equipment industries, and other potential fields of development, namely rural tourism and renewable energy sources', but these activities receive scant attention by comparison with their importance in social and employment terms; they ought to play a major role in relation to agricultural development, and therefore to receive greater and more immediate financing.

9. The same comments could be made concerning the paucity of funds in comparison to the importance of the use to which they are to be put in the case of infrastructures, which are an essential factor of the productivity of all investments in the sector and the development of employment.

Our greatest fear, in view of the continuing increase in unemployment, is that while this is an important initiative, an opportunity to act on the roots of the problem is being lost through the inadequacy of available funds, contradictory 'coordinating' measures and the limited objectives set.

Unless steps are taken to remedy the situation in quantitative and qualitative terms, we shall run the risk of wasting a tremendous opportunity to tackle the social and employment situation of the least-prosperous areas of the Community.

The same may be said of the regulation, which faithfully reflects the programmes. It is also weakened by the uncertainty surrounding the new mechanisms of the ESF and the projected reforms of all the various structural funds, including the ERDF and EAGGF.

CONCLUSIONS

The Committee on Social Affairs and Employment invites the Committee on Regional Policy and Regional Planning to include the following points in its motion for a resolution:

1. Welcomes, in general terms, the proposals for integrated Mediterranean programmes, endorses their approach to tackling the serious problems of the Community's Mediterranean regions and approves the objectives they enshrine, particularly the fact that measures to increase productivity, raise incomes and reform structures are not to be divorced from action to improve the employment situation;
2. Stresses that the problems of the agricultural labour market are more complex nowadays than in the past, when redundant agricultural manpower was absorbed by industrialized areas within the same country or elsewhere in Europe, and that therefore the prospects for creating jobs largely depend on and are conditioned, or at least influenced, by agricultural development;
3. Regrets, however, that the wide-ranging objectives set out in the programmes are not matched by adequate financial resources, or by suitable instruments to coordinate programme activities;
4. Agrees that the integrated programmes should also promote investments to create alternative jobs with a view to absorbing the redundant agricultural manpower which results from the pursuit of traditional sectoral policies - which have led to a drift from the land, forced urbanization and emigration - or which will be created by the nature of the programmes

themselves which, by aiming to increase productivity and raise incomes, will inevitably involve a reduction in the manpower employed, and considers that this is an innovation in comparison with current policies, which are mostly sectoral and aid-oriented;

5. Notes, however, that the appropriations set aside to finance activities which are non-agricultural, but connected with agriculture, are very modest in relation to the great importance of such activities in social and employment terms;
6. Stresses the desirability of promoting small and medium-sized undertakings and craft firms connected with, arising from or complementary to agricultural development, as a means of facilitating vocational retraining, reducing the need for geographical mobility and favouring the development of part-time employment designed to provide a range of services connected with productive, processing and marketing activities;
7. Questions the capacity of the present structural Funds of the Community to administer the integrated Mediterranean programmes, in view of the inflexibility of their administrative mechanisms;
8. Moreover, in view of the lack of preparation and planning difficulties of local authorities, stresses the need to encourage the creation of technical structures at local level in order to ensure the coordinated use of the available funds;
9. Is nevertheless gravely concerned that, if steps are not taken to make qualitative and quantitative changes in the programmes and the relevant regulation, we shall run the risk of wasting an excellent opportunity of helping the most depressed and run-down areas of the Community to improve their social and employment prospects.

RESOLUTION

ANNEX I

on Community fisheries policy in the Mediterranean¹

The European Parliament,

- having regard to the motion for a resolution tabled by Mr Gautier and others on the Community fisheries policy (Doc. 1-592/82),
- having regard to the report of the Committee on Agriculture (Doc. 1-949/82),
- A. noting that most of the Community's activities in the fisheries sector have been confined mainly to the North Sea and the Atlantic, owing to the fact, firstly that the extension to 200-mile exclusive economic zones in these waters has resulted in their covering by far the greater area of Community water under Member State sovereignty, and secondly that 65 % of fish for human consumption and 100 % of industrial fish are caught there,
- B. welcoming the agreement by the Council on the common fisheries policy,
- C. regretting, nevertheless, that it has not proved possible so far to give greater attention to Mediterranean fisheries, since Greek membership of the Community and the forthcoming accession of Spain intensify the need for urgent consideration of the problems of Mediterranean fishing as far as the Community is concerned,
- D. whereas most of the measures taken by the Community in this sector have been temporary structural ones, and special measures need to be taken for fishing in the Mediterranean in developing the common fisheries policy,

I. General considerations

1. recognizes the economic importance of Mediterranean fishing, which accounts for 35 % of total fish production for human consumption in the Community of Ten;
2. stresses the social importance of Mediterranean fishing, which employs about 90 000 people, or roughly 50 % of Community fishermen;
3. points out that the fishing industry could play an important part in developing the Mediterranean regions;
4. draws attention to the special problems of fishing in the Mediterranean and all related activities, as well as the lack of specific Commission proposals for this sector;
5. calls on the Commission to submit solid proposals on Mediterranean fishing as part of the Mediterranean package discussed in connection with the mandate of 30 May;

II. Internal aspects

(a) *Conservation measures:*

6. points out that there is practically no control of the biological resources of the Mediterranean region so that management of resources is impossible;
7. notes that, following the amendments made by the European Parliament, a token entry was made in the 1982 budget for biological studies in the Mediterranean;

¹ OJ No. C 68, 14.3.1983

Thursday, 10 February 1983

8. points out that the application of appropriate measures for the conservation of resources can be based only on knowledge of the trend in stocks and that such measures are essential to ensure that in the long term the return is commensurate with the level of fishing activities;
9. invites the Commission to submit to Parliament and the Council a research programme to identify the trend of development of the main Mediterranean species within a three-year period;
10. intends in the course of the 'budget procedure' to enter in the 1984 budget the necessary funds for carrying out such research;
11. invites the Commission to propose rules governing fishing activities to ensure sound management of resources based on technical measures associated with an improvement in social conditions (selection of fishing equipment, fishing seasons, catch sizes, licences and other measures) rather than on a quota system;
12. welcomes the efforts made by France, Italy and Greece to improve their management of resources;
13. calls on the Commission to seek an early agreement between the various Mediterranean countries on the necessary measures for the management of resources, so as to prevent Community fishermen from being penalized in the long term; considers that, with this end in view, it should promote a convention between all the riparian states of the Mediterranean on fish resources;

(b) Market organization

14. welcomes the new regulation on the market organization in fisheries, particularly as it strengthens the role of producer organizations;
15. also welcomes the reduction of intervention measures provided this has the effect of more effectively safeguarding fishermen's earnings;
16. therefore invites the Commission to submit proposals to improve the marketing system not only through aid but also by improving information on the market; for instance by promoting cooperation between producers' organizations and distributors;
17. recalls the need to apply in full the principle of Community preference particularly for processed products;
18. Urges that quality standards be harmonized, particularly in respect of health provisions governing the use of authorized additives for the preservation and processing of fishery products;

(c) Structural policy

19. points out that there are still a large number of small fishing vessels in the Mediterranean with or without motors and that even larger vessels in most cases are not equipped with more modern fishing systems or basic preserving equipment;
20. asserts that an effective structural policy must extend over several years and cannot be limited to provisional one-year periods;
21. invites the Council to take a decision on the July 1980 proposals for a structural policy in the fisheries sector and recalls in this context the opinion adopted by the European Parliament on 19 December 1980 ⁽¹⁾;

⁽¹⁾ OJ No C 346, 31. 12. 1980, p. 112; Kirk report, Doc. 1-679/80.

Thursday, 10 February 1983

(d) *Aquaculture*

22. follows with particular interest the development of sea-water aquaculture which, unlike fresh-water aquaculture, requires the active presence of professional fishermen and can effectively maintain employment in the sector;

23. points out that there is considerable potential for developing aquaculture, both in inland fresh water and in sea water, along the coasts of the Mediterranean;

24. calls on the Commission to strengthen the proposals submitted for the development on a larger scale of fresh- and sea-water aquaculture in lagoons and inland waters (artificial barriers, fish-traps);

25. considers it essential for the Commission, in collaboration with the Member States concerned, to promote the creation of vocational training and technical assistance centres for both fishermen and research workers;

26. points out that Community efforts in this sector could be of considerable interest in the context of cooperation with the Mediterranean countries, as regards the training of fishermen and research workers in third countries;

(e) *Integrated projects*

27. points out that the development of the fishing industry is closely linked with the general development of the least-favoured regions of the Community;

28. invites the Commission to coordinate the various Community and national intervention mechanisms more closely with the object of bringing the fishing industry within the ambit of the 'integrated projects' called for by the Commission in its guidelines for the Mediterranean submitted in October 1981;

29. also considers it essential that there should be closer coordination of all projects undertaken along the Mediterranean coast in order to strike a reasonable balance between such various economic activities as fisheries, tourism and industry;

30. considers that 'coastal planning' to clearly differentiate industrial and tourist development zones from fishing zones could prevent or at least reduce the inconveniences caused by the overlapping of such activities;

III. Social aspects

31. stresses the need for social security systems in the fisheries sector to be harmonized as a matter of urgency in a spirit of progress pursuant to Article 117 of the Treaty; points out that its recommendations in its resolution of 18 December 1981 on the social aspects of sea-fishing ⁽¹⁾ are also very important for the development of a fisheries policy for the Mediterranean;

32. considers that employment in this sector is very vulnerable and that high priority must therefore be given to measures which both reduce the vulnerability and counteract the social consequences;

33. stresses once again the importance of good vocational training for the further development of fishing in the Mediterranean and advocates Community action in setting up some centres in the Mediterranean area;

(¹) OJ No C 11, 18. 1. 1982, p. 208; Woltjer report, Doc. 1-830/81.

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34. stresses the need to improve the safety and working conditions of the fishermen concerned and also the need to provide compensation for enforced inactivity resulting from the more prudent management of fish resources;

IV. Environmental protection

35. considers that much of the effort that goes into the promotion of fishing will achieve nothing unless more effective measures are taken to protect the marine environment;

36. points out that the deterioration of the environment affects fishermen in two ways, firstly by lowering productivity and secondly by bringing down market prices because of the negative psychological impact on consumers, not to mention the effects of environmental deterioration on tourism;

37. considers that the protection of the environment is one of the factors which must be taken into account both for the integrated programmes and the coastal planning mentioned above;

38. welcomes the fact that the Community as such and all coastal States have acceded to the 'Convention for the Protection of the Mediterranean Sea against Pollution' which entered into force in February 1978;

39. stresses, however, that further, more effective measures are essential to safeguard the marine environment and make biological renewal possible;

40. calls on the Commission to assist Member States in their efforts to acquire suitable monitoring equipment to ensure that Mediterranean fish stocks are better protected;

V. International aspects

41. draws attention to the fact that, in addition to the serious disputes that already exist between some coastal States (Italy/Tunisia, Italy/Yugoslavia, France/Spain), others could arise unless the Community takes decisive action in this sector;

42. points out that the lack of fisheries cooperation agreements could have adverse repercussions, both economically and politically, throughout the Community;

43. calls on the Commission to speed up the conclusion of fisheries agreements with all Mediterranean countries as requested on several occasions by the European Parliament, on the basis of reciprocal advantages in the context of a genuine programme for cooperation covering the protection of resources, shipbuilding, technology, research and marketing;

44. invites the Commission to report to Parliament within six months of the adoption of this resolution on the outcome of the negotiations;

45. invites the Commission to examine whether certain processed fishery products such as sardines and anchovies could be included in food-aid programmes, as there is a certain demand for these products amongst consumers in developing countries;

46. believes that joint companies formed by Community and third country fishermen and the processing industries to provide for vocational training and improved structures in developing countries could be a promising start to cooperation in this sector;

47. welcomes the action taken so far by the General Fisheries Council for the Mediterranean (GFCM);

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48. calls on the Commission to put forward a plan for strengthening relations between the Community and GFCM in order to consolidate the action taken so far and render the decisions taken more effective;

VI. Final considerations

49. welcomes the recent agreement on the common fisheries policy;

50. hopes that the Commission, under the control of the European Parliament, can now have greater responsibility and a central role in the management of the fisheries policy and that it will be given the staff needed to carry out its task to the full;

51. instructs its President to forward this resolution to the Commission, the Council and all the governments and parliaments of countries bordering on the Mediterranean.

— *Motion for a resolution* (Doc. 1-950/82 ⁽¹⁾):

Preamble, recitals and paragraph 1: adopted.

After paragraph 1:

— amendment No 1 by Mr Muntingh: adopted.

Paragraph 2: adopted.

Paragraph 3:

— amendment No 3 by Mr Adamou: adopted.

⁽¹⁾ The rapporteur spoke on all the amendments.

Paragraph 4: adopted.

After paragraph 4:

— amendment No 2 by Mr Muntingh: rejected by electronic vote.

Paragraph 5: adopted.

Explanations of vote:

Mr Pesmazoglou and Mr Muntingh spoke.

Parliament adopted the following resolution:

RESOLUTION

on the development of fisheries in Greek bays, lagoons and inland waters ¹

The European Parliament,

— having regard to the motion for a resolution by Mr Kyrkos (Doc. 1-6/82),

— having regard to the report of the Committee on Agriculture (Doc. 1-950/82),

A. whereas fisheries have an important role to play in providing employment in the more peripheral regions of the Community,

B. whereas the principal areas of Greek fisheries in coastal, Mediterranean and long-distance waters have declined in recent years,

C. whereas the Community is seeking to reduce regional imbalances by means of special medium-term programmes suited to the needs of the Mediterranean,

1. Stresses the fact that inland waters, lagoons and fresh- and salt-water fish farming offers the most optimistic possibility for the development of fisheries in Greece;

2. Emphasizes also that bays, lagoons, inland waters, estuaries and deltas can be of great value to the natural environment;

OPINION

of the Committee on the Environment, Public Health and Consumer Protection

Draftsman: Mrs SPAAK

On 25 November 1982, the Committee on the Environment, Public Health and Consumer Protection appointed Mrs SPAAK draftsman of the opinion.

The committee considered the draft opinion at its meeting of 16 June 1983 and adopted the conclusions unanimously.

The following took part in the vote: Mr COLLINS, chairman; Mr RYAN and Mrs WEBER, vice-chairmen; Mrs SPAAK, draftsman of the opinion; Mr BOMBARD, Mr CERAVOLO (deputizing for Mr SPINELLI), Mr GHERGO, Miss HOOPER, Mrs LENTZ-CORNETTE, Mr LYNGE (deputizing for Mr MUNTINGH), Mrs MAIJ-WEGGEN (deputizing for Mr DEL DUCA), Mr PANTAZI, Mr PROVAN (deputizing for Mr FORTH), Mrs SCHLEICHER, Mr SHERLOCK, Mrs SQUARCIALUPI, Mr VANDEMEULEBROUCKE and Mr VERROKEN (deputizing for Mr ALBER).

1. In its report on the mandate of 30 May, the Commission announced that it was drawing up Community programmes to improve the position of agriculture in the Mediterranean regions (Mediterranean programmes).

The motion for a resolution tabled by Mrs Barbarella and others on these Mediterranean programmes calls for the introduction of these programmes to be speeded up and suggests three types of measures:

1. Measures to develop individual product areas
2. Regional rural measures
3. Integrated development measures

The motion for a resolution fails to see the environment as an essential element in all programmes irrespective of the type of measure but the second category does include the phrase 'take action to protect the land and the countryside'.

2. In its document of 17 March 1983 on the Mediterranean programmes (COM(83) 24 final), the Commission proposes that the programme should also take account of environmental aspects, insofar as conservation of the environment constitutes a vital factor in the development of those regions and observes that it is important to ensure that the proposed measures not only safeguard but also enhance the environment, particularly in view of the priority accorded to those regions in the Community's environment policy (point 36, p.16).

3. The environment of the Mediterranean areas is particularly at risk. The ecological balance of the Mediterranean sea is precarious because it is almost surrounded by land and has a very slow rate of recovery (80 to 100 years). The European Parliament has already drawn attention to this fact in its resolutions on Community fisheries policy in the Mediterranean¹ and the Commission proposal for a decision concerning the Barcelona Convention².

The fauna and flora of the Mediterranean areas are also generally threatened. Environmental protection and regional development must complement each other. Any harm to the environment ultimately represents a threat to most economic activities, particularly agriculture, fishing, aquaculture and tourism.

¹ OJ No C 68, 14 March 1983, p.74

² OJ No C 334, 20 December 1982, p.136

As the European Parliament observed in its resolution on the draft action programme of the European Communities on the environment for 1982-1986¹ and the proposal for a directive concerning the assessment of the environmental effects of certain private and public projects², environment policy must seek not only to remedy but also to prevent pollution; it must form an integral part of other policies; environmental impact assessment is an effective method of achieving these goals.

Environment policy can also create new employment in particular by encouraging industries, products, materials and procedures which cause less or no pollution.

4. The Committee on the Environment, Public Health and Consumer Protection requests the Committee on Regional Policy and Regional Planning, as the committee responsible, to include the following points in its motion for a resolution:

- emphasizes the link between environmental protection, its restoration and regional development, including the direct contribution of environmental policy to employment;
- points to the importance of a preventative environmental protection policy, its integration in other policies (agriculture, forestry, tourism, industry, energy, fisheries, services, etc) and that environmental impact assessment is a particularly suitable means of achieving this goal;
- requests the Commission and Council to include in any measures under the Mediterranean programmes provision for environmental impact assessment to earmark the necessary financial resources for this and to follow a policy generally designed to prevent damage to the environment.

¹ OJ No C 182, 19 July 1982, p.102

² OJ No C 66, 15 March 1982, p.87

