



## The Structural Funds after 1999

**Monika Wulf-Mathies, the Commissioner responsible for regional policy, commented recently on the future of the Structural Funds to the European Affairs Committee of the Bundestag in Germany.**

She said that a reform of structural policy would be necessary at the end of the current programming period, which runs from 1994 to 1999, independently of any enlargement of the Union that may take place. A greater concentration of assistance would be necessary, in terms of fields covered and geographical eligibility, particularly in the most prosperous Member States.

Enlargement to the east could not be contemplated either economically or politically without a guarantee that the present cohesion policy would continue in the least prosperous countries and regions of the Community of Fifteen.

At the same time, however, enlargement would only be a credible option for potential new Member States if it involved a long-term commitment to all the Community policies, including structural policy. The Commissioner thought nonetheless that transitional arrangements would be necessary, because she considered that financial transfers at a level higher than 10% of GDP in the recipient countries - which would be the case if the rules in force today were applied immediately - would be completely counterproductive (difficulties in administration and management, impossibility of complying with additionality, problems of absorption of funds).

In concrete terms, Mrs Wulf-Mathies suggested a working hypothesis which would make it possible to avoid asking the taxpayer for more money while having 30% more resources available for the Fifteen. By 1999, the total appropriation for the Structural Funds will amount to 0.46% of the GDP of the Union as a whole. Taking this percentage as a reference, there would be about ECU 260 bn available over the 2000-06 programming period, i.e. on average ECU 37 bn a year compared with the ECU 28 bn a year in the current period (1994-99).

Out of this figure of ECU 260 bn, up to ECU 50 bn could be allocated to the acceding countries in place of the annual ECU 1 bn they are receiving under the Phare programme.

With a sum of more than ECU 200 bn in 2000-06, there would be sufficient resources to pursue the present policy of economic and social cohesion in the Community of Fifteen, particularly since several regions currently eligible under Objective 1 should drop out after 1999 in view of their level of development; the Commissioner also thought that resources were being spread too evenly and thinly at the moment and that the concentration of funds could be stepped up. She advocated scaling back the combined population numbers eligible under Objectives 1, 2, 5(b) and 6 from 50.6% of the total population of the Fifteen to approximately 35%.

In the interests of an effective reform of the Structural Funds, Mrs Wulf-Mathies also suggested that the Intergovernmental Conference could decide that the Structural Fund regulations for the period after 1999 should be adopted by a majority vote in the Council and no longer by unanimity.



# New guidelines for Interreg II C, Urban, Employment and Adapt

The Commission's guidelines for the third strand of the Interreg II Initiative (Interreg II C) and changes in the Community Initiatives Urban, Employment and Adapt were published in the Official Journal of the European Communities of 10 July 1996 (OJ No C 200).

Readers are reminded that **Interreg II C** (transnational cooperation projects, prevention of flooding and combating desertification) will be allocated a Community contribution of ECU 415 million over the period 1995-99.

The expansion of the **Urban** initiative is designed to assist about twenty new projects over the period 1996-99, with a Community contribution estimated at ECU 157 million (including ECU 61 million reserved for Objective 1 regions).

The Initiative on **Employment and development of human resources** is to have four strands: Now (women), Horizon (the disabled), Youthstart (low-skilled young people), and Integra (persons suffering social exclusion or threatened by exclusion). For 1994-99, the Community contribution is estimated at ECU 1 835 million (including ECU 900 million reserved for Objective 1 and 6 regions): ECU 496 million under Now, ECU 513 million under Horizon, ECU 441 million under Youthstart and ECU 385 under Integra.

A new strand to Adapt, **Adapt BIS** (Building the Information Society) is designed to ease the transition towards the information society and to cushion the effects of social exclusion which may arise from it. In 1996-99, there will be an additional Community contribution of ECU 162 million (including ECU 51 million for Objective 1 and 6 regions).

## Cohesion Fund: 34 new projects

The Commission has recently approved Cohesion Fund financing for 34 projects:

In Spain, ECU 59.28 million is being granted for 13 projects connected with the environment (reafforestation, urban waste management, clean-up of the urban environment, improvement and restoration of river banks).

In Greece, ECU 101.75 million is to go to 14 environmental projects (water supply, water treatment, waste water disposal).

In Ireland, ECU 37.7 million will be given to 3 projects (water supply in Tuam, drainage in Clonmel and expansion of the container terminal to the south of the Port of Dublin).

In Portugal, ECU 19 million will be devoted to 4 projects (clean-up of Oporto/South, treatment of waste water in Loulé in the eastern Algarve, rehabilitation of quays at La Roche do Conde de Obidos, and a control centre for maritime traffic based at Setubal).

## Events diary

### Innovation in the regions

From 19 to 21 September, the Commission is organizing the conference RESTPOR 96 (Regional Science & Technology Policy Research) in Brussels. This international meeting will focus on a comparative analysis of various regional models of technological innovation as well as on presenting various examples of cooperation and technology transfer among companies, universities, research establishments and public authorities.

Contact: P. Mathieu (DG XII), fax: +32 2 296 05 60.

### European Parliament, regions and local authorities

From 1 to 3 October, the European Parliament is organizing a conference in Brussels which is designed to improve its relations with the Union's regional and local authorities and to discuss with them how to strengthen democracy and solidarity within the Union.

Contact: V. Porta Frigeri (European Parliament), fax: +352 4300 2673.



European Commission  
Directorate-General for Regional Policy and Cohesion

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