



Industrial areas undergoing restructuring (Objective 2 in 1997-99)

The Commission has just approved the key components of Structural Fund assistance to declining industrial regions between 1997 and 1999: the list of areas eligible under Objective 2, the funding envelope and the guidelines to be followed in devising eligible schemes. Everything is now in place for the Member States to be able to prepare their new programmes (in the form of single programming documents) within the next three months and to obtain approval from the Commission for the Community's contribution towards funding them before the end of this year.

Compared with 1994-96, the list of areas eligible under Objective 2 in 1997-99 shows only some minor changes in three Member States: Italy, the Netherlands and above all Spain, where an extension of eligibility to include a number of particularly difficult areas in the environs of Madrid increases the population covered by almost 5000; the eligible population in Saragoza falls by the same amount. This means that, as the Commission hoped, the percentage of the population eligible under Objective 2 remains the same in each Member State. The overall percentage remains 16.4% of the total population of the Union.

The funding available for Objective 2 areas in 1997-99 is ECU 8.15 billion (at 1996 prices), which represents an increase in real terms of 13.8% compared with 1994-96, in line with the growth in the budget of the Structural Funds decided at the Edinburgh Summit in 1992. In terms of the allocation of this budget among the Member States concerned, the breakdown is the same as during the previous period. Here are the indicative allocations for the period 1997 to 1999 by Member State in million ecus (1996 prices):

Belgium	186	Italy	798
Denmark	65	Luxembourg	8
Germany	854	Netherlands	359
Spain	1 318	United Kingdom	2 500
France	2 059		

The Commission has also transmitted to the Member States its guidelines setting out the priorities for Objective 2 in 1997-99. These show that the absolute priority among the schemes to be financed by the Structural Funds in the declining industrial areas is to go to job creation.

New programmes should aim in particular to promote the competitiveness and development of small businesses through schemes such as quality strategies, practical applications for information technology, and the adjustment of professional qualifications to management requirements, organizational processes and the need for technological innovation.

In the area of research and technological development, the Commission's guidelines also stress the need to make optimum use of existing facilities and of research results.

In the environmental field, schemes should aim at solving problems of industrial degradation with a view to increasing the attractiveness of the regions concerned, as well as at exploiting environment-linked products, services and technologies as a future competitive asset.

Finally, in the course of preparing the new programmes under Objective 2, the Commission considers it will be necessary to intensify efforts to promote equal opportunities between men and women.

Informal Council meeting of regional ministers

Meeting in Venice on 3 and 4 May, the national ministers responsible for regional policy and regional development planning in the 15 Member States looked in particular at two topics: the need to find the right balance between efficiency, control and simplification in implementing the Community's Structural Funds, and the suitability of using the Funds to help finance schemes involving culture which also contribute to regional development.

On the implementation of the Community's structural policies, the ministers thought that the Structural Funds were functioning properly but that some difficulties persisted, in particular with regard to the quality and actual execution of programmes, financial management and the operation of the 'partnership' principle. To remedy these weaknesses, deadlines needed to be shortened and procedures simplified in order to cut down the stages devoted to programme appraisal and to ensure a level playing field for all parties - regional, national and

Community - in the interpretation of the rules. In concrete terms, this meant simplifying as far as possible the decision-making process on the new Objective 2 programming period and on the use of the budget reserve assigned to the Community Initiatives. In this connection, the ministers voiced their support for the reform process being undertaken within the Commission to promote sound and efficient management (known as SEM 2000).

Another point dealt with by the ministers during this meeting was the role that the cultural sector might play in regional development and the direct and indirect creation of employment in the less-favoured areas of the Union. They agreed that the involvement of the Structural Funds in various types of cultural activity should be stepped up; this included such fields as the conservation and development of our cultural heritage as well developing and promoting the industries which serve to disseminate culture (communications media of all kinds).

Four new programmes

Between 14 and 20 May, the Commission approved funding for three Community Initiative programmes and an Operational Programme:

Eligible region / area	Programmes	Total public investment (ECU m 1995)	Structural Funds contribution (ECU m 1995)
E España	Technical Assistance	26.7	20.0
F Basse-Normandie	Resider II	21.0	5.1
Lyon-Est	Urban	24.0	7.0
A Österreich	Retex	5.2	2.6

In brief

TERRA

Readers are reminded that the call for proposals for pilot projects under the ERDF Regulation (Article 10 projects) on the topic of regional development planning was published in OJ No C119 of 24 April 1996, p.9. The deadline for submitting proposals is 8 July 1996. Regional and local authorities wishing to obtain a complete information pack on this subject should send a request by fax (+32- 2-295.01.38/39/40).

IBEX trade fairs

At normal trade fairs, exhibitors come to sell or at least to present their products to the wider public. At purchaser

exhibitions - in English called "IBEX" (international buyer's exhibition) - the participants are firms, generally major companies, looking to select suppliers and subcontractors.

Under the Community's SME Initiative, which sets out to promote the international competitiveness of small and medium-sized enterprises, the Commission is prepared to provide part-financing for the organization of purchaser exhibitions in regions where it already assists regional development (Objectives 1, 2, 5(b) and 6 under the Structural Funds). For more information, you can contact DG XVI/A1 on fax +32 2 296 32 73 or see the relevant Web page of DG XVI's Internet site on this subject (<http://europa.eu.int/en/comm/dg16/dg16home.htm>).



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