



New programmes

Since the beginning of 1998, the Commission has approved the financing of 10 new programmes by the Structural Funds:

- An Urban programme for the regeneration of city crisis areas in the municipalities of Mons (Cit  du Coq) and La Louvi re (Bois-du-Luc) in Belgium;
- Two programmes for the conversion of declining industrial areas in the Madrid Region and the Basque Country in Spain;
- A programme to support research and technological development in regions lagging behind in development in Spain;
- An Urban programme for 12 cities in Spain (Albacete, Aviles-Corvera, Castellon, Cordoba, Leon, Murcia, Palma de Mallorca, Pontevedra, Santander, Santa Coloma de Grammanet, Telde and Zaragoza);
- A technical assistance programme for all cross-border cooperation programmes (Interreg) concerning France;
- A programme to step up safety in the Mezzogiorno in Italy (in particular along the Salerno-Calabria motorway) and thereby encourage investment and economic development;
- A global grant from SEPRI for assistance to manufacturing SMEs in the Mezzogiorno in Italy;
- A global grant for the development of the Syracuse area in Italy.

A summary of these programmes is available on the Inforegio web site <http://www.inforegio.org/erdf/rphom_en.htm> and can also be obtained on request by fax at: +32 2 230 49 15.

Euresprit IBEX and InTourISME

In connection with the Community SME initiative, the Commission has also decided to support various trans-national operations:

- an event grouping SMEs and large textile and clothing firms to take place in Capri, Italy, from 22 to 24 March 1999.

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PROTEXA-ASCONTEX

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- a project to market tourist products and services on the Internet via the establishment of information servers in less-favoured areas of the Union.

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Country/region/city	Type of programme	Total public investment (ECU million)	Structural Fund contribution (ECU million)
B Mons and La Louvi�re	Urban CI	14.000	7.000
E Madrid	Objective 2 OP	398.340	193.880
Pa�s Vasco	Objective 2 OP	792.055	374.107
Research and technological development	Objective 1 OP	155.536	111.000
12 cities	Urban CI	121.410	77.330
F Technical assistance (Interreg)	Interreg CI	1.481	0.803
I Mezzogiorno - Safety	Objective 1 OP	90.532	45.266
Mezzogiorno SEPRI	Global grant - Objective 1	14.950	14.950
Syracuse	Global grant - Objective 1	29.000	25.000

Proposal for a Regulation on the Cohesion Fund

On 18 March 1998 the Commission presented a proposal for a Regulation on the Cohesion Fund for the period 2000 to 2006. Unlike the case of the Structural Funds, the proposal does not entail a radical reform of the Cohesion Fund but instead seeks to adjust it on a limited number of points, i.e. macro-economic conditionality, private sector intervention, the "polluter pays" principle and financial management.

As stated in the Communication "Agenda 2000", the Cohesion Fund is to continue to provide assistance to the four current recipient Member States, i.e. Greece, Spain, Ireland and Portugal, and is to be allocated some ECU 21 billion (1999 prices) for the period 2000-06.

The Regulation provides for a small number of changes regarding the way the Cohesion Fund operates, to take account of experience over four years and of the need to adapt to the introduction of the single currency:

- The provisions on the conditionality of Cohesion Fund assistance will be maintained but those Member States adopting the euro should also comply with the provisions of the Stability and Growth Pact and avoid any excessive public debt;
- As projects financed by the Cohesion Fund often generate substantial income and are therefore likely to attract private investors, the Commission recommends greater use of mixed public and private funding; this would strengthen the leverage of Community assistance;
- The Commission could also vary its rates of assistance in order to avoid discouraging the tariff policies of those Member States that are endeavouring to implement the "polluter pays" principle;
- Lastly, the Commission also proposes simplifying the financial management of the Cohesion Fund, while increasing the responsibility of Member States in the monitoring of projects.

http://www.inforegio.org/wbpro/agenda2000/regul_en.htm

ISPA: Instrument for Structural Policies for Pre-Accession

On 18 March 1998 the Commission also presented its proposal for a Regulation establishing an Instrument for Structural Policies for Pre-Accession (ISPA).

This new financial instrument is to be allocated ECU 1.04 billion annually for distribution among the 10 countries of Central and Eastern Europe on the basis of population, area and per capita GDP. It should operate in the same way as the Cohesion Fund.

The ISPA would provide assistance in two areas:

- the environment, to enable the recipient countries to meet the requirements of the relevant Community legislation;
- transport, in order to facilitate connections between the countries of Central and Eastern Europe and the trans-European networks, and their extension eastwards.

Assistance provided by the ISPA will be in line with the national programmes for the adoption of the body of EU law but should be managed by a project or group of projects (worth around ECU 5 million at least). The ISPA's financial contribution must not exceed 85% of public expenditure.

For the record, the ISPA is not the only financial instrument proposed to prepare the Central and Eastern European countries for accession. The Phare programme should contribute to strengthening those countries' administrative and judicial capacities and to speeding up their adoption of the body of EU law. There is also provision for an aid scheme to encourage the modernisation of agriculture in these countries and the development of their rural areas. All such assistance will be closely coordinated in order to prevent any overlaps and to ensure compliance with the principle of conditionality governing Community aid.

http://www.inforegio.org/wbpro/agenda2000/regul_en.htm

New Committee of the Regions

On 18 February this year, the Committee of the Regions met for the first time since its change of membership.

For the record, the Committee has 222 members, who are generally in elective office, appointed by the Member States to represent the regional and local authorities for four years. The new President is Manfred Dammeyer, Minister for the North Rhine-Westphalia Region (D), the new first Vice-President is Jos Chabert, Minister of the Brussels Region

(B), and the Chairman of the Commission on regional policy, Structural Funds, economic and social cohesion, cross-border and inter-regional cooperation is Eduardo Zaplana, President of the Valencia Region (E). Around 30% of the 222 members of the Committee are new. The full list of members of the new Committee of the Regions is available on request by fax at: +32 2 230 49 15. It can also be consulted on the Committee of the Regions site:

<http://www.cor.eu.int/cor/bannerfolder/press3.html>



European Commission
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