



Last programmes in 1997

In November and December 1997, the Commission approved the funding of 24 new programmes from the Community's Structural Funds:

- eight programmes or single programming documents (SPDs) for the economic and social restructuring of declining industrial areas (**Objective 2**) in Lorraine-F (Community contribution of ECU 173.6 million), Lazio-I (ECU 76.9 million), Friuli-Venezia-Giulia-I (ECU 39.2 million), Aragon-E (ECU 105.2 million), the Balearic islands-E (ECU 14.8 million), Catalonia-E (ECU 688.9 million), Navarre-E (ECU 23.4 million) and La Rioja-E (ECU 17.6 million);
- three programmes under the **Interreg IIC** Initiative to promote co-operation on regional development planning in three transnational areas: the regions bordering the Baltic (ECU 25 million), regions bordering the North Sea (ECU 14.5 million) and regions straddling the Rhine and Meuse (ECU 137.1 million);
- a programme under the Interreg IIA Initiative to develop cross-border co-operation between Apulia-I, Epirus-GR and the Ionian islands-GR (ECU 162.2 million);
- three **SME** Initiative programmes to improve the competitiveness of small and medium-sized enterprises in the United Kingdom in regions eligible under Objective 1 - Merseyside (ECU 4.9 million), Objective 2 (ECU 32.4 million) and Objective 5(b) (ECU 11.3 million) of the Structural Funds;
- a global grant to support the development of small and medium-sized enterprises in the region of Brindisi-I (ECU 25 million);
- two **Urban** Initiative programmes in France to combat social exclusion in the run-down parts of Bastia (ECU 3.5 million) and Mantes-La-Jolie (ECU 5.3 million);
- a programme to develop the Pianura district in the suburbs of Naples-I (ECU 25 million);
- an **environmental** programme of innovative and experimental schemes concerning the environment in the eight regions making up the Mezzogiorno in Italy: reduction of the risks caused by the transport of dangerous substances, treatment of waste water, solid-waste management and recycling, safeguarding of protected areas (ECU 48 million);
- a civil-protection programme to support the Italian authorities in controlling the frequent natural disasters in the Mezzogiorno (earthquakes, floods, landslides, etc.) (ECU 60 million);
- a global grant to support the creation in the Mezzogiorno of seven "literature parks" based around famous writers from the regions, forming a tourist attraction and generating jobs (ECU 18 million);
- a Konver Initiative programme in Spain to facilitate the conversion of various military sites and companies in the defence sector (ECU 23.8 million);
- a major project to dismantle oil-storage facilities in Malaga and construct a pipeline link to Puertollona - E (ECU 62.9 million).

A summary of each of these programmes is available on the Inforegio web-site <<http://www.inforegio.org/erdf/>>. The summaries can also be obtained on request by fax at: +32-2-230.49.15.

Informal Council of ministers in Echternach

On 9 December there was a meeting in Echternach (Luxembourg) of the national ministers responsible for regional development planning within the European Union to discuss the action to be taken on the first official draft of the European Spatial Development Perspective (ESDP), which was published just after their previous meeting in Noordwijk. They confirmed their intention of creating a European Spatial Planning Observatory Network (ESPON) and launched a first experimental phase of its work.

On the future of the ESDP, the ministers confirmed the need to conduct a wide-ranging debate on this document with all the interested parties (public and private sector and non-profit organisations), in the European Union as well as in neighbouring countries. They looked at various ways of applying aspects of the ESDP on the ground and they identified the parts of the ESDP which are to be refined or amplified over the coming months, in particular the preparation of a new chapter on the spatial impact of the enlargement of the Union.

On the subject of the European Spatial Planning Observatory Network, the ministers confirmed the principle that it should be created by the year 2000. In the meantime its functions would be fulfilled by a study programme run in concert with the Member States through the Spatial Development Committee and funded under Article 10 of the ERDF Regulation. In concrete terms, the Commission plans to publish a call for proposals to select the institutes specialising in regional development planning that are to organise the various studies (preferably one institute per Member State) and a call for tenders for general co-ordination of the study programme and networking of the institutes selected.

The next meeting of the ministers for regional planning will be held in June 1998 in Glasgow (United Kingdom). The current text of the ESDP, the conclusions of the Echternach meeting and a note on the creation of the ESPON are available on the Inforegio web-site <http://www.inforegio.org/wbdoc/docoffic/offi2_en.htm>. They can also be obtained on request by fax at: +32-2-230.49.15.

National and Union aid for the regions

On 17 December the Commission presented its new guidelines on national state-aid schemes for the regions. In brief, the aim is to reduce the overall volume of state aid, to concentrate it on the poorest regions and to put more stress on job creation. At the same time, the Commission has committed itself to co-ordinating national aid more closely with Community assistance under the Structural Funds.

For 2000-06, the Commission proposes reducing the population covered by national state aids from 46.7% of the total population of the Union to 42.7%. The Commission believes this geographical concentration to be necessary to avoid spreading assistance too thinly and to encourage real positive action to favour the most disadvantaged regions.

On the intensity of state aids, the Commission provides for various ceilings on government aid after 1999:

- 65% in the most remote regions;
- 50% in the regions where average GDP is less than 60% of the average for the whole Union;
- 40% in areas where GDP is between 60% and 75% of the EU figure;

- 30% in the regions of the extreme north of the Union;
- 20% as a general rule for the remaining assisted areas;
- only 10% in regions where GDP and employment are higher than the EU average.

To enhance the impact of regional state aid on employment, the Commission has provided that it should be granted in the form of investment in production and in direct subsidies as a percentage of wages.

In addition, the Commission has committed itself to seeking better consistency in future between Community competition rules and the rules governing the Union's regional policy. At present there are areas where national regional aid is not allowed but where the European Regional Development Fund can provide assistance, and vice versa. For the period after 1999, the Commission has provided that in principle the areas eligible under the ERDF (35% to 40% of the population of the Union according to the proposals in Agenda 2000) will be able to qualify for regional state aid, subject to a flexibility margin of 2%.



European Commission
Directorate-General for Regional Policy and Cohesion

CX-AB-98-001-EN-C