COMMISSION OF THE EUROPEAN COMMUNITIES

COM(93)282 final

Brussels, 16 June 1993

COMMUNICATION FROM THE COMMISSION

The Future of Community Initiatives under the Structural Funds

Green Paper

The Future of Community Initiatives under the Structural Funds

INTRODUCTION

- 1. An important innovation introduced by the reform of the Structural Funds in 1988 enabled the Commission, on its own initiative, "to propose to the Member States that they submit applications for assistance in respect of measures of significant interest to the Community" not covered by Member States' development plans⁽¹⁾. "Measures of significant interest to the Community" were more closely defined only in the Regional Fund regulation⁽²⁾ which directs Commission initiatives under the ERDF towards problems associated with the implementation of other Community policies, the application of Community policies at regional level and problems common to certain categories of regions.
- 2. No amount was specified for the resources which could be devoted to Community initiatives, but it was clear at least for the ERDF that this could not exceed 15% of the total (3) and that the bulk of the Funds were to be disbursed through Community Support Frameworks, negotiated on the basis of the Member States' plans.
- 3. The Structural Funds are the principal means through which the Community expresses solidarity with its weaker regions and those in need of particular assistance. They are at their most effective in fulfilling this role when the measures funded respond to locally generated ideas and translate into additional and tangible action on the ground, bringing the Community closer to its citizens. While this type of action is not the exclusive domaine of Community initiatives, it is nevertheless particularly through these initiatives that the cohesion effort of the Community has become better appreciated and understood at a decentralised level. Community initiatives, by allowing the Community to make a specific and focussed response to problems which threaten the livelihood of its citizens, or frustrate their ability to break into the virtuous circle of rising prosperity offered by the Internal Market, give the Community reality and relevance on the ground.
- 4. More specifically, Community initiatives provide flexibility and offer special possibilities for cooperation and innovation:
 - first, Community initiatives can encompass measures which extend beyond national borders. The CSFs are generally confined to measures within an individual Member State or region. Community initiatives thus provide a framework for encouraging transnational cooperation and the pooling of knowhow in areas of shared concern;

⁽¹⁾ Article 11 of Regulation 4253/88 (Coordination)

⁽²⁾ Article 3.2 of Regulation 4254/88 (ERDF)

⁽³⁾ idem

- second, Community initiatives are an essential feature in structural policies with a genuine Community dimension, in contrast to Community financial instruments simply supporting national policies. They provide a specific means by which Community interests and priorities can be reflected in the allocation of Community resources, supplementing the essentially Member State-initiated priorities in the Community Support Frameworks and giving additional emphasis to the pursuit of Community goals;
- third, under the new system of multi-annual budgeting and programming, needs arise during the programme period, which it is not possible to foresee at the planning stage and which call for a special effort from the Community. Such efforts need to be capable of being closely targeted and relatively quickly mounted. They are particularly important for giving additional help to areas and workers suffering acutely from the process of industrial change;
- fourth, Community initiatives contribute to innovation by experimenting with new approaches. If successful, these may become part of mainstream CSF funding later.
- 5. The way in which the Commission and the Member States implemented Community initiatives in the 1989-93 planning period is described and analysed in part II of this paper. There is a consensus among the Institutions (see part III) that Community initiatives should continue to account for part of Structural Fund interventions in the period covered by the new financial perspective agreed at Edinburgh, 1994-99.
- 6. One of the lessons of the first period was the need for the Member States to know at an earlier stage what themes and priorities the Commission intended to cover under Community initiatives. The Commission responded by announcing, at the time of putting forward its proposals for modifications to the Structural Funds regulations, its intention to publish a Green Paper or consultative document on the future of Community initiatives.
- 7. The present Green Paper is therefore intended to encourage a wide debate about the priorities which need to be tackled by Community initiatives during the coming period. A number of options and possible priorities are put forward in this Green Paper as the Commission's contribution to the debate. However, as will be clear from the text which follows, the Commission itself is still at a preliminary stage in defining the approach to follow.

The debate should be based upon the lessons which can be drawn from experience in the first phase, while taking account of the present challenges facing the Community. Circumstances are evidently very different from 1989:

- the internal market is now in place. An effort will be needed to ensure industry benefits fully from this;
- there is now a serious economic downturn with 17 million unemployed, and a crisis in public finances which restricts public investment in particular;
- not only the weaker regions and the traditional sectors are feeling the pressure of competition and economic and social change; increasingly the stronger regions and the heartland of Community industry feel vulnerable;
- the political landscape of Europe has fundamentally changed with the developments in central and eastern Europe and with the Community preparing to admit new Members.

In short, the needs are even greater and more diverse than before. Obviously Community initiatives cannot address all of them. Choices will need to be made if Community initiatives are to be sufficiently concentrated and to have genuine added value in terms of their development impact. Unless a degree of consensus is established on those choices and on the reasons underlying them, future action risks becoming too dispersed to be effective.

8. As the Commission is seeking a wide debate, it is inviting not only the Member States, the European Parliament, and the Economic and Social Committee to participate, but equally local and regional authorities, development agencies, the economic and social partners and other interested parties. The Commission therefore intends to give this Green Paper a wide circulation. The Commission would welcome observations on the Green Paper before the end of September 1993. It is hoped that this timetable will allow the Committee of Regions to express an opinion too. The Commission will then evaluate the outcome of the consultation, and propose draft guidelines for Community initiatives, in time for these proposals to be taken into account in the definition of the Community Support Frameworks governing the Community's Structural interventions from 1994 onwards.

II COMMUNITY INITIATIVES 1989-93: A FIRST, POSITIVE EXPERIENCE

Initial Financial Decisions

- 9. The Commission's first decision concerning specific Community initiatives was taken on 22 November 1989, which was after the adoption of all the Objective 1 Community Support Frameworks (CSFs), except that for Greece. It had been necessary, when deciding earlier the resources available for the CSF negotiations, to determine the overall amount to be set aside for Community initiatives.
- 10. The Commission took the view that an amount of 1.7 billion Ecu already allocated to Community programmes, namely STAR (telecommunications), VALOREN (renewable energy), RESIDER (conversion of iron and steel areas) and RENAVAL (conversion of shipbuilding areas), was to be considered as part of the sum allocated to Community initiatives. The Commission decided to set aside a further amount of 3.8 billion Ecu for new Community initiatives and this was subsequently increased by a further 0.3 billion Ecu. The total of 5.8 billion Ecu represented nearly 10% of the overall amount of 60.3 billion Ecu allocated to the funds (at 1989 prices).

Decisions in principle to launch initiatives

11. The bulk of Community initiatives were decided in principle by the Commission in two packages.

The first package was decided on 22 November 1989 and comprised:

million Ecu (1989 prices)

ENVIREG 500 environment in the regions INTERREG 700 cross-border co-operation

RECHAR 300 diversification of coal-mining areas

REGIS 200 the outermost regions

STRIDE 400 regional research and development

2 100

The second package was decided on 2 May 1990:

million Ecu (1989 prices)

300 energy networks REGEN 200 advanced services related to telecommunications TELEMATIQUE 100 business services linked to the Single Market PRISMA 100 cross-border cooperation INTERREG 300 new types of qualifications **EUROFORM** 120 equal opportunities for women in the labour market NOW 180 access to the labour market for handicapped and HOR I ZON minority groups 400 Rural development LEADER

1 700

The further 0.3 billion Ecu available for Community initiatives was allocated to RETEX, KONVER and an increase in the amount for the NOW and HORIZON initiatives.

Following these initial decisions, at the time when programmes presented by Member States were adopted, some adjustments to the above amounts were made. The figures given in the annex reflect these adjustments and are in today's prices.

Method of Launching

12. The decision in principle was followed in each case by the adoption of draft guidelines by the Commission. These were then the subject of consultation, including an opinion from the relevant Advisory Committee(s) of Member States' representatives set up under the Regulations and an opinion from the European Parliament, as well as from the Economic and Social Committee. The Commission then adopted definitive guidelines and published them in the Official Journal. The period between the decision of principle and publication in the Official Journal varied between 6 and 10 months. Member States were invited to submit programmes within 6 months of the Official Journal publication. Programmes were agreed by the Commission on average within a further 6 months.

Description of existing initiatives

13. A short description of each initiative is given in the annex to this paper. In the near future it is intended to publish a supplement which presents for each initiative the principal characteristics of the actions being funded.

Positive features to be consolidated in the next phase

- 14. Programmes under most initiatives only came into operation in the middle of the planning period and it is too early to draw firm conclusions from <u>ex post</u> evaluations of their impact. Evaluation is in hand and the results will help in the preparation of future programmes. Nevertheless, some lessons can already be learned.
- 15. Despite the small size of many of the programmes implementing Community initiatives, they have nevertheless tended to be one of the more locally appreciated elements of the Community's structural interventions. This is particularly true of INTERREG, LEADER, NOW and HORIZON. Community initiatives have aroused interest, generated ideas and provided a framework for cooperation to an extent out of all proportion to the resources involved. A combination of factors is responsible for this: the innovative character of the initiative (INTERREG, PRISMA), the involvement of people at, for example, the most local level (LEADER), the targeting of particular groups (NOW, HORIZON), the link with other developments and policies (ENVIREG, STRIDE) and so on. Interest is also enhanced by the fact that Community initiatives provide programmes which are genuinely additional in relation to Member States' own efforts.
- 16. The manner in which the Community's structural policies are perceived is important: in the main beneficiary regions, they are the outward sign of the Community's commitment to cohesion. Elsewhere the Funds help to demonstrate the Community's concern with the specific development and conversion problems that can arise there too. Application of the partnership principle means the direct involvement of regional and local interests and brings the Community closer to its citizens.
- 17. In general the additionality of Community initiatives has been ensured, despite the difficulty of some Member States in finding their national contribution. Moreover, the initiatives have provided an opportunity to test innovative approaches. Particular examples are innovative projects in the field of vocational training (EUROFORM) and business services related to industrial quality standards (PRISMA).
- 18. The specific experience of trans-national cooperation which characterises several Community initiatives is of particular value in strengthening the exchange of experience and know-how, which has been of real benefit especially to the less-favoured regions. In addition, establishing networks of international co-operation within LEADER, INTERREG, EUROFORM, NOW, HORIZON has been very this type of fruitful despite difficulties in stimulating within Funds. By cooperation the Structural encouraging co-operation and the exchange of know-how between those in different Member States who have the same problems to deal with, a more efficient approach to policy-making is obtained. This

approach of networking and transnational cooperation, which is one of the main forms of added value of Community initiatives, should feature within a number of the themes identified later in this document as a possible framework for future initiatives.

- 19. Some of the initiatives in the present phase e.g. PRISMA, clearly have as one of their main objectives the reinforcement of the Single Market. Assistance to measures for the completion of the internal market should continue to be part of the aims of future initiatives. This should particularly be the case for initiatives benefiting Objective 1 regions.
- 20. Where the impact of an existing initiative derives in particular from the innovatory nature of the measures supported, it may be necessary to examine whether, given the experience obtained during the present period, it is useful in all cases to continue these actions in the framework of Community initiatives. Some of these actions could be integrated into Community Support Frameworks as their practical implementation becomes more straightforward. (Examples: STAR, TELEMATIQUE, ENVIREG). Other more complex actions and in particular those which imply interregional or transnational cooperation would seem to require a continued effort particularly in the Objective 1 regions. Innovatory actions will, of course, remain an essential feature of Community initiatives.

Factors to be taken into account in the next phase

- 21. The experience of the implementation of Community initiatives in the period 1989-1993 has brought out some problems which reduced their efficiency. In particular, the Commission accepted in its proposals for Structural Funds financing after 1993 (COM(92)2000) and in its Mid-Term Review (COM(92)84) that there had been too many separate Community initiatives in the 1989-93 period, bearing in mind the resources available, and that the result had been an unwelcome number of very small operational programmes. These involved a disproportionate administrative effort for the amount of action generated on the ground. The Commission is thus already committed to introducing a smaller number of initiatives than before.
- 22. As indicated in the Introduction, a difficulty that arose for the Member States was that Community initiatives were launched after they had completed their own planning process. The subsequent addition of programmes under Community initiatives was seen by some Member States as distorting spending priorities. The Commission believes that the adjustment of priorities is legitimate and even necessary, especially where circumstances change or where a different emphasis is given to a particular priority at national and Community levels. It is nevertheless recognised that the coherence of the planning and programming process requires that the priorities for Community initiatives and the outline for the allocation of resources should be established in parallel with the

CSF process. Hence the publication of this Green Paper and the timetable for concluding the consultations on it set out in the Introduction.

23. The implementation on the ground of Community initiatives began in practice in the middle of the present programming period. This is in the first place because decisions of principle were taken later than those concerning CSFs and were then followed by further delays as programmes were prepared.

This late start led to a restricted period for implementation limited to two to three years, which is evidently very challenging, particularly for innovative actions. There is, therefore, much to be gained from a launching of the majority of initiatives at the very beginning of the next programming period starting in 1994.

- 24. The allocation of the Community initiative resources in 1990 meant that there was very little margin to react to problems which emerged at a later stage, namely the increasing competitive pressures on the Community's textile and clothing industry and the welcome but unexpected rundown in defence spending in the wake of events in Eastern Europe and the Soviet Union. It was only possible to cover these problems in a limited way in 1993. This experience points to holding some resources for Community initiatives in reserve.
- 25. The Community's capacity to bring to bear Structural Funds' assistance is limited by the rules governing geographical eligibility. Many of the areas most dependent on defence-related industry or military installations, for example, fall outside the regions eligible for assistance under Objectives 1, 2 and 5b. Under present rules, the ERDF actions exclude almost entirely expenditure outside eligible areas, while the ESF's actions outside the assisted regions are limited to those in support of young people entering the labour market and of the long-term unemployed or those threatened with long-term unemployment. These rules also made it difficult to provide for balanced cross-border cooperation programmes under INTERREG where some of the border areas concerned were eligible and other adjoining areas were not.

While the principle of concentration has been reaffirmed at all levels, including by the European Council at Edinburgh, greater flexibility is warranted. This is why the Commission has proposed in its modified Fund regulations that in addition to what will be possible under Objectives 3 and 4, a limited amount of Community initiatives resources should be able to be spent outside eligible areas.

III PRINCIPLES UNDERLYING FUTURE COMMUNITY INITIATIVES

Political context

26. The conclusions of the European Council at Edinburgh include the following guidance for future policy on Community initiatives:

"The allocation for Community initiatives should be between 5 and 10% of total resources committed under the Structural Funds. They should mainly promote cross-border, transnational and interregional cooperation and assistance for the outermost regions, in accordance with the principle of subsidiarity."

The total resources of the Funds for 1994-99, as determined at Edinburgh, are 141 billion ECU (1992 prices) which would mean a Community initiatives envelope of between 7 and 14 billion ECU. Within the Funds' total, the Edinburgh European Council also identified an amount for the Objective 1 regions as a whole and, within that, an amount for the four beneficiaries of the Cohesion Fund. It also stipulated that commitments under Objectives 2, 3/4 and 5b should broadly maintain their present proportions relative to each other. The implementation of future Community initiatives will need to take account of these financial parameters.

- 27. As part of its proposals for amending the Structural Fund regulations, the Commission has now formally proposed that 10% of all Structural Fund resources be allocated to Community initiatives and confirmed its wish to introduce a limited geographical flexibility for these initiatives in the next phase.
- 28. The European Parliament has also recently expressed its views on Community initiatives in its reaction to the Mid-Term Review. On the basis of the David report, the Parliament adopted a resolution on 22 January 1993⁽¹⁾ in which it gave the following guidelines for the future:
 - a link with the new problems which have resulted from international developments, especially in Central and Eastern Europe;
 - priority for the development of human resources and for the fight against unemployment and social exclusion;
 - recognition of the need to anticipate the process of industrial change and the evolution of production systems;
 - solidarity towards islands and the ultra-peripheral regions;

⁽¹⁾ OJ C 42 p. 211 of 15 January 1993.

- an effort to take into account environmental preoccupations, with a view to achieving sustainable economic development;
- extension of inter-regional cooperation.

In its resolution number 11/93 of 10 March on the 1994 Preliminary Draft budget, the Parliament took the view that 10% of Fund resources for Community initiatives was an "absolute minimum".

General principles

- 29. Bearing in mind the rationale for Community initiatives set out in the introduction and in the light of experience up to now, the following general principles should influence the elaboration of Community initiatives:
 - (a) it is clear that the guiding principles underlying Structural policies (concentration, programming, additionality and partnership) which were confirmed at the Edinburgh European Council, apply to Community initiatives;
 - (b) Community initiatives should be coherent with other Community policies. Structural Fund support should help eligible regions take advantage of the Single Market;
 - (c) to help ensure the greater coherence of the planning process, the broad priorities should be established and the Community initiatives required to meet these should be decided in principle, together with indicative financial allocations accounting for perhaps three quarters of the total resources available, before any of the CSFs are adopted;
 - (d) the remaining amount should be kept in reserve for subsequent allocation to respond to unforeseen problems or to meet increased needs;
 - (e) because of the limited resources, Community initiatives, like Structural Policies generally, should concentrate on a limited number of priorities. It is important to translate the priorities into a coherent framework whereby the limited number of themes correspond to overall Community priorities and to the Objectives of the Structural Funds. Activities should be identified as offering added value if conducted at the Community level, in accordance with the principle of subsidiarity;
 - (f) where they correspond to the themes identified and in the interests of keeping the administrative burden to a minimum, some existing initiatives should be extended, although not in all cases for the full six year period; moreover, a simplified approach to the management of initiatives should be sought;

- (g) initiatives launched by the Commission and the detailed guidelines governing their implementation should continue to be the subject of opinions of the relevant Advisory Committees of Representatives of the Member States; of the European Parliament; the Economic and Social Committee and the Committee of the Regions, but the procedures should be such as to allow rapid adoption and implementation;
- (h) where appropriate, an integrated approach involving the different Structural Funds should be pursued. Moreover, where Community initiatives share complementary aims, this should be reflected in a coherent approach;
- (i) transnational and inter-regional cooperation is a method of work which should be a feature of many of the initiatives in the next phase.

IV TOWARDS A FRAMEWORK FOR FUTURE COMMUNITY INITIATIVES

- 30. As noted above, many problems and priorities exist which could justify support from Community initiatives, but it is necessary to make choices and adopt a focussed approach. While not wishing to pre-empt the debate on the appropriate framework, the Commission wishes to initiate that debate by suggesting the following structure, which pulls together a number of identifiable priorities. The following themes could therefore provide a framework for the various initiatives:
 - cross-border, transnational and inter-regional cooperation and networks;
 - ii. rural development;
 - iii. outermost regions;
 - iv. employment and the development of human resources;
 - v. the management of industrial change.
 - Cross-border, transnational and inter-regional cooperation and networks
- 31. The continuation of the type of activities pursued under INTERREG is the subject of a broad consensus. For too long, many border areas within the Community have lived back to back with a low degree of economic and social integration. The first INTERREG initiative has helped develop joint approaches to development between border regions. This is now all the more important in the context of the completion of the Single Market and in advance of full Economic and Monetary Union. INTERREG will not by itself bring about complete integration. Differences in fiscal and legal systems and in social provisions will continue to influence relations between border regions. But INTERREG can bring the regions and their peoples closer together. The INTERREG initiative also ensures a high level of additionality of Community and national expenditure.
- 32. The Commission takes the view, as far as cooperation on internal borders is concerned, that this is not served by a series of disjointed projects on either side of the border and that emphasis should continue to be given to measures which create and develop lasting frameworks for cooperative action in support of economic development. The participation of regional and local authorities and other local partners including those representing SMEs in devising and implementing such measures is clearly very important for their success.

.7.

33. Under INTERREG, a wide range of investments could be covered, including infrastructure and other types of measures promoting cooperation. The Commission was particularly keen to promote the latter category. Cross-border infrastructure remains, however, a high priority. Transport infrastructures will be aided from the Cohesion Fund (for the four Member States concerned), by the specific budget line for transEuropean networks and from the EFTA Financial Mechanism, not to mention by the Structural Funds through the CSFs. They are also a priority for the European Investment Bank, following the decision taken in the context of the growth initiative at Edinburgh. There are however cross-border transport links, such as missing-links or bottlenecks, which are important for the development of the border regions concerned. These should be eligible for assistance from INTERREG.

Similarly, telecommunications, telematics and energy infrastructures should in principle be eligible. Cross-border communications and cooperation are essential for the effective functioning of the internal market and the opening up to the rest of the Community of insular and isolated regions.

Finally, there is the need for retraining assistance in cases where economic activities connected to the existence of a border are in a process of change, particularly the customs sector following completion of the Single Market. Under the first INTERREG initiative, a disappointing lack of priority was given to the problems of customs agents and agencies, despite the Commission's encouragement to the Member States to include such measures in their programmes. Given the continuing nature of these problems, it would be appropriate to support such actions.

- 34. Assistance with investments in physical infrastructures may be hampered by the limits of eligibility, whether defined under the Funds' Objectives, or for the specific purpose of INTERREG, or by the Community's external frontier. The Community needs to retain the necessary flexibility, without the generalised extension of eligible areas and without distorting the fair overall allocation of resources, so that artificial constraints on financing are avoided.
- 35. As to the definition of areas eligible for INTERREG internal border cooperation programmes, as already mentioned, the Commission considers that this should take in all border areas, regardless of whether the areas concerned (examined at the NUTS III level) are eligible under Objective 1, 2 or 5b. It has incorporated the necessary element of flexibility in its proposed changes to Article 11 of the Funds' Coordination regulation⁽¹⁾ which is currently under discussion in the Parliament and the Council.

- 36. It has been suggested that eligibility for INTERREG should also be extended to internal border areas separated by the sea. Up to now, this has only been granted in the case of cooperation between Kent and Nord-Pas de Calais and between Corsica and Sardinia. There are evident difficulties in making these exceptions the general rule. It would be hard to establish clear criteria to determine which cases should be included or excluded; and admitting too many such areas would inevitably result in a dilution of effort. The Commission would prefer to maintain the general rule that maritime borders do not qualify, while being prepared to examine specific cases, especially where this would be of benefit to Objective 1 regions, to determine whether genuine cross-border cooperation possibilities exist.
- 37. At the external borders, special problems arise where eligible areas are islands, which is particularly the case in the Aegean Sea. These areas should continue to be helped through INTERREG, with attention being given to the specific difficulties faced by the islands, which have been recognised by the Commission in its report of December 1992 on the Aegean islands⁽¹⁾.

Also at the external borders, there are legal difficulties in spending Structural Funds outside the Community territory, even where direct economic advantage would arise for the adjoining Community region. Coordination between INTERREG and external financial instruments such as PHARE, where there is mutual interest in cross-border cooperation, would provide a solution to this constraint though it has been difficult to achieve this to date. The Parliament has earmarked 15 Million ECU of PHARE funds for such projects in 1993. It is hoped that some positive lessons may emerge from this. It seems clear, however, that without further improvements in the coordination of INTERREG and the external financial instrument such as PHARE, the effectiveness of crossborder cooperation at the Community's external borders will be constrained. Where it takes place, cooperation on external borders should not, of course, be confined exclusively to infrastructure links.

- 38. It has been suggested that the scope of INTERREG might be extended to more general inter-regional cooperation between areas which are not adjoining. Indeed, the Commission itself raised this question at the Conference it held on inter-regional cooperation in December 1992; and the term "inter-regional cooperation" is explicitly mentioned in the Edinburgh conclusions. The Commission is strongly in favour of cooperation between regions which have common problems or common interests, or which see other reasons for sharing efforts and experience. It provides financial support for such cooperation in accordance with Article 10 of the ERDF Regulation⁽²⁾.
- 39. While the Commission is generally supportive of inter-regional cooperation between regional and local authorities, it remains to be entirely convinced that such cooperation should be a priority for INTERREG. Such cooperation rarely involves physical projects. It concerns principally the transfer of ideas and experience. The amounts of money required are not large compared to the cofinancing of physical investment projects.

⁽¹⁾ COM(92)569 final of 23 December 1992

⁽²⁾ Regulation 4254/88

It is difficult to establish uniform criteria for the selection of cooperation networks and for allocating resources. Priority could be given to networking poorer regions with more prosperous ones within the Community and also to networking Community regions with those outside the Community, for example, by continued funding for the OUVERTURE and ECOS networks cooperating with regional and local counterparts in central and eastern Europe.

In order to facilitate the full integration of businesses and in particular small and medium-sized enterprises into the Single Market, support could be given to stimulate cooperation between intermediary organisations representing SMEs of border regions, and also of poorer with more prosperous regions who wish to develop a strategy through transfer of know-how or networks such as European Economic Interest Groupings (EEIG), for example in the fields of marketing, production, sub-contracting, research and technology development and telecommunications.

40. The existing initiative REGEN addresses another aspect of cross-border cooperation by assisting the creation of energy links. These play an important role in developing the internal energy market and diversifying energy supply in Objective 1 regions. A continuation of the REGEN initiative would permit the completion of the projects already selected, from which it would be illogical to withdraw financing in mid-stream. As far as other energy projects are concerned, this would have to be considered in the light of what could also be done through the CSFs and transEuropean network resources.

ii. Rural development

- 41. A Community initiative specifically for rural development appears particularly necessary at this time. The implementation of the reform of the common agricultural policy, which was agreed in 1992 but the application of which begins this year, and the continuing problems of the fragile rural areas of the Community, demand further intervention in this field.
- 42. The institutional and other actors involved in rural development agree that rural society today is undergoing major changes and that new directions, new forms of rural development, new schemes bringing together the various partners concerned, need to be found. There is also agreement that these new directions are as yet ill-defined and that Community-wide cooperation in this area would provide a strong incentive to developing such ideas and sharing experience throughout the Member States.

The following topics seem to be of top priority:

- Innovation in response to the problems of rural development,
- transnational cooperation projects based in the rural areas, giving practical content to their solidarity,
- sharing of projects, experience and know-how between all the relevant groups in the Community, in the context of a European network of rural development groups.
- 43. The LEADER initiative has already started to show the way. However, it has become clear from experience so far that the measures supported under LEADER could be improved, and that many of them would gain from being managed in a decentralized way. This type of action should be directed at strengthening technical assistance at regional and local level, innovative investment and demonstration programmes open not only to local development organizations but also to other groupings within the rural environment, and finally rural transnational cooperation projects.
- 44. LEADER has shown the great value of a European network of rural development groups, around which all the measures can be organized. The network already in place would benefit from being widened to all those involved in rural development: national government, regional and local authorities, local development groups, socio-economic partners, etc. Its principal remit would be the exchange of experience and know-how, especially that arising from investment projects being funded. Its current activities could be further enhanced, in particular, by setting up a European observatory for rural innovation.
- 45. Most of the funding under this initiative would go to Objective 1 regions and Objective 5(b) areas. However, a limited part of the funds available could be used outside these areas, on terms and conditions to be defined. In particular, the European network could support the sharing of experience and the transfer of knowhow on rural development throughout the Community, since the need for innovation is felt everywhere.
- 48. Other aspects need to be discussed, in particular the methods of implementation (on the understanding that most operational and project selection decisions would be decentralized), and the characteristics of local development groups which could be supported.

ili. Outermost areas

47. The European Council at Edinburgh and the European Parliament have already identified the outermost regions as a priority for a future Community initiative. The Commission shares this view. Their remoteness, their small size and fragmented territory, as well as (in the case of the Caribbean islands) the relatively weak and insufficiently diversified state of the economy of the surrounding

region, warrants a particular effort of solidarity on the part of the Community. The Commission considers that the priority theme identified in the present REGIS programme, namely the search for products and services offering commercial opportunities which can remain viable in the medium-term, remains valid. It is vital not only to strengthen their indigenous economic base, but also to improve their communications with the European mainland, if their long term integration into the Single Market is to be successfully pursued. At the same time, every opportunity for economic cooperation with the surrounding regions, should be seized. The Community initiative, additional to the Community Support Framework, provides an opportunity to experiment with new approaches to self-help, designed to break away from the traditional patterns of dependence.

iv. Employment and the development of human resources

- 48. The maintenance and creation of jobs is amongst the greatest challenges facing the Community as it moves in an increasingly competitive international environment towards the 21st century. Human resources represent Europe's greatest asset in confronting this challenge, which takes two forms: on the one hand, there is an urgent need to develop and maintain the Community's competitive edge and at the same time to avoid exacerbation of the problem of unemployment by ensuring that the existing workforce is capable of adapting to the constantly evolving pattern of production through training and continuous re-skilling; on the other hand, there is the requirement to address the problem of unemployment by creating new job opportunities, in particular through carefully targeted training measures and employment aids. In this context special attention will need to be paid to encouraging the better integration of women into the workforce. A particular effort will also be required to help those who are exposed to exclusion from the labour market to obtain stable and secure employment. The promotion of the transfer of innovation and the development of applied research should also be encouraged.
- 49. The employment challenge facing the Community must be addressed through a much wider range of measures. The primary responsibility rests with Member States themselves. The mainstream actions of the Social Fund have a vital role to play including through anticipative measures envisaged under Objective 4.
- 50. Recently the Commission has launched a Community-wide framework for employment which starts from the principle that growth alone will not provide the jobs that are needed to reduce unemployment over the next decade. As the Community proceeds towards a systematic analysis of the underlying structural problems which cause Europe to generate fewer jobs per percentage point of growth than our main competitors, a Community initiative can play a vital role in underpinning the process of experimentation and innovation required to test the emerging policy priorities.

- 51. The particular added value which a Community initiative can bring in this area is significant and widely accepted. This is clear from the progress made under the first set of Community initiatives with EUROFORM, NOW and HORIZON. The Community value-added would come in part from the transnational comparative element, combined with the explicit search for the underlying policy lessons to be drawn and the mechanisms needed to ensure not only their diffusion also their mainstream application. As for the other initiatives, the added-value of the proposed initiative would also come from its scope for encouraging innovation, from its ability to ensure the involvement of people at local level and from the targeting as appropriate of particular groups. The experience gained under the existing human resource initiatives should now be built upon and taken further in a more integrated and policy-driven way with a view to ensuring that the innovative and transnational character of Community initiatives can be fully exploited.
- 52. The creation of a single framework human resource initiative would make an essential contribution to confronting the challenges facing the Community. It would provide a Community-wide platform of support for innovation and the exploration of new solutions, given the diversity of practices in the Member States. The initiative would contain five distinct but clearly interactive strands:
 - underpinning innovative approaches to increasing the employment-intensity of growth (including, for example, the development of actions to combat unemployment at local level and with particular reference to SMEs);
 - facilitating the adaptation of the existing workforce to industrial and technological change with particular reference to the new Objective 4;
 - promoting equal opportunities for men and women in respect of the labour market;
 - assisting those who for one reason or another are exposed to exclusion from the labour market (reflecting the new priority specifically identified under the new Objective 3); and
 - promoting the transfer of innovation and the development of applied research, in particular in Objective 1 regions, including through the development of new qualifications and skills.

- 53. The advantage of combining these five distinct strands in a single initiative would lie chiefly in ensuring that all the strands, which have much in common, would benefit from an active crossfertilisation of ideas and experience. Such an approach would also facilitate a streamlined administration in the human resource field at all levels including a more rational use of transEuropean networks. It would also ensure a better, shared use of common technical assistance facilities, reducing overall cost. Finally it would permit a coherent and coordinated approach to monitoring, evaluation and the dissemination of results.
- 54. The main objective would be to encourage trans-European innovative actions across all the strands, building on the experience not only of the previous human resource initiatives but also on the Community's education and training programmes, the human resource aspects of the research and development framework programmes, the Community's social action programmes and the developing shared policy analysis emerging from the Community-wide framework for employment.
- 55. A key feature would be the need to build bridges between the pilot actions which the initiative would finance and the mainstream of Member State and Community human resource policies. This is especially important in relation to the newly adopted Council recommendation on access to training in firms. The involvement of industry, local employment partnerships, unions, training providers and the many voluntary groups already active in the field will be crucial. It would be essential to build on the cooperation developed by the social partners through their joint opinions formulated in the framework of the social dialogue. The initiative would also serve as a good vehicle to develop a bottom-up approach and draw as appropriate on the experience, commitment and insight which exists at local and regional level.
- 56. The approach would be horizontal and not geographically targeted, although it is clear given the financial parameters for Community initiatives that there will be a particular emphasis on the needs of the least prosperous regions. It is also clear that many of the pilot activities funded would in practice have a local or regional context and focus.
- 57. As indicated earlier one of the priorities will be to promote better integration of women into the active workforce. The Commission does not, however, exclude the possibility of a separate and specific initiative to address this priority as at present but considers that the problems concerned can be addressed most effectively as a distinct strand within a coherent approach to human resources and the labour market rather than as an issue quite separate from employment policy as a whole.

v. The management of industrial change

- 58. The Community's industrial landscape continues to be characterised by a relatively strong presence of traditional sectors, partly restructured but still liable to shed large numbers of jobs in the process of further restructuring. These industries tend to be regionally concentrated. More modern sectors in which it is vital that the Community maintains its competitivity and thus its share in world markets, are also facing the need to adapt in the face of competitive pressures in the increasingly globalised economy. Technological change, which affects their products, their processes and their organisation of work, is accelerating; and the need to respond to environmental concerns imposes additional demands.
- 59. The Community's structural policies need to support the diversification of regions which are heavily dependent on sectors facing heavy job losses and to assist the process of industrial adaptation, especially adaptation of the workforce. These tasks are principally those of Objectives 2 and 4 of the Structural Funds and of actions corresponding to these Objectives in Objective 1 regions. There is a role here for Community initiatives. Clearly a human resources initiative (see section iv. above) would make an important contribution.
- 60. Community action to help with the economic and social consequences of sectoral crises in traditional industrial sectors (in the past steel, shipbuilding, coal, textiles) has formed part of an overall package of measures and policies in which the Community is involved due to its competences under the Treaties. In the coal and steel sectors, still governed by the ECSC Treaty, the Community's competences are even more far-reaching. The reference to "problems directly associated with the implementation of other Community policies and affecting the socio-economic situation of ... regions" in Article 3.2 of the ERDF Regulation envisaged actions similar to RESIDER and RENAVAL which ante-dated the reform. In March this year, the need for a special effort in favour of regions affected by the crisis in the steel industry was raised in the Industry Council and the Commission has already indicated its willingness to propose a new RESIDER programme.
- 61. Against this background, programmes in favour of regions dependent on and/or facing job losses in the coal, steel, textiles and defence sectors could be justified. At this stage, there is a justification for successor programmes to RECHAR and RESIDER though not necessarily lasting for the whole of the next financing period. RETEX is already planned to continue until 1997. In launching KONVER, the Parliament made clear that it intended this to become a multiannual Community initiative and this could initially cover the period up to the end of 1997. The focus on problems arising from crises in <u>industrial</u> sectors should not necessarily be exclusive. In particular, restructuring of the troubled fisheries

sector could also give rise to problems which might merit targeted regional conversion measures in addition to the assistance which will already be available through the CSFs.

- 62. Events affecting the defence sector, which led to the KONVER initiative, illustrate the need for flexibility in the geographical scope of regional programmes responding to sectoral crises. These considerations were partly responsible for the Commission's proposal to amend Article 11 of the coordination regulation⁽¹⁾ in this sense. The desirability of limiting geographical flexibility and avoiding a wholesale widening of eligibility for CSF assistance is an added argument for retaining Community initiatives of this type.
- 63. The previous few paragraphs deal with problems which have already arisen. It is preferable, where possible, to anticipate problems before they arise and to be able to take action to facilitate industrial change in a manner which limits as far as possible the regional and social impact and to grasp opportunities provided by the completion of the Single Market. Such an approach was foreseen in COM 2000 and should be a key element of this theme of managing industrial change.
- 64. It is particularly important to accompany training and re-skilling actions linked to industrial change in modern, highly performing sectors. This could be done, for example, by setting up new arrangements to foster cooperation between large firms and their sub-contractors. It could also be done by means of a supplementary effort to accelerate the diversification of the local economy of areas shown to be at risk of significant job losses. Such assistance need not necessarily be confined to eligible areas, but use could be made of the limited geographical flexibility to assist this process in non-eligible areas. Again, the Commission would particularly welcome the views of the economic and social partners as to the type of actions it might be useful to support and the criteria by which the areas most in need of such additional support could be identified.
- 65. In Objective 1 regions, especially those in the four least prosperous Member States, it might be appropriate to supplement support given through the CSFs and human resource initiative by assistance from an initiative to help industry to face the challenges linked to the implementation of the Single Market. Firms in these regions often lack the capacity themselves to develop outlets and may not have available to them locally services of a quality comparable to those in more developed areas. The possibility of providing assistance, for example, to improve the quality and design of products, to facilitate the transfer of technology and to develop financial services should be considered. Many of the measures currently financed under STRIDE, PRISMA and TELEMATIQUE could be integrated within such an approach. A particular feature of such an action would be to help these regions draw on the experience of the more developed regions through

cooperation networks. Particular attention would be paid to the problems of SMEs and organisations offering business services to them.

Actions which can be transferred to Community Support Frameworks in the next period

- 66. It will be noted that the above framework would not accommodate as such the renewal of Community initiatives in the fields currently covered by ENVIREG, STRIDE, PRISMA, TELEMATIQUE, though as noted above, a number of the measures presently covered by them could continue under the human resources or industrial change themes.
- 67. So far as concerns ENVIREG, the Cohesion Fund will bring new (and much larger) resources to bear in the area of environmental protection and improvement. While only four Member States are eligible for Cohesion Fund assistance, those concerned have been the main recipients of ENVIREG financing. Objective 1, 2 and 5b areas not covered by the Cohesion Fund will be able to seek support for similar measures through their CSFs. It is therefore reasonable to assume that the bulk of the actions funded under ENVIREG, especially infrastructures, can now be financed under the CSFs or Cohesion Fund. Transnational networking and cooperation in the environmental field can be continued separately.
- 68. PRISMA and TELEMATIQUE for their part have produced valuable new actions in their respective areas, but the programmes tended to be very small, especially by Objective 1 standards and now that these types of actions have been launched, it is reasonable to expect that at least part of these measures will be incorporated in the mainstream of the CSFs or assisted under the human resources or industrial change themes. The same is probably true of many of the actions pursued under STRIDE. However, the Commission does attach particular importance to increased attention being paid to research and technology development in its structural actions in Objective 1 regions and would not definitively rule out at this stage an extension of STRIDE as a separate initiative for at least part of the new planning period.

Financial and management questions

69. The Commission considers it premature to give indications about the allocation of resources to different themes and initiatives before the total funding has been settled. Assuming a total envelope of 14 billion ECU, however, 10.5 billion ECU (up to 75%) could be allocated to the initiatives outlined in the above framework and the remaining 3.5 - 4 billion ECU kept in reserve for later allocation.

- 70. Resources to be allocated to extended or renewed initiatives under all themes would need to take account, where appropriate, of the needs of the new German Länder, which have not been up to now recipients of assistance under Community initiatives (except KONVER in 1993). Funding for all initiatives should reflect the overall increase in Fund resources and the reduction in the number of initiatives should result in generally larger initiatives and fewer small programmes at the operational level.
- 71. Discussions on simplifying the programming process are at present going on in the context of the examination of the Fund regulations. The Commission is committed to further measures of simplification and decentralisation, but also to the improvement of evaluation, monitoring and financial control. On the question of financial control, it has to be borne in mind that the Budget Authority has created separate lines for Community initiatives, which makes a continued separate programming of these funds necessary. At the management level, more programmes than at present under Community initiatives can be handled in the same Committee structures as for programmes under the CSFs.

V CONCLUSION

72. The present Green Paper is put forward for consultation, not as a set of formal proposals. The Commission has set out its views in line with the positions it has taken previously, in particular in COM 2000 and its proposed modifications to the Fund regulations; but it has reached no final decisions and would welcome contributions from a wide range of interested parties to its reflections about the priorities for and content of future Community initiatives. The selection of initiatives must reflect a broad consensus about priorities, especially given the need for Member States and regions to provide matching funding.

ANNEX

EXISTING COMMUNITY INITIATIVES

Existing initiatives may be grouped under seven headings:

 The integration of the least developed regions into the internal market

This group of initiatives was focused exclusively or mainly on Objective 1 regions and sought to bring extra resources to bear to overcome the shortfall in know-how in specific areas which created obstacles to development. The measures supported had in many cases been the subject of only limited support under the CSFs.

STRIDE(1) 460 million Ecu from ERDF and ESF (1990-93)(2)

The aim of STRIDE is to strengthen the capacity for innovation and technological development in Objective 1 regions, where a serious lack of facilities and investment has been identified compared with Community averages; and to improve participation by research centres and institutes and firms in those regions in Community and international research programmes and networks. It also helps to develop links between research and industry, both in Objective 1 regions and in Objective 2 areas. 80% of STRIDE's resources are allocated to Objective 1 regions.

TELEMATIQUE(3) 233 million Ecu from ERDF (1991-93)

TELEMATIQUE promotes the use of advanced telecommunications services in Objective 1 regions, particularly through better access to advanced services available elsewhere in the Community. It reinforces the process begun under the STAR programme to encourage the use of advanced telecommunications services by small and medium—sized firms and helps them to create or develop such services themselves.

....

⁽¹⁾ Official Journal C196 of 4 August 1990 p.18

⁽²⁾ The amount given in each case is the contribution from the Structural Funds or, where appropriate, other Community grant instruments, which are subject to the intervention ceilings laid down. EIB and in some cases ECSC loans may be combined with grants, where physical investments are concerned.

⁽³⁾ Official Journal C33 of 8 February 1991 p.7

PRISMA⁽¹⁾ 114 million Ecu from ERDF (1991-93)

PRISMA helps to improve infrastructure and business services in Objective 1 regions so that firms in these regions can participate in and benefit from the completion of the single market.

The measures supported are:

- creation and upgrading of calibration and metrology facilities and services for businesses in support of quality policy in firms,
- technical assistance for SMEs both with regard to public contracts and to help them prepare for the discontinuation of measures under Article 115 of the EEC Treaty.

ii. Protection of the environment and the promotion of sustainable development

ENVIREG⁽²⁾ 580 million Ecu from all three Structural Funds (1990-93)

The aim of ENVIREG is to improve and protect the environment and to foster economic development, principally in Objective 1 regions. The focus is on coastal areas and in particular on environmental problems which affect tourism, with an emphasis on measures to provide and improve know-how.

The measures eligible for co-financing are:

- a. reduction of pollution in coastal areas and in particular:
 - treatment and recycling of waste water and solid waste,
 - agricultural use of compost and sludge from urban sewage.
 - treatment of ballast, washing and bilge water containing oily and other residues;
- b. planning of land use in coastal areas (protection of natural beauty and biotopes);
- c. better management of toxic and hazardous industrial waste (infrastructures and studies);
- d. strengthening of know-how and training relating to these measures.

Mediterranean coastal areas eligible under other Objectives can also benefit from measures (a), (b) and (d).

⁽¹⁾ Offical Journal C33 of 8 February 1991, p.9

⁽²⁾ Official Journal C115 of 9 May 1990, p.3

iii. Assistance to outermost regions

REGIS⁽¹⁾ 234 million from all three Structural Funds (1990-93)

The aim of this initiative is to improve the socio-economic integration of the most remote regions of the Community: Guadeloupe, French Guyana, Martinique, Réunion, Canary Islands, Azores and Madeira.

It helps them to diversify their activities by developing products and services for the local market, the markets of neighbouring countries and the Community market. Emphasis is given to forms of tourism which do not endanger the environment. Training measures are included, particularly with an eye to new economic opportunities based on the potential of each region and offering prospects of medium—term viability. It also helps them improve transport links especially with the Community.

iv Cross-border cooperation and networks

INTERREG is the largest of existing initiatives in terms of resources and also benefits from a supplementary envelope drawn from funds available under Article 10 of the ERDF Regulation, to provide limited support for measures in areas not eligible under Objectives 1, 2 and 5b, but adjoining such areas across a border. REGEN has a very specific focus—energy infrastructure links—and comprises only a limited number of major projects designed to complete the transEuropean network in this sector.

INTERREG⁽²⁾ 914 million Ecu from all three Structural Funds (1990-93) plus 100 million from Article 10 ERDF

This initiative was devised to help border regions to prepare for the large single market, principally through greater cooperation between regions straddling national borders, but also through assistance to revitalise the economies of areas on the Community's external borders.

⁽¹⁾ Official Journal C196 of 4 August 1990 p. 15

⁽²⁾ Official Journal C215 of 30 August 1990

The range of measures that may be supported under INTERREG is very wide. What distinguishes them is the contribution they make to establishing lasting cooperative frameworks for action in areas where efforts were previously fragmented by the existence of a national border. The active participation of regional and local authorities is a necessary condition for the success of INTERREG. The Commission encourages the joint presentation and implementation of programmes.

REGEN(1) 347 million Ecu from ERDF (1990-93)

REGEN assists the development of networks to carry natural gas and electricity to Objective 1 regions and thus helps to extend the internal market in energy, as well as diversifying the sources of energy supply for the regions concerned and thus reducing their dependence on oil.

Eligible projects:

- a. building natural gas networks in Portugal and Greece,
- b. linking up the natural gas networks of Ireland and the United Kingdom,
- c. building a natural gas network to cover Corsica and Sardinia,
- d. linking up the natural gas networks of Spain and Portugal,
- e. linking up the electricity networks of Italy and Greece.
- v. Diversification of activity in industrial areas heavily dependent on sectors in crisis

The RESIDER and RENAVAL programmes were already in place under the pre-reform regulations, contributing about 565 million Ecu to steel and shipbuilding areas. The Commission added to these the RECHAR and RETEX initiatives, the latter receiving funding only in 1993 and therefore already intended in principle to continue into the next planning period (1994-97). KONVER which is designed to help areas hit by the defence rundown, may also be considered under this category.

- RECHAR⁽¹⁾ 369 million Ecu from the ERDF and the ESF (1989-93)
 - up to 120 million Ecu in interest subsidies from the ECSC
 - 40 million Ecu in supplementary aid for readaptation in 1990 under Article 56 of the ECSC Treaty.

RECHAR provides additional Community support for the economic and social conversion of 28 designated coal-mining areas, mainly through efforts to create new economic activities, to develop existing ones, to restore the environment, to promote tourism and support vocational training.

Supplementary social measures are also available under ECSC which extent support to programmes to help the least-qualified to find new jobs, transitional aid for those starting new jobs and early retirement.

RETEX⁽²⁾ 100 million Ecu from ERDF and ESF (1993) (400 million Ecu anticipated for 1994-97)

Retex aims to accelerate the diversification of economic activities in areas heavily dependent on the textiles and clothing sector and to encourage the adjustment of commercially viable businesses in all industrial sectors.

The co-financed measures include improving know-how and encouraging innovation through advisory services, specialised technical input and cooperation schemes; vocational training; rehabilitation of land and buildings; and improving access to venture capital and loans.

KONVER 130 million Ecu from ERDF and ESF (1993)
(1993 Budget commentary foresees its continuation in
1994 and beyond)

This initiative is designed to help areas affected by the rundown of defence-related industries and military installations. To ensure commitment of the 1993 budget allocations, it is being run on an ad hoc basis this year and Member States have been invited to submit their proposed programmes. The new German Länder are eligible, which is not the case for other existing initiatives. The range of measures covered reflects the classic mix of training, innovation and environmental rehabilitation measures typically used in reconversion programmes.

⁽¹⁾ Official Journal C20 of 27 January 1990 and C185 of 26 July 1990

⁽²⁾ Official Journal C142 of 4 June 1992 p.5

vi. Links between schemes to develop the rural economy

LEADER ¹ ECU 450 million from all three Structural Funds (1991-93)

The purpose of LEADER is to encourage an approach to rural development based on programmes supported by local development structures in Objective 1 regions and Objective 5(b) areas. Community part-financing takes the form of global grants.

In this context, LEADER supports integrated programmes covering a broad range of eligible measures: promotion of rural development, vocational training and employment aid, rural tourism, small and medium-sized business sector, craft industries and services, improving the value-added of local agricultural and forest products, facilities for local development groups including telecommunications.

An essential aspect of LEADER is the establishment of a Community network uniting all the local development groups involved in the initiative, the role of which is the sharing of experience and the transfer of know-how.

vii. Promotion of a Community dimension to vocational training and professional integration

The principal purpose of the Community initiatives in the field of human resources. EUROFORM, NOW and HORIZON, is to add a Community dimension to vocational training and employment promotion. In so doing, the initiatives aim to strengthen economic and social cohesion in the Community, reinforce actions already undertaken in the framework of other Community programmes in the field of training and socio-vocational rehabilitation and to complement employment promotion measures financed by the Structural Funds, in particular by the European Social Fund. The initiatives promote the development of common concepts and practices among institutions and training and professionals in the field of vocational employment promotion. By facilitating the exchange of innovative experience, the initiatives promote the transfer of know-how to the less developed regions of the Community.

EUROFORM² 302 million Ecu from ESF and ERDF (1990-93)

The main objective of EUROFORM is to establish transnational partnerships in the fields of vocational training and employment creation. It is concerned with new training qualifications, new skills and the job opportunities generated by technological change and the completion of the Single Market.

¹ OJ No C 73, 19.3.1991, p.33.

² OJ No C 327, 29.12.1990, p.3.

The initiative is designed to reinforce related Community programmes which deal with transnational cooperation in training and employment, namely FORCE, EUROTECNET, LEDA and ERGO.

NOW⁽¹⁾ 153 million from ESF and ERDF (1990-93)

The NOW initiative aims to promote equality of opportunity for women in respect of employment and vocational training. It aims to boost the job prospects of women inter alia by concentrating on sectors of potential job growth, by promoting appropriate training and guidance for women who set up their own firms and also through the provision of childcare facilities.

NOW is an integral part of the Third Medium Term Action Programme on Equal Opportunities and aims to reinforce related Community programmes and networks, namely IRIS, LEI and CHILDCARE.

HORIZON⁽²⁾ 305 million Ecu from ESF and ERDF (1990-93)

The HORIZON initiative is targeted at disabled and disadvantaged people and aims to facilitate their social and economic integration.

Trhough vocational training in new technologies and the adaption of infrastructure, HORIZON aims to improve the conditions of access of handicapped people to the labour market. Through the promotion of transnational pilot projects, HORIZON aims to improve knowledge of the problems of long-term unemployment and the deterioration of the socio-economic situation of certain disadvantaged groups. In addition, the initiative aims to promote the socio-economic integration of people abruptly confronted by a new socio-economic situation.

HORIZON aims to reinforce HELIOS, HANDYNET and POVERTY III.

⁽¹⁾ Official Journal C372 of 29 December 1990, p.5

⁽²⁾ Official Journal C327 of 29 December 1990 p.7