

# COMMISSION OF THE EUROPEAN COMMUNITIES

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MEDITERRANEAN PROGRAMMES

Lines of action

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Lines of action

1. Restating its commitment regarding the presentation of Community programmes for the Mediterranean regions, the Commission feels that at this stage it should specify further the fundamental lines of action to be adopted. It affirms its intention to draw up these programmes in close cooperation with the national and regional authorities of the Member States in question and to present them before the end of 1982.
  
2. The balanced development of the Community presupposes vigorous action enabling the least developed regions to minimize the extent to which they are lagging behind. The Mediterranean regions are in a special situation which, in addition to their level of development, has to do with the specific nature of their economies. Because of structural and natural characteristics they have benefited less than others from the process of European integration and Community policies. Moreover, these regions are particularly exposed to the current enlargement exercise and future developments in Mediterranean policy.
  
3. These observations underscore the interdependence between the "catching-up policies" for these regions and other Community policies and the need for coherent overall action by the Community. The coherence of such action must also, in order to support them, integrate the policies which the Member States concerned will be pursuing in order to develop the regions in question or prepare them for the impact of current policies which may affect them.

The contribution which the Community can make towards solving the problems of these regions will also be expressed by the implementation of integrated programmes. This programming will cover:

- the necessary link between Community and national action;

- the integration of possible measures to serve the chosen policy objectives.

It will thus aim to achieve maximum effectiveness by strengthening interaction.

These programmes will be formulated with reference to the specific nature and potential of the Mediterranean regions, paying attention to the protection of the environment and bringing together in harmony all the available means to achieve the objective of "catching-up".

4. The two objectives underlying any action to help these regions must be to increase people's incomes and improve the employment situation. Agriculture still occupies a predominant place as regards regional GNP formation and employment. It suffers from considerable handicaps connected with the natural conditions of production, structural deficiencies and the nature of traditional products the market for which is difficult to control. The employment situation is very alarming, given the high level of underemployment in agriculture combined with an unemployment rate which is actually one of the highest in the Community.

The improvement of structures, which would have a rapid effect on agricultural incomes, is limited in the immediate future by the fact that it is impossible to increase the strain on the employment market, which would be unable to absorb the labour released from agriculture, at least until job-creation measures had borne fruit. The process of increasing income by intensifying production and looking for alternative products can be continued. As regards Mediterranean products, however, such intensification should not generate structural excesses, having regard also to the prospects connected with the enlargement of the Community.

As regards "non-Mediterranean" products, which occupy a large part of the land and employ a large proportion of the agricultural workforce and therefore play a fundamental role in the agriculture of these regions, such intensification is limited by the natural and market conditions.

5. The Community will have to take two types of action:

- sectoral measures aimed at stimulating the potential of these regions;
- "horizontal" measures to enhance their capacity for adjustment, in particular by attracting investment and making such investment profitable.

6. The preponderance of agriculture means first of all that the action already undertaken in this sector must be pursued as this action has in some cases not yet borne fruit.

The situation in agriculture calls for action both within the framework of market organizations and that of structures. The objective must be equivalence, in the effects of the CAP, between the regions of the Community, account being taken of their individual character.

As far as market measures are concerned, the following can be envisaged:

- encouragement of substitute lines of production and an all-out search for possible complementarities (new varieties of fruit and vegetables, afforestation of a large part of the available land);
- an "image" policy giving precedence to "natural products";
- measures to stimulate consumption;
- improved application of Community preference and a more effective export policy.

In so far as structures are concerned improving the organization of production implies notably improving the organization of the farming profession. It will also be necessary to concentrate on marketing structures and aim at making it easier for older people to give up farming as they will not impose any additional strain on the labour market, and at aiding incomes directly until such time as the employment situation is improved via the development of other activities and the rationalization of agriculture can thus be intensified.

7. In the forefront of these other activities is the agri-foodstuffs sector, whose establishment close to the sources of agricultural production should be encouraged, together with a contractual policy guaranteeing processors' supplies and producers' incomes. The fisheries sector also offers opportunities through improvement of the structures of fishing itself, chilling, freezing and processing, the development of aquaculture and of biological restocking zones. The development of tourism, particularly in rural areas, and of craft activities would create jobs, particularly complementary jobs compatible with the continuation of part-time agricultural activity. Though they are poor in traditional sources of energy, these regions are well placed for the development of new forms of energy such as solar, biomass and geothermal energy, the promotion of which requires capital, initiatives and know-how not possessed by most of these regions.

Most of these measures are within the scope of the SME, which are also at the basis of the non-agricultural fabric of these regions and which must be helped to structure themselves, expand and equip themselves in so far as possible with common infrastructure.

8. To achieve optimum results the most favourable conditions must be created in order to attract investment. In this context costs and credit conditions need to be improved.

The establishment of an adequate framework presupposes, in addition to the measures to improve infrastructure and productivity provided for above, the elimination of certain bottlenecks from which these regions particularly suffer.

First of all, an intense effort to develop the transport and research infrastructure is necessary for optimum exploitation of potential in the various sectors.

The adaptation of production structures requires a labour training programme. The management capability of the local authorities, which, through the way they operate, often inhibit considerably the capacity to make use of the Community machinery and implement aid, must be improved. The stimulation of initiative, which is often lacking,

also depends on a genuine effort to improve information flows, which the Community, and in particular the Commission, is in a position to do.

9. In order to realize the integrated programmes, the Community must mobilize all the resources and funds at its disposal: the EAGGF, particularly the Guidance section; the ERDF, both the "non-quota" and "quota" sections; the Social Fund, the EIB and NIC (the terms of their loans being softened for certain types of operation). The adjustments to the ERDF and the ESF made or envisaged will help to make these instruments more effective.

The amount of funds required to enable the Community to take the action envisaged cannot be specified until proposals are presented concerning the integrated programmes. These proposals will reflect the real needs for additional Community aid.

10. This set of measures, if carried out rapidly and with determination, should enable the Mediterranean areas of the Community to begin the process of catching up. This is particularly justified and urgent as the Community is up against deadlines which must be respected and which will have important consequences for the Mediterranean regions that they must be able to bear for the benefit of all the partners concerned throughout the Mediterranean.