

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 253 final.

Brussels, 13 June 1977

Proposal for a

COUNCIL DECISION

modifying the Decision 75/458/EEC concerning
a programme of pilot schemes and studies to combat poverty

(submitted to the Council by the Commission)

COM(77) 253 final.

EXPLANATORY MEMORANDUM

In its Resolution of 21 January 1974 concerning a social action programme the Council adopted as a priority measure "the implementation, in co-operation with the Member States, of specific measures to combat poverty by drawing up pilot schemes". The Commission accordingly developed a proposal setting out the objectives for a programme of pilot schemes and studies, the criteria for selecting projects and the modalities for Community support, which was the basis for the Council Decision of 22 July 1975. This Decision authorised the Commission to provide financial assistance to "schemes" (i.e. action-research projects as defined in Article 1 of the Decision) and to assist or carry out studies "within the limits of the relevant appropriations entered in the budget of the Communities for 1975 and 1976".

A list of 21 schemes and 2 trans-national studies was approved by the Commission on 27 November 1975 and contracts for the first year's work were signed on 1 December 1975. A further series of contracts was signed on 1 December 1976 covering the period to 1 December 1977. On 17 January 1977 the Commission presented to the Council a report on the progress of the programme based on reports from the individual projects received in October 1976.

The first publications resulting from the work of the projects will appear during the course of 1977.

Practically all the schemes plan to continue work beyond 1 December 1977. The Commission's report indicates that, with the exception of 2 schemes in Luxembourg where the Luxembourg government withdrew financial support before the projects started work, all the schemes are well established and can be expected to produce useful results. Widespread favourable comment has appeared in press, radio and television.

The present proposal to modify the Decision of 22 July 1975 seeks first of all to remove the two year limit on the programme now that it has demonstrated its effectiveness. The total financial support which the Commission could give to schemes would henceforward be determined each year within the framework of the overall Community budget. An amount has already been agreed for the pro-

The second proposed modification seeks to remove the closing date for the submission of schemes by the Member States which was fixed at 1 July 1976. This would enable new schemes to be introduced to give balance to the programme (e.g. to give a better territorial spread) and provide greater flexibility in financial arrangements (e.g. it was impossible to introduce a new scheme in the later part of 1976 to take up the money released by the abandonment of the Luxembourg projects).

Finally the date for the first report of the Commission to the Council is no longer relevant and this clause is to be dropped. The Commission intends to report regularly to the Council on the progress of the programme but it is proposed that the services of the Commission should be free to determine the most appropriate date for the submission of reports in the light of the rhythm of activity in the projects.

COUNCIL DECISION

modifying the Decision 75/458/EEC concerning a programme
of pilot schemes and studies to combat poverty

The Council of the European Communities

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof;

Having regard to the proposal from the Commission;

Having regard to the opinion of the European Parliament;

Having regard to the opinion of the Economic and Social Committee;

Whereas in its Decision 75/458/EEC of 22 July 1975 concerning the programme of pilot schemes and studies to combat poverty(1) the Council empowered the Commission to promote or provide financial assistance for pilot schemes to test and develop new methods of helping persons beset by or threatened with poverty and to promote, carry out or provide financial assistance for pilot studies to improve understanding of the nature, causes, scope and mechanics of poverty in the Community, within the limits of the relevant appropriations entered in the budget of the Communities for 1975 and 1976;

Whereas the Commission has established a programme of 19 projects proposed by the Member States and 2 cross-national studies and has submitted a report to the Council on 17 January 1977 on the successful progress of this programme;

Whereas none of the projects proposed by the Member States has been completed before the end of 1976 and it is desirable that the projects be supported until such time as results are available from which concrete information can be drawn as well as that a limited number of further projects may be financed;

Whereas it is necessary to modify the Decision 75/458/EEC so as to follow through with the action described above,

Has decided as follows :

(1) OJ No L199 of 30.7.1975, p. 34

Article 1

The Decision 75/458/EEC shall be modified as follows :

(a) Article 1, first part of paragraph 1 to read :

"To provide concrete information for the Member States and the Community, the Commission may, within the limits of the relevant appropriations entered in the budget of the Communities" (the remainder to rest unchanged).

(b) Article 6 to read :

"The Commission shall submit reports to the Council and the European Parliament on the available results of operations carried out with financial assistance from the Community".

(c) The second sub-paragraph of the present Article 7 to be deleted.

Article 2

This Decision shall enter into force on the fifth day following that of its publication in the Official Journal of the European Communities.

FINANCIAL STATEMENT

A PART ONE : INTERVENTION CREDITS

1. Budget line : : 3060
2. Title of Budget line : Pilot projects to combat poverty
3. Juridical basis : Council Decision of 21.1. 1974 and 22.7. 1975
(valid for the budgets 1975 and 1976).

New decision submitted to the Council in 1977.

4. Description, objective(s) and justification of the action :

4.0 Description of the action: persons concerned :

4.0.0. Description :

Pilot projects to combat poverty in specific neighbourhoods or districts, concerning specific categories of people or as regards the creation or improvement of services concerned with the problems of poverty; also research projects and studies; eventually the evaluation of progress and results.

These projects, which are of particular interest to the Community, will experiment with new methods of approach to the problem of poverty.

4.0.1 Persons concerned (outside the Commission) :

4.0.1.0. Category : People so deprived of resources as to be excluded from the normal patterns of living ("the fourth world").

4.0.1.1. Number : undetermined

4.0.1.2. Geographical location : all Member States of the Community.

4.1 Objectives of the action

4.1.0. General objective : as set out in the Resolution of the Council of 21.1.1974, i.e. "to realise, in co-operation with the Member States, specific measures to combat poverty by preparing pilot schemes".

4.1.1. The more specific objective of the action and its contribution to the general objective : the conduct of experiments within different Member States and adapted to differing conditions of poverty will permit the development of effective strategies which the Member States may adopt, possibly with support from the Community, within the context of their overall policies to combat poverty.

4.1.2. For this purpose the Council adopted a Decision on 22.7.1975 authorising the Commission to give financial support to a programme of schemes as set out in the budgets for 1975 and 1976. On the basis of the experience gained the new proposal attached provides for an extension of the programme.

4.2. Justification for the action chosen to attain the objectives.

The specific advantage of a Community programme is that it permits the co-ordination of projects at an international level, the systematic dissemination of results and the identification of fundamental elements in common problems. Bearing this in mind the action of the Member States through the medium of the Community may well be more effective than the simple cumulation of their separate efforts and facilitate a more rapid solution to this important human and social problem.

5. Credits (see table attached)

5.1. Phasing of expenditure :

The phasing of expenditure will be governed by contractual arrangements. Consequently the pattern of expenditure will be approximately as follows :

- about 10% of the available amount will be spent during the first year;
- about 60% of the sum allocated in each budgetary year will be spent in the second year;
- the balance will be spent the following year.

5.2. Method of calculation :

The estimated expenditure covering 25 schemes in 9 countries amounts to 7 muc for 1977, of this an amount of 3.5 muc is provided for as support from the Commission, that is an average subvention of ± 140,000 uc.

The estimated expenditure for 33 schemes in 9 countries amounts to 10 muc for 1978.

Of this an amount of 5 muc is foreseen as support from the Commission

that is an average subvention of \pm 150,000 uc with a provision of 50,000 e.u.a for evaluation expenses.

According to the data at present available the expenditure for 1979 and 1980 should remain constant in real terms at the level for 1978.

6. System of Control :

- 6.0. Each scheme will be carried out on the basis of a contract which will provide for possible site inspections (files, books, and other accounting documents).
- 6.1. The progress of the schemes will be subject to regular reports. The Commission will also develop appropriate systems for the evaluation of action-research schemes in consultation with the competent authorities.
- 6.2. Government and independent experts will be consulted on all important problems arising from the operation of the programme, in particular as regards evaluation of the results of the schemes and studies and co-operation and co-ordination between the private and public bodies concerned.

EXPENDITURE AND FORECAST OF THE CREDITS REQUESTED FOR THE PROGRAMME TO COMBAT POVERTY

(All figures are quoted in uc until the end of 1977 and in eua from 1978)

<u>Engagements</u>		1975	1976	<u>Payments</u> 1977	1978	1979	1980
1975	2.500.000	462.000	1.784.000	180.000			
1976	2.485.000			1.491.000	994.000		
1977	2.500.000 (1) + 44.000			400.000 44.000 (1)	1.860.000	1.240.000	
1978	5.000.000				640.000	2.616.000	1.744.000
1979							
1980							

(1) Carry over submitted to the Council