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Report

drawn up on behalf of the Committee on Regional Policy
and Regional Planning

on the regional problems of Greece

Rapporteur: Mr P. DE PASQUALE

PE 89.702/fin.
Or. It.

By letter of 16 November 1982 the Committee on Regional Policy and Regional Planning requested authorization to draw up a report on the regional problems of Greece.

By letter of 13 December 1982 the committee was authorized to report on this subject. The Committee on Budgets was asked for an opinion.

On 26 November 1982 the Committee on Regional Policy and Regional Planning appointed Mr P. DE PASQUALE rapporteur.

At its meeting of 22 March 1984 the Committee on Regional Policy and Regional Planning considered the draft report and unanimously adopted the motion for a resolution as a whole.

The following took part in the vote:

Mr DE PASQUALE, chairman and rapporteur, Mrs FUILLET and Mr COSTANZO, vice-chairmen, Mrs BOOT, Mr GENDEBIEN, Mr GRIFFITHS, Mr HUTTON, Mr KAZAZIS, Mrs Kalliopi NIKOLAOU (deputizing for Mr HUME), Mr PÖTTERING and Mr VANDEWIELE (deputizing for Mr VERRÖKEN).

The opinion of the Committee on Budgets is attached.

The explanatory statement will be presented orally.

The report was tabled on 26 March 1984.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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The Committee on Regional Policy and Regional Planning hereby submits to the European Parliament the following motion for a resolution:

MOTION FOR A RESOLUTION

on the regional problems of Greece

The European Parliament,

- having regard to the outcome of the visit to Greece by the Committee on Regional Policy and Regional Planning,
- having regard to the report of the Committee on Regional Policy and Regional Planning and the opinion of the Committee on Budgets (Doc. 1-84/84),
 - A. having regard to the close economic links which now unite Greece with the rest of the Community as regards trade, the movement of capital and the movement of workers, links which serve to strengthen the historical and cultural ties between Greece and the rest of Europe,
 - B. whereas the accession of Greece has widened the gap between the economically strong areas and the weak peripheral ones and has strengthened the Community's Mediterranean dimension,
 - C. whereas, to take a significant example such as Thrace, the range of disparity between per capital incomes varies from the equivalent of half that of Athens, to one-quarter of the Community average and as little as one-twelfth of that of the region of Hamburg;
 - D. convinced that such serious imbalances need to be corrected by means of suitable regional policy measures of the kind outlined in the Commission's replies¹ to the Greek Memorandum of 19 March 1982 and set out in greater

¹COM(82) 348 final of 14.6.1982 and COM(83) 134 final of 29.3.1983

detail in the proposals for the revision of the European Regional Development Fund¹ and the proposals relating to the Integrated Mediterranean programmes²,

- E. having regard to the need to coordinate the action taken in Greece under these specific instruments with that taken in the context of all the other Community funds and financial instruments available for use there, particularly the European Investment Bank, the EAGGF Guidance Section and the Social Fund,
 - F. whereas the mobilization of these resources could encourage and stimulate the exploitation of the indigenous resources of the areas that need to be developed, ensuring that public, national and Community investment play a stabilizing role in stimulating and promoting the private sector,
 - G. convinced that in Greece as elsewhere the development of backward areas and the correction of imbalances cannot be achieved merely by specific regional policy measures but must also be adopted as fundamental aims of all the common policies, including agriculture, transport, trade, industry and energy,
- 1. Deplores the absence of a genuine Community policy for the Mediterranean region as a whole, based on specific or general regional planning decisions;
 - 2. Considers that the failure to take such decisions is widening the gap between the central and peripheral regions of Greece and increasing the imbalance between its main regional structures;

¹OJ No.C 336, 23.12.1981 (proposal of 5.11.1981) and also the communication on the structural funds of 28.7.1983 (Doc. 1-646/83) and the proposal for a regulation COM(83) 649 final of 18.11.1983

²Communication COM(83) 24 final of 28.3.1983 and the proposal for a regulation COM(83) 495 final of 16 August 1983

3. Points out that it is the agricultural sector which is mainly suffering the unfavourable consequences of the lack of regional planning and inadequate Community protection, precisely because Greek agriculture is of the Mediterranean variety and largely characterized by permanent or semi-permanent crops (such as olives, vines, fruit trees), for which continual and coherent aid is required;
4. Believes that the geographical and sectoral distribution of industrial activities, the transport infrastructure network, particularly ports, and trade with third countries are also adversely affected by this absence of an overall Community framework in the Mediterranean, which has especially severe consequences for Greece;
5. Considers that the prospect of Spanish and Portuguese accession makes it all the more imperative for the Community to overcome these difficulties and shortcomings in the Mediterranean;
6. Is convinced that the Community must make use of its own policies to support the regional development measures taken by the Greek Government, notably the five-year programme of economic development and Law No. 1262/82 concerning industrial and regional policy;
7. Stresses the need to decentralize decision-making and to involve local authorities in the institutional mechanisms of regional policy, while also introducing forms of direct intervention in respect of productive investment to assist small and medium-sized undertakings;
8. Points to the need to remedy the imbalances in Greece's regional structure, which is characterized by over-congestion in the urban areas of Athens and, to a lesser extent, Salonika, a widespread lack of social infrastructures in the peripheral regions, the absence of modern and rapid road and rail links between North and South and East and West, the inadequacy of part infrastructures and the isolation of the islands and archipelagoes at the peripheries of the country;

9. Hopes that the Community will take appropriate measures to promote the improvement of the quality of life in the two main areas of urban congestion and in this connection reaffirms its resolution of 18 November 1983¹ on the proposal for a regulation on special measures in favour of Greece in the social field², in respect of which Parliament calls on the Council to confirm and finalize the agreement in principle which it reached last December;
10. Considers that, in addition to general economic and regional policy measures, it is necessary in order to eliminate the causes underlying the rural exodus and the consequent urban congestion for steps to be taken in Greece, with the aid of the Community, to strengthen and even create the social infrastructures in rural and peripheral areas, the absence or inadequacy of which acts as an unusually strong incentive to leave the land;
11. Stresses the need to support the modernization of rail and road links along the Salonika-Athens-Kalamata axis and reaffirms the Community's interest in the establishment of a main East-West communication artery along the route Igoumenitsa-Ioannina-Salonika-Valley of the Evros;
12. Stresses the viability of the modernization programmes for the ports of Piraeus and Volos and the need to develop a small and medium-sized maritime communications network to meet the requirements imposed by the geographical situation of these island and peripheral regions of the Community;
13. Hopes therefore that the measures proposed by the Commission in the field of transport infrastructure will be rapidly and effectively implemented in Greece, bearing in mind that the Council demonstrated its willingness as long ago as 1982 to take action of this kind³, and that the need for a proper legislative framework will be increasingly felt

¹OJ No. C 342, 19.12.1983

²COM(83) 477 final of 29.7.1983

³Regulation (EEC) 3600/82 of 30.12.1982 (OJ No. L 376, 31.12.1982, p. 10)

for the general measures proposed by the Commission¹, for which payment and commitment appropriations are provided in Article 781 of the budget for the 1984 financial year²;

14. Invites the Commission to make use of integrated operations in Greece as these would be particularly suitable for tackling the need to restore balance to and develop whole regions;
15. Calls for this resolution to be taken into consideration when deciding on the precise form to be taken by the various Community regional development measures in Greece;
16. Instructs its President to forward this resolution to the Council, the Commission, the governments of the Member States and the European Investment Bank.

¹Proposal for a regulation COM(83) 474 final / EP Res. of 15.12.1983

²OJ No. L 12, 16.1.1984, p. 829

EXPLANATORY STATEMENT

The explanatory statement will be given orally in plenary sitting.

The rapporteur nevertheless feels that, for information, it would be useful to include in this report the following two tables listing the Community's financial aid to Greece.

COMMUNITY GRANTS TO THE GREEK REGIONS
FROM THE ACCESSION UNTIL 1982

(million LCU)

REGIONS	EAGGF-Guidance Section			ERDF-Quota			SOCIAL FUND			ENERGY			TOTAL
	1981	1982	1983	1981	1982	1983	1981	1982	1983	1981	1982	1983	
1. Eastern Greek Islands	-	0.3	4.43	43.93	20.8	7.26	-	-	2.70	-	1.5	-	80.92
2. Central & Western Macedonia	1.7	0.7	14.93	42.44	26.2	252.16	-	-	5.49	-	-	-	343.62
3. Peloponnese & Western Greece	1.7	3.1	8.47	28.28	44.4	41.94	-	-	1.18	-	-	-	129.07
4. Thessaly	1.9	0.03	2.92	24.32	25.2	15.83	-	-	0.06	-	-	-	70.26
5. Eastern Macedonia	0.3	0.3	0.80	11.17	19.1	9.87	-	0.1	0.18	-	-	-	41.82
6. Crete	0.5	0.5	3.04	12.46	26.1	8.54	-	-	-	-	-	-	51.14
7. Epirus	1.0	0.6	1.63	20.63	12.9	11.38	-	-	1.61	-	-	-	49.75
8. Thrace	0.2	0.1	0.34	23.26	18.3	2.56	-	-	0.22	-	-	-	44.98
9. Eastern Aegean islands	0.1	0.2	0.88	28.24	18.3	4.02	-	-	0.26	-	-	-	52.00
Multiregional	10.0	10.1	46.91	15.50	13.2	-	30.0	60.3	109.56	0.3	-	0.25	296.12
TOTAL Commitments	17.40	15.93	84.35	250.23	224.5	353.56	30.0	60.4	121.26	0.3	1.5	0.25	1.159.68

Source: Commission of the EC, DG XVI, Task force

COMMUNITY LOANS TO GREECE

(million ECUs)

REGIONS	Association Period 1962 - 1980	1981	1982			1983			TOTAL
		EIB	EIB	NCI	ECSC	EIB	NCI	ECSC	
1. Eastern Greece & islands	49.00	16.3	35.5	-	-	7.5	-	0.05	108.35
2. Central & Western Macedonia	54.51	14.6	10.5	-	-	55.0	35.0	0.29	169.90
3. Peloponnese & Western Greece	29.80	-	62.1	-	-	27.0	-	-	118.90
4. Thessaly	15.53	-	4.8	-	-	-	-	0.09	20.42
5. Eastern Macedonia	26.01	9.6	-	-	-	-	-	-	35.61
6. Crete	31.00	-	-	-	-	-	-	-	31.00
7. Epirus	-	5.6	18.7	-	-	12.0	-	0.03	36.33
8. Thrace	47.50	-	-	-	-	-	-	-	47.50
9. Eastern Aegean Islands	9.84	-	-	-	-	-	-	-	9.84
Global & Multiregional	88.20	113.3	202.0	124.9	11.0	262.8	50.3	-	852.50
TOTAL	351.39	159.4	333.6	124.9	11.0	364.3	85.3	0.46	1430.35

Source: European Investment Bank, Information Bulletin
Commission of the EC, DG XVI, Task Force

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the committee chairman to Mr Pancrazio DE PASQUALE,
chairman of the Committee on Regional Policy and Regional
Planning

Subject: Opinion of the Committee on Budgets on the own-
initiative report on the regional problems of
Greece

Dear Mr Chairman,

The Committee on Budgets considered the above question
at its meeting of 21 March 1984¹.

Given that it has already had occasion to state
its point of view on this matter, notably when it was
considering the proposals for a reform of the structural
funds, the committee feels able to express its agreement
in principle.

However, if the report adopted by your committee
were to envisage measures generating additional budget
costs, the Committee on Budgets would reserve the right
to reconsider the question in the light of any financial
information which the Committee on Regional Policy and
Regional Planning might provide.

Yours sincerely,

E. LANGE,

¹The following were present: Mr LANGE, chairman, Mr NOTENBOOM,
vice-chairman, Mr ADONNINO, Mr ARNDT, Mr BALFE, Lord DOURO,
Mr HELMS (deputizing for Mr Pfennig), Mr LOUWES, Mr NEWTON DUNN
and Mrs SCRIVENER