

European Communities

EUROPEAN PARLIAMENT

Working Documents

1983-1984

26 October 1983

DOCUMENT 1-916/83

REPORT

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

on the proposal from the Commission of the European
Communities to the Council (Doc. 1-803/83 - COM(83)
530 final/2) for a decision enabling grant aid from
the European Regional Development Fund for infra-
structure investment projects to exceed the 70%
limit for the period 1981-1983

Rapporteur : Mr A. HUTTON

PE 86.905/fin.

By letter of 29 September 1983, the President of the Council of the European Communities requested the European Parliament to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a decision enabling grant aid from the European Regional Development Fund for infrastructure investment projects to exceed the 70% limit for the period 1981-1983.

On 10 October 1983, the President of the European Parliament referred this proposal to the Committee on Regional Policy and Regional Planning as the committee responsible.

At its meeting of 11 October 1983, the Committee on Regional Policy and Regional Planning appointed Mr HUTTON rapporteur.

The committee considered the Commission's proposal and the draft report at its meeting of 18 October 1983 and decided unanimously to recommend to Parliament that it approve the Commission proposal without amendment.

The following took part in the vote: Mrs Kellett-Bowman, acting chairman; Mr Hutton, rapporteur; Mr Glinne, Mr Kyrkos, Mr Pöttering, Mr Karl Schön, Mr Vergès (deputizing for Mrs De March) and Mr Von der Vring.

The committee then adopted the motion for a resolution as a whole by 7 votes to 0, with 1 abstention.

The following took part in the vote: Mrs Kellett-Bowman, acting chairman; Mr Hutton, rapporteur; Mr Gendebien, Mr Glinne, Mr Kyrkos, Mr Pöttering, Mr Karl Schön and Mr Von der Vring.

The rapporteur will present the explanatory statement orally.

This report was tabled on 20 October 1983.

C O N T E N T S

Page

A. MOTION FOR A RESOLUTION..... 5

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

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision enabling grant aid from the European Regional Development Fund for infrastructure investment projects to exceed the 70% limit for the period 1981-1983.

The European Parliament,

- having regard to the proposal from the Commission to the Council (COM(83) 530 final/2),
- having been consulted by the Council (Doc. 1- 803/83),
- having regard in particular to Article 4(1)(b) of Council Regulation (EEC) No. 724/75 of 18 March 1975 establishing a European Regional Development Fund¹ amended by Regulation (EEC) No. 214/79²,
- having regard to the report of the Committee on Regional Policy and Regional Planning (Doc. 1- 916 /83),
- having regard to the result of the vote on the Commission's proposal.

1. Approves the proposal of the Commission of the European Communities to introduce for the period 1981-1983 a derogation from the rule under which the share in the total of European Regional Development Fund (ERDF) actions assigned to the financing of infrastructures may not exceed, over a period of three years, a limit of 70% of Fund contributions;

¹ OJ No. L 73, 21.3.1975, p. 1

² OJ No. L 35, 9.2.1979, p. 1

2. Feels obliged to point out that the decision under consideration is directly dictated by the fact, already noted with concern, that in the current generalized economic recession, the number of projects submitted for investment in directly productive activities is constantly diminishing, whereas that of projects in the field of infrastructures is continuing to increase;
3. Endorses fully in any case the underlying purpose of the proposal, namely to prevent the approval of further financial support for infrastructures from being blocked, which would make it impossible to use up, under the ERDF budget for 1983, appropriations of approximately one thousand million ECU;
4. Draws attention moreover to the fact that as long ago as 14 October 1982 in its resolution of that date it 'recognized realistically ... the vital role which investments on infrastructure and the relevant grants frequently play in enabling the least-favoured regions to develop and in eliminating structural shortcomings which, though restricted to certain areas and sectors, nevertheless still seriously impede the development of more prosperous regions;'¹
5. Emphasizes once again, however, the importance, from the point of view of the economy and employment, which it attaches to directly productive projects covering industrial, craft or service activities, projects which contribute most directly to achieving the fundamental objectives of regional policy;
6. Considers it essential in this connection that the Member States and the Commission make every effort to reverse the current trend and move gradually towards a more judicious balance between the ERDF resources granted to productive and infrastructure projects;
7. Recognizes that, in order to pursue this objective, it is necessary among other things for the Regional Fund itself to improve its own existing structure so as to be able to make a greater contribution to the development of the least favoured regions in particular through the promotion and joint financing of investment in industrial, craft or service activities;

¹ See OJ No. C 292, 8.11.1982, pp 76 et seq.: paragraph 12 of the Costanzo report, Doc. 1-426/82

8. Deplores the fact that, in failing to endorse the revision of the ERDF as approved by Parliament¹, the Council of Ministers has taken upon itself an extremely heavy burden of liability: this revision would have put at the disposal of the Community a much more suitable instrument for encouraging directly productive investment, chiefly by allowing an appreciable measure of diversification in the forms of action designed to enhance the regions' indigenous development potential and aid small and medium-sized undertakings;
9. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

¹ See OJ No. C 125, 17.5.1983, pp 84 et seq.

