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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. 1-661/83 - COM(83)
495 final) for a regulation instituting integrated
Mediterranean programmes

Rapporteur: Mr F. KAZAZIS

At its sitting of 17 February 1982, the European Parliament, pursuant to Rule 47 of the Rules of Procedure, referred the motion for a resolution tabled by Mrs BARBARELLA and others (Doc. 1-1006/81) on the Mediterranean programmes to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Agriculture, the Committee on Economic and Monetary Affairs, the Committee on Budgets and (on 11 November 1982) the Committee on the Environment, Public Health and Consumer Protection for an opinion.

At its meeting of 23 June 1982, the Committee on Regional Policy and Regional Planning decided to draw up a report and appointed Mr KAZAZIS rapporteur.

At its sitting of 19 April 1982, the European Parliament, pursuant to Rule 47 of the Rules of Procedure, referred the motions for resolutions tabled by Mr BARBAGLI and Mr BERSANI (Doc. 1-56/82) on a proposal for a regulation concerning incentives for integrated development operations in the Appennine zones of Central Italy and by Mr BARBAGLI and others (Doc. 1-57/82) on the development and definition of the internal regions of the Community to the Committee on Regional Policy and Regional Planning as the committee responsible and, in the case of the first motion for a resolution only, to the Committee on Social Affairs and Employment and the Committee on Budgets for an opinion. At its meeting of 23 June 1982, the Committee on Regional Policy and Regional Planning decided not to draw up a report but to incorporate the motions for resolutions into this report.

At its sitting of 15 November 1982, the European Parliament, pursuant to Rule 47 of the Rules of Procedure, referred the motion for a resolution tabled by Mr COSTANZO and others (Doc. 1-815/82)

on specific Community action for the protection, enlargement and preservation of the forestry resources of the Mediterranean regions to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Agriculture for an opinion. At its meeting of 26 November 1982, the Committee on Regional Policy and Regional Planning decided not to draw up a report but to incorporate the motion for a resolution into this report.

At its sitting of 12 January 1983, the European Parliament, pursuant to Rule 47 of the Rules of Procedure, referred the motion for a resolution tabled by Mr KYRKOS (Doc. 1-1077/82) on the Institute for Studies in Mediterranean Agriculture in Chania, Crete to the Committee on Regional Policy and Regional Planning as the committee responsible. At its meeting of 24 February 1983, the Committee on Regional Policy and Regional Planning decided not to draw up a report but to incorporate the motion for a resolution into this report.

At its meeting of 19 October 1982, the Committee on Regional Policy and Regional Planning decided to draw up only one report on the basis of the proposal from the Commission of the European Communities for a regulation instituting integrated Mediterranean programmes, when it is communicated to the European Parliament, incorporating the abovementioned motions for resolutions.

By letter of 7 September 1983, the President of the Council of the European Communities asked the European Parliament for an opinion on the proposal from the Commission of the European Communities to the Council for a regulation instituting the integrated Mediterranean programmes (COM(83) 495 final and COM(83) 24 final); by letter of 10 November 1983, the Commission of the European Communities informed the European Parliament that it had supplemented its original proposal with its Document COM(83) 641 final relating to Articles 19, 20 and 21 on fisheries and aquaculture, which were missing from its original proposal.

On 14 September 1983, the President of the European Parliament referred the proposal to the Committee on Regional Policy and Regional Planning as the committee responsible and to the Committee on Agriculture, the Committee on Economic and Monetary Affairs, the Committee on Budgets, the Committee on Social Affairs and Employment and the Committee on Youth, Culture, Education, Information and Sport for an opinion.

The Committee on Regional Policy and Regional Planning considered the draft report and the proposal for a regulation at its meetings of 24 February 1983, 26 May 1983, 18/19 October 1983, 4 November 1983, 24 November 1983, 1 December 1983, 17 January 1984, 2/3 February 1984 and 23/24 February 1984.

At its last meeting of 23 February 1984, the committee decided by 15 votes to 1 vote to recommend to the European Parliament to adopt the Commission's proposal with the amendments set out below.

The meeting was attended by: Mr DE PASQUALE, chairman, Mrs FUILLET and Mr COSTANZO, deputy chairmen, Mr KAZAZIS, rapporteur, Mr BERNARD (deputizing for Mr PULETTI), Mrs BOOT, Mr CARDIA (deputizing for Mrs DE MARCH), Mr CINGARI (deputizing for Mr GLINNE), Mr CLINTON (deputizing for Mr VERROKEN), Mr I. FRIEDRICH, Mr von HASSEL (deputizing for Mr GIUMMARRA), Mr HUTTON, Mr KYRKOS, Mr NIKOLAOU, Mr POTTERING and Mr TRAVAGLINI.

Subsequently, on 24 February 1984, the committee adopted the motion for a resolution in its entirety by 11 votes to 3.

The meeting was attended by: Mr DE PASQUALE, chairman, Mrs FUILLET, deputy chairman; Mr KAZAZIS, rapporteur, Mr BERNARD (deputizing for Mr PULETTI), Mrs BOOT, Mr CINGARI (deputizing for Mr GLINNE), Mr GENDEBIEN, Mr GRIFFITHS, Mr HUTTON, Mr NIKOLAOU, Lord O'HAGAN, Mr PÖTTERING, Mr Karl SCHÖN and Mr SHERLOCK (deputizing for Mr J. D. TAYLOR).

The opinions of the Committee on Agriculture, the Committee on Economic and Monetary Affairs, the Committee on Budgets, the Committee on Social Affairs and Employment and the Committee on the Environment, Public Health and Consumer Protection are being published separately.

The Committee on Youth, Culture, Education, Information and Sport will not deliver an opinion.

The report was submitted on 2 March 1984.

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

CONTENTS

	<u>Page</u>
A. AMENDMENTS	5
MOTION FOR A RESOLUTION	54
B. EXPLANATORY STATEMENT	66
I. <u>INTRODUCTION</u>	66
II. <u>THE NEED FOR IMPs</u>	68
(i) Special features of the Mediterranean regions of the Community	68
(ii) Common structural policies and the Mediterranean regions	70
(iii) Preferential policy and the Mediterranean	71
(iv) Accession of Portugal and Spain	72
III. <u>AIMS OF THE IMPs</u>	74
IV. <u>IMPLEMENTATION OF MEASURES</u>	75
V. <u>SECTORAL ANALYSIS</u>	77
A. PRIMARY SECTOR	77
1.1 AGRICULTURE - Production structures	77
1.2 FORESTRY	82
1.3 MARKETING AND PROCESSING STRUCTURES	83
1.4 FINANCING OF PROPOSED MEASURES FOR THE PRIMARY SECTOR	84
1.5 COMMENTS - CRITICISM	85
1.5.1 GENERAL REMARKS	85
1.5.2 SPECIFIC COMMENTS	88
B. FISHERIES	89
C. DEVELOPMENT OF NON-AGRICULTURAL SECTORS	90

1. DEVELOPMENT OF SMALL AND MEDIUM-SIZED UNDERTAKINGS AND CRAFT INDUSTRIES.....	90
2. DEVELOPMENT OF RURAL TOURISM AND CULTURAL POTENTIAL.....	94
3. ENERGY.....	96
4. INFRASTRUCTURE WORKS - TRANSPORT.....	97
5. ENVIRONMENT.....	99
6. CONCOMITANT MEASURES.....	100
VI. <u>FINANCING AND FINANCIAL IMPLICATIONS OF THE INTEGRATED MEDITERRANEAN PROGRAMMES</u>	101
VII. <u>IMPLEMENTATION OF THE IMPs</u>	104
VIII. <u>CONCLUSIONS</u>	106

ANNEXES

I. Table 1	109
II. Tables 2 and 3	110
III. Motion for a Resolution tabled by Mrs BARBARELLA and others (Doc. 1-1006/81)	111
IV. Motion for a Resolution tabled by Mr BARBAGLI and Mr BERSANI (Doc. 1- 56/82).....	113
V. Motion for a Resolution tabled by Mr BARBAGLI and others (Doc. 1-57/82)	116
VI. Motion for a Resolution tabled by Mr COSTANZO and others (Doc. 1-815/82)	117
VII. Motion for a Resolution tabled by Mr KYRKOS (Doc. 1-1077/82)	119

The Committee on Regional Policy and Regional Planning submits to the European Parliament the following amendments and motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on the proposal by the Commission of the European Communities to the Council for a regulation instituting the integrated Mediterranean programmes (Doc. 1-661/83, COM(83) 495 final, COM(83) 641 final and COM(83) 24 final)¹

Amendments by the Committee on
Regional Policy and Regional Planning

Text of the Commission Proposal

PREAMBLE AND RECITALS 1, 2, 3, 4, 5 and 6 UNCHANGED

Amendment No. 1

After the 6th recital add the following new recital:

whereas this operational plan of campaign must lay down in detail the conditions for granting aid to the various areas in which the present regulation will be applied;

RECITALS 7 to 14 UNCHANGED

Amendment No. 2

ARTICLE 1

ARTICLE 1

Amend paragraph 2 to read:

2. The IMPs shall relate to operations involving all economic activities such as agriculture, fishing, forestry, alternative sources of energy, craft industries, industry and services, as well as other economic activities such as marketing and supply of products. Such operations shall complement one another with regard to nature, specific objectives, scope, modulation and adaptation to the characteristics of the various regions and areas where they are executed.

The operations shall, moreover, complement present or future Community operations within the scope of the structural funds and of this Regulation. This Regulation shall in no way affect operations relating to areas not specified in the IMPs.

2. The IMPs shall relate to operations involving agricultural activities, including fishing, and other economic activities. Such operations shall complement one another with regard to nature, specific objectives, scope, modulation and adaptation to the characteristics of the various regions and areas where they are executed.

The operations shall, moreover, complement present or future Community operations also implemented in the area covered by the IMPs. This Regulation shall in no way affect these operations.

¹ OJ No. C 251, 19.9.1983, page 1.

The Commission shall ensure that there is continuity in the measures taken so that none of the measures taken in the context of the agricultural prices and markets policy runs counter to the full attainment of the aims of the IMPs, and shall, to conclude, propose the necessary provisions to this effect. The Commission shall likewise be vigilant in ensuring that all the other common policies are harmonized, with the aims of the IMPs.

Amendment No. 3

ARTICLE 1

ARTICLE 1

Amend paragraph 3 to read:

3. A description of the IMPs, with a definition of their scope and the Community expenditure for each measure, sector and Member State, is given in the Annex.

3. A description of the IMPs, including the definition of their geographical scope, is given in the Annex.

A Member State may amend the distribution of expenditure among the various measures being taken within each sector, within a guideline limit of 10%.

A definition of the area in which the IMPs are to be implemented in each Member State is given for France and Italy in paragraphs I.1 and I.1 of the relevant Annexes, while for Greece it shall be the whole territory with the exception of Athens and Thessaloniki urban regions.

Amendment No. 4

ARTICLE 2

ARTICLE 2

Add the following sentence to paragraph 2:

2. Each of the Member States concerned and the Commission shall appoint the members of the Guidance Committees and shall decide on the membership of the working groups.

2. Each of the Member States concerned and the Commission shall appoint the members of the Guidance Committees and shall decide on the membership of the working groups.

The Guidance Committees may include representatives of the regions to which the specific programmes relate.

Amendment No. 5

ARTICLE 3

Amend paragraph 5 to read:

5. The second part of the plan shall relate to the technical data specific to the various operations, as required by this Regulation, and to the measures provided for to ensure that the proposed operations are compatible with environmental protection.

Where such provision is made by this Regulation in respect of the various operations, the second part shall include:

- the laws, regulations or administrative measures required for implementation of the operations,
- the detailed conditions for granting aid for each individual operation;
- the detailed plans or special programmes required for implementation of the operations.

Amendment No. 6

ARTICLE 3

Amend Art. 3(6) to read:

6. The Member States concerned shall prepare and set up the operational plans of campaign within one year from the date of entry into force of this Regulation.

The Commission may make the necessary technical assistance available where Member States so desire.

At the request of a Member State concerned, the Commission may extend, in respect of items thereof, the deadline for the preparation and setting up of the second part of the operational plan of campaign referred to in paragraph 5, if the Member State has supplied summary information on the items referred to in the preceding paragraph such as to enable an assessment of overall consistency.

ARTICLE 3

5. The second part of the plan shall relate to the technical data specific to the various operations, as required by this Regulation, and to the measures provided for to ensure that the proposed operations are compatible with environmental protection.

Where such provision is made by this Regulation in respect of the various operations, the second part shall include:

- the laws, regulations or administrative measures required for implementation of the operations,
- the detailed plans or special programmes required for implementation of the operations.

ARTICLE 3

6. The Member States concerned shall prepare and set up the operational plans of campaign within one year from the date of entry into force of this Regulation.

At the request of a Member State concerned, the Commission may extend, in respect of items thereof, the deadline for the preparation and setting up of the second part of the operational plan of campaign referred to in paragraph 5, if the Member State has supplied summary information on the items referred to in the preceding paragraph such as to enable an assessment of overall consistency.

Amendment No. 7

ARTICLE 3

ARTICLE 3

Amend paragraph 7 to read:

7. Member States shall forward the operational plans of campaign including those required for marketing and distribution to the Commission and shall supply all the information needed by the Commission to satisfy itself that they fulfil the requirements of this Regulation.

7. Member States shall forward the operational plans of campaign to the Commission and shall supply all the information needed by the Commission to satisfy itself that they fulfil the requirements of this Regulation.

Amendment No. 8

ARTICLE 4

Add the following paragraph after paragraph 1:

- 1(a) As regards the second part of the operational plan of campaign, the Commission shall ensure that:
- the provisions are consistent with the aims of the programme sector by sector and region by region,
 - all decisions to provide finance taken in the framework of the IMPs are integrated,
 - there is the necessary flexibility in implementing the proposed operations in the regions specified in the IMPs,
 - the procedure for financing the proposed operations and projects is simplified and accelerated.

Amendment No. 9

ARTICLE 4

Add the following new paragraphs 4(a) and 4(b):

4(a) Community financial assistance to the operations referred to under the following Titles: II - Agricultural Measures -, III - Fisheries and Aquaculture -, IV - Increasing the Market Value of Products -, VI - Infrastructures - and VII - Concomitant Measures - of this Regulation shall comprise:

- (a) reimbursement of the expenditure incurred by the Member States in implementing an operation,
 - (b) a direct financial contribution to the cost of implementing the investment projects activating Article 551 and the relevant projected items of the same Article of the budget. The percentage levels of Community assistance shall be laid down in the individual articles of this Regulation.
- 4(b) Community financial assistance to the operations referred to under Title V (Non-agricultural Development Measures) shall comprise:
- (a) contributions in the form of interest subsidies for loans to be granted either by the European Investment Bank or by the New Community Instrument or by the Revolving Fund which is being established
 - (b) a direct financial contribution to the cost of productive investment by small and medium-sized undertakings using, in addition, the Revolving Fund which is being set up, activating Article 552.

Amendment No. 10

ARTICLE 5

ARTICLE 5

Add the following words to paragraph 2:

- 2. Where reference is made in this Title to the procedure contained in this paragraph, the decision shall be taken in accordance with the procedure referred to in Article 22 of Council Regulation (EEC) No. 355/77¹, with due regard for all the provisions of Article 4(1)(a) of this Regulation.
- 2. Where reference is made in this Title to the procedure contained in this paragraph, this decision shall be taken in accordance with the procedure referred to in Article 22 of Council Regulation (EEC) No. 355/77¹.

¹ OJ No. L 51, 23.2.1977, p. 1

Amendment No. 11

ARTICLE 5

Amend paragraph 6 to read:

6. Advance payments may be made in respect of the measures provided for in Articles 7 to 9, 12 to 18 and 22 to 23 of this Regulation.

ARTICLE 5

6. Advance payments may be made in respect of the measures provided for in Articles 7 to 9 and 12 to 18 of this Regulation.

Amendment No. 12

ARTICLE 5

Add a new paragraph 7(a) :

7(a) The maximum eligible amounts per hectare and the number of hectares per individual case referred to in Title 11 - Agricultural Measures are given in the Annex and are intended as a guide.

Amendment No. 13

ARTICLE 6

Amend to read:

The eligible amounts referred to in this Title may be adjusted from the year following entry into force of this Regulation to reflect the trend in general economic conditions, by a decision of the Council acting by a qualified majority on a proposal from the Commission after consulting the European Parliament.

ARTICLE 6

The eligible amounts referred to in this Title may be adjusted from the year following entry into force of this Regulation to reflect the trend in general economic conditions, by a decision of the Council acting by a qualified majority on a proposal from the Commission.

Amendment No. 14

ARTICLE 7

Amend the second indent of paragraph 2 as follows:

- be aimed at reducing the number of parcels in the holdings concerned on completion of reparable; such reduction must produce a reparable ratio of at least 3:1 on average,

ARTICLE 7

- be aimed at reducing the number of parcels in the holdings concerned on completion of reparable; such reduction must produce a reparable ratio of at least 3:1,

Amendment No. 15

ARTICLE 7

Amend paragraph 3 to read:

3. Community assistance shall amount to:

- 75% in the case of Greece,
- 65% in the case of Italy,
- 50% in the case of France,

of the actual cost of carrying out the works referred to in paragraph 1.

(delete the rest of the paragraph)

ARTICLE 7

3. Community assistance shall amount to:

- 75% in the case of Greece,
- 65% in the case of Italy,
- 50% in the case of France,

of the cost of carrying out the works referred to in paragraph 1, with a maximum eligible amount of 1,500 ECU per hectare reparable and up to the following total areas:

- 150,000 hectares in Greece,
- 300,000 hectares in Italy,
- 200,000 hectares in France, of which not more than 140,000 hectares may be located in the regions referred to in point II D of the IMP for France.

Amendment No. 16

ARTICLE 7

After paragraph 3, add the following paragraph 3(a):

- 3(a) Beneficiaries whose holdings have been subject to reparable shall be required not to repartition them.

Amendment No. 17

ARTICLE 8

Amend paragraph 2 to read:

2. The financial contribution referred to in paragraph 1 shall relate to the financing of projects which may involve:
- (a) in France, the installation and renewal of collective irrigation networks, from (remainder unchanged)
 - (b) in Greece, the installation and renewal of irrigation networks, the execution of bore-holes and the construction of reservoirs and the installation or improvement of irrigation networks (remainder unchanged)

ARTICLE 8

2. The financial contribution referred to in paragraph 1 shall relate to the financing of projects which may involve:
- (a) in France, the installation and renewal of irrigation networks from reservoirs and main channels, including associated drainage,
 - (b) in Greece, the execution of bore-holes and reservoirs and the installation of collective irrigation networks, including associated drainage.

Amendment No. 18

ARTICLE 8

Amend paragraph 4 to read:

4. Community assistance shall amount to
- 75% in the case of Greece,
 - 50% in the case of France,
- of the cost of carrying out the works referred to in paragraph 2.
- (delete the rest of the paragraph)

ARTICLE 8

4. Community assistance shall amount to:
- 75% in the case of Greece,
 - 50% in the case of France,
- of the cost of carrying out the works referred to in paragraph 2 with the following maximum eligible amounts per hectare and up to the following total areas:
- in Greece
7,000 ECU per hectare irrigated, of which not more than 4,000 ECU per hectare for the collective irrigation network, up to a total area of 80,000 hectares;
 - in France
4,000 ECU per hectare irrigated or per hectare of irrigation network renewed up to a total area of 100,000 hectares, of which not more than 60,000 hectares may be located in the regions referred to in point II D of the IMP for France.

Amendment No. 19

ARTICLE 9

Amend and supplement paragraph 3 to read:

3. The plans referred to in paragraph 2 shall include the following information:
- areas to be irrigated, estimates of the number of projects and holdings which will benefit,
 - areas of uncultivated land earmarked for improvement, nature and scope of the work planned,
 - aid measures envisaged,
 - measures taken to grant priority to grouped improvement projects,
 - estimated cost and time-schedule of expenditure,
 - the type of products planned and marketing prospects.

Amendment No. 20

ARTICLE 9

Amend paragraph 4 to read:

4. The actual expenditure incurred by the Member States in respect of the works referred to in paragraph 1 shall be reimbursed at a rate of 50%.
- (delete the rest of the paragraph)

ARTICLE 9

3. The plans referred to in paragraph 2 shall include the following information:
- areas to be irrigated, estimates of the number of projects and holdings which will benefit,
 - unproductive and marginal areas earmarked for improvement, nature and scope of the work planned,
 - aid measures envisaged,
 - measures taken to grant priority to grouped improvement projects,
 - estimated cost and time-schedule of expenditure.

ARTICLE 9

4. The actual expenditure incurred by the Member States in respect of the works referred to in paragraph 1 shall be reimbursed at a rate of 50% with the following maximum eligible amounts and up to the following total areas:

- 5,000 ECU per hectare irrigated,
- 1,500 ECU per hectare improved where improvement includes measures for land protection,
- 700 ECU per hectare of land otherwise improved;

up to a total area of:

- 150,000 hectares in Italy, of which no more than 50,000 hectares may be located in the regions referred to in point II D of the IMP for Italy
- 50,000 hectares in France,
- 60,000 hectares in Greece-PE 85.184/fin

Amendment No. 21

ARTICLE 9

Amend paragraph 5 as follows:

5. The proportion of the Community contribution laid down in the Annex provided by the EAGGF Guidance Section. The balance shall be provided under this Regulation.

ARTICLE 9

5. In the case of Greece, part of the Community contribution shall be provided by the EAGGF Guidance Section subject to the conditions and limits laid down by Regulation (EEC) No. 1975/82.

The balance of the Community contribution required to make up the rate, ceilings and volumes fixed in paragraph 4, and to cover the measures supplementary to Regulation (EEC) No. 1975/82 and referred to in paragraph 1 shall be provided under this Regulation.

Amendment No. 22

SECTION 3

Change the heading as follows:

Effectiveness of agrarian structures

SECTION 3

Socio-structural Directives

Amendment No. 23

ARTICLE 10

Replace Article 10 with the following paragraph:

1. Measures to encourage the cessation of farming and an increase in the size of farms as referred to in the Annex, points II 1.2 for Greece, Italy and France. Farmers giving up their occupation may be aged between 55 and 65 subject to the following conditions:

(a) the amount of compensation may be either

- a maximum of 3,000 ECU per annum, or

- the equivalent of double the annual ground rent for the relevant holding;

in both cases, it may be paid as a monthly allowance;

(b) the abandoned holding shall have a work requirement of at least 0.5 MWU.

ARTICLE 10

1. The measure to encourage the cessation of farming referred to in the first indent of point II.A.2. of the IMPs for Greece, Italy and France shall involve the granting of the annuity referred to in Article 2 of Council Directive 72/160/EEC to farmers aged between 55 and 65 practising farming as their main occupation and ceasing work in agriculture, subject to the following conditions:

(a) either the area of agricultural land released must be assigned to one or more agricultural holdings managed by farmers practising farming as their main occupation on condition that each holding consequently reaches a minimum work requirement of 0.5 MWU;

(b) or the person installed on the abandoned holding as farming manager practising farming as a main occupation must be a relative in the descending line up to and

¹ OJ No. L 96, 23.4.1972, p. 9

- (c) the area of agricultural land released by the cessation of farming must be assigned to a person practising farming as a main occupation. The Member States shall set up a Property Service to facilitate land transfer.
2. The actual expenditure incurred by the Member States concerned in respect of the measures referred to in paragraph 1 shall be reimbursed at a rate of:
- 75% in the case of Greece,
 - 65% in the case of Italy,
 - 50% in the case of France.
3. Part of the Community contribution shall be provided by the EAGGF Guidance Section and part by the terms of this Regulation.
- including the third generation on condition that:
- the abandoned holding has a work requirement of at least 0.5 MWU,
 - the successor is under 40 years of age.
2. The amount of the annuity is hereby increased to a maximum of 3,000 ECU/year
3. Articles 2(3), 3(a) and (b), 4, 8 and 9 of Directive 72/160/EEC shall apply to the measure referred to in paragraph 1.
4. The actual expenditure incurred by the Member States concerned in respect of the measure referred to in paragraph 1 shall be reimbursed at a rate of:
- 75% in the case of Greece,
 - 65% in the case of Italy,
 - 50% in the case of France.
5. Part of the Community contribution shall be provided by the EAGGF Guidance Section subject to the conditions and limits laid down by Directive 72/160/EEC.
- The balance of the Community contribution required to make up the amount and the rates fixed in paragraphs 2 and 4 and to cover any measures supplementary to Directive 72/160/EEC and referred to in paragraph 1 shall be provided under this Regulation.

Amendment No. 24

ARTICLE 11

Replace this article with the following paragraphs:

1. The compensatory allowance referred to in the second indent of point II.A.2 of the annex for Greece, Italy and France shall be offered on the basis of:

- (a) the permanent physical disadvantages adversely affecting agriculture,
- (b) the number of adult bovine animals, of areas for the growing of crops to ensure the maintenance of smaller-scale pieces of farmland in the regions referred to in indent (a)
- (c) the age of the purchasers carrying on farming as their principal occupation in order to encourage younger people under 40 to remain on the land.

2. The compensatory allowance shall be granted:

- (i) either for all ungulates (horses, asses, mules)
- (ii) or for sheep and goats,
- (iii) or for bovine animals,
- (iv) or for areas under crops to which Articles 13 and 14 of this Regulation relate:

3. Financial assistance shall be fixed at:

- 50% in the case of Greece,
- 50% in the case of Italy,
- 25% in the case of France.

When, however, the Member States institute a higher amount within the limit of 97 ECU per LU or per hectare for at least the first five LUs or hectares, and when the entrepreneur is a farmer aged under 40, the rate of assistance shall be:

- 75% in the case of Greece,
 - 65% in the case of Italy,
 - 50% in the case of France,
- up to the first 15 LUs or hectares.

ARTICLE 11

1. The compensatory allowance provided for in Article 7 of Council Directive 75/268/EEC and referred to in the second indent of II.A.2 of the IMPs for Greece, Italy and France may be granted in respect of equine animals, a horse of more than 6 months counting as 1 LU.

2. In areas within the meaning of Article 3(4) and (5) of Directive 75/268/EEC the compensatory allowance may be granted in respect of areas under crop covered by the specific measures provided for by this Regulation.

3. The amount of the compensatory allowance granted under Article 7 of Directive 75/268/EEC to farmers under 35 practising farming as a main occupation may be increased by a maximum of 30 ECU per LU or per hectare for the first 15 LU or hectares per holding.

4. In cases where Member States grant the maximum compensatory allowance provided for in Article 7 of Directive 75/268/EEC plus, where appropriate, a supplemental amount referred to in paragraph 3, the Community's financial contribution provided for in Article 15 of Directive 75/268/EEC in respect of not more than the first 15 LU or hectares per holding shall be supplemented under this Regulation to bring the total contribution to:

- 75% in the case of Greece,
- 50% in the case of France,
- 65% in the case of Italy.

subject to such maximum amounts being granted for at least the first 5 LU or hectares per holding and to the allowance amounts provided for on the date of entry into force of this Regulation not being reduced for the LU or hectares exceeding this first quota of 5.

5. Member States shall define, within the framework of the vineyard restructuring project referred to in Article 13 and within the framework of the plans provided for in Article 14 - for the implementation of special measures in favour of certain crops, the perimeter within which the compensatory allowance

4. Member States shall define within the framework of Articles 13 and 14, the perimeters within which the compensatory allowance may be granted for areas under crops.

may be granted for areas under crops referred to in the plans.

6. The procedures provided for in Article 13 of Directive 75/268/EEC shall also apply to the supplements to this Directive referred to in paragraphs 1 to 4.
7. The additional Community financial contribution needed to finance the supplement to Directive 75/268/EEC referred to in paragraphs 1 to 4 shall be provided under this Regulation.

Amendment No. 25

ARTICLE 12

Amend and supplement paragraph 1 to read:

1. The measures for the development of livestock farming referred to in point II.B.1 of the respective IMPs for Greece, Italy and France may include:

- as regards cattle, sheep and goat farming and, in the case of Italy, farming of equine animals

- (a) aids for the modernization, rationalization and construction of livestock housing, including the requisite equipment.

(delete the rest of (a))

1. The measures for the development of livestock farming referred to in point II.B.1 of the respective IMPs for Greece, Italy and France may include:

- as regards cattle, sheep and goat farming and, in the case of Italy, farming of equine animals

- (a) aids for the modernization, rationalization and construction of livestock housing, including the requisite equipment.

Such aids shall be granted, in the case of Italy, in accordance with the conditions laid down in Article 3(1)(a) and (2) of Council Regulation (EEC) No. 1944/81¹ and, in the case of Greece and France, in accordance with the conditions laid down in Article 10(2) and (3) of Regulation (EEC) No. 1975/82; however, the maximum investment referred to in Article 3(2) of Regulation (EEC) No. 1944/81 and in Article 10(3) of Regulation (EEC) No. 1975/82 to be taken into consideration for the granting of aid shall be raised to an eligible amount of 30,000 ECU per individual holding.

In the case of holdings engaged principally in sheep and goat farming and not practising cattle farming, the aids provided for above may also be granted if the holding's sales of sheepmeat and goatmeat account for less than 40% of its total sales;

¹ OJ No. L 197, 30.6.1981, p. 27.

- (b) Aids for the purchase by individuals or cooperatives of machinery to be used by their members for fodder production.
(Delete the remainder of (b))
- (c) aids for the improvement of meadows, grassland, pasture and land for the production of fodder crops, together with the requisite equipment, including fences;
- (d) measures for the control and prevention of disease, including inspections, tests and vaccinations;
- (e) measures aimed at genetic improvement, including:
- (i) aids for the modernization or creation of breeding and selection centres, including aids for progeny testing;
- (ii) aids for the intensification of performance testing;
- (iii) aids to encourage more widespread use of artificial insemination;
- (iv) aids for the purchase of male breeding animals of approved quality, provided that their economic use is possible;
- (f) in Italy and Greece, an additional premium for beef-breed calves and calves resulting from a cross with a beef breed;
(Delete the rest of (f))
- (g) in Italy and Greece, the granting of additional premiums for the raising of cattle for meat production which are kept for at least 12 months at their farm of origin and/or on cooperative farms situated in the territory covered by this Regulation.
- as regards pig farming
- (h) the disease control and prevention measures referred to in point (d) above;
- (b) Aids for the purchase of machinery for fodder production; such aids shall be granted in accordance with the conditions laid down in Article 3(2) of Regulation (EEC) No. 1944/81 or Article 10(3) of Regulation (EEC) No. 1975/82;
- (c) aids for the improvement of meadows, grassland, pasture and land for the production of fodder crops, together with the requisite equipment, including fences;
- (d) measures for the control and prevention of disease, including inspections, tests and vaccinations;
- (e) measures aimed at genetic improvement, including:
- (i) aids for the modernization or creation of breeding and selection centres, including aids for progeny testing;
- (ii) aids for the intensification of performance testing;
- (iii) aids to encourage more widespread use of artificial insemination;
- (iv) aids for the purchase of male breeding animals of approved quality, provided that their economic use is possible;
- (f) in Italy and Greece, an additional premium for beef-breed calves and calves resulting from a cross with a beef breed, in accordance with conditions laid down in Article 3(1)(d) of Regulation (EEC) No. 1944/81 and Article 10(1)(d) of Regulation (EEC) No. 1975/82;
- (g) in Italy, an additional premium for keeping cows for meat production in accordance with the conditions laid down in Article 3(1)(e) and of Regulation (EEC) No. 1944/81.
- as regards pig farming
- (h) the disease control and prevention measures referred to in point (d) above;

- (i) in Corsica, aids for the construction and modernization of shelters for extensive farming; (delete the rest of (i))
- as regards all livestock farming
- (j) aids for the costs of transporting flocks and herds from winter to summer pasturage and vice versa;
- (k) aids for the distribution of fodder to flocks and herds wintering in mountain pasturage.

- (i) in Corsica, aids for the construction and modernization of shelters for extensive farming; such aids shall be granted in accordance with the conditions laid down in Article 10(3) of Regulation (EEC) No. 1975/82.

Amendment No. 26

ARTICLE 12

Amend paragraph 2 to read:

2. The measures referred to in paragraph 1 shall be implemented in the form of one or more detailed plans.

Such plans, (4 words deleted) - made necessary as a result of this Regulation, (27 words deleted) shall be presented by Member States as part of the operational plan of campaign referred to in Article 3 and approved by the Commission in accordance with the procedure referred to in Article 5(2).

Amendment No. 27

ARTICLE 12

4. The actual expenditure incurred by Member States in implementing the measures referred to in paragraph 1 shall be reimbursed at the rate of 50%.

(delete the rest of the paragraph)

ARTICLE 12

2. The measures referred to in paragraph 1 shall be implemented in the form of one or more detailed plans.

Such plans or, where appropriate, adjustments - made necessary as a result of this Regulation - to programmes already approved by the Commission pursuant to Article 2(3) of Regulation (EEC) No. 1944/81 or Article 3(2) of Regulation (EEC) No. 1975/82 shall be presented by Member States as part of the operational plan of campaign referred to in Article 3 and approved by the Commission in accordance with the procedure referred to in Article 5(2).

ARTICLE 12

4. The actual expenditure incurred by Member States in implementing the measures referred to in paragraph 1 shall be reimbursed at the rate of 50%, subject to the following maximum eligible amounts and limits:

- as regards the measures provided for in paragraph 1(c), 700 ECU per hectare up to an overall limit of 400,000 hectares in Greece, 40,000 hectares in France and in the case of Italy up to the overall limit specified in the outline programme drawn up pursuant to Article 2 of Regulation (EEC) No. 1944/81 for the areas covered by the integrated Mediterranean programme,

- as regards the measures referred to in paragraph 1(e), up to an overall limit of 20% of the overall expenditure provided for in respect of the implementation of the measures referred to in paragraph 1(a), (b) and (c),
- as regards the measure referred to in paragraph 1(f), 30 ECU per calf,
- as regards the measure referred to in paragraph 1(g), 48 ECU per cow subject to a limit of 480 ECU per individual holding.

Amendment No. 28

ARTICLE 12

Amend paragraph 5 to read:

5. As regards Greece and Italy the Community contribution shall be provided in part by the EAGGF Guidance Section, subject to the appropriation limits laid down in the Annex. The balance of the Community contribution shall be provided under this Regulation, the amounts being laid down in the Annex.

ARTICLE 12

5. As regards Greece and Italy the Community contribution shall be provided in part by the EAGGF Guidance Section, subject to the conditions and limits laid down by Regulations (EEC) No. 1975/82 and (EEC) No. 1944/81. The balance of the Community contribution required to make up the rate, amounts and volumes fixed in paragraph 4 and to enable the overall limits on eligible expenditure in respect of the measures referred to in Article 8 of Regulation (EEC) No. 1944/81 and Articles 8(a) and 10(1) of Regulation (EEC) No. 1975/82 to be exceeded shall be provided under this Regulation.

Amendment No. 29

ARTICLE 13

Amend and supplement paragraph 2 as follows:

2. Projects shall involve the granting of aids
- For the grubbing of vines intended for the production of table wines and the preparation of the soil for the replanting of vines intended for the production of quality wines;
 - the replanting of vines for the production of quality wines produced in specified areas or table wines of improved quality.

For the purposes of this Regulation, 'replanting' shall mean any planting of vines undertaken in accordance with the definitions referred to in

ARTICLE 13

2. Projects shall involve the granting of aids:
- for the grubbing of vines intended for the production of table wines and the preparation of the soil for the replanting of vines;
 - the replanting of vines for the production of quality wines produced in specified areas or table wines of improved quality.

For the purposes of this Regulation, 'replanting' shall mean any planting of vines undertaken in accordance with the definitions referred to in

Annex IVa(a) to (d) to Council
Regulation (EEC) No. 337/79¹ with
varieties recommended or authorized by
Commission Regulation (EEC) No. 3800/81².

Annex IVa(a) to (d) to Council
Regulation (EEC) No. 337/79¹ with
varieties recommended or authorized by
Commission Regulation (EEC) No. 3800/81².

- the replanting of former vineyards by energy producing plants or crops, i.e. agricultural production yielding methanol or ethanol.

Amendment No. 30

ARTICLE 13

Amend paragraph 3 to read:

3. The aids for the restructuring of vineyards referred to in paragraph 2 shall be granted in the form of:
 - a premium per ha of vineyard replanted, towards the cost of the restructuring work. The amount of the premium may be fixed, as a guide, at 3,200 ECU per ha of vineyard replanted. Member States may exceed the abovementioned amount in order to take account of the special characteristics of the regions.
 - a special allowance paid to farmers who own agricultural holdings to compensate for loss of income resulting from restructuring.

(Delete the remainder of this paragraph).

Amendment No. 31

ARTICLE 13

Replace the text of paragraph 4 as follows:

4. The operational plans of campaign must lay down the conditions for granting the aid referred to in paragraph 4, keeping to the appropriations laid down in the Annex.

¹ OJ No. L 54, 5.3.1979, p. 1.

² OJ No. L 381, 31.12.1981, p. 1.

ARTICLE 13

3. The aids for the restructuring of vineyards referred to in paragraph 2 shall be granted in the form of:

- a premium per ha of vineyard replanted, towards the cost of the restructuring work. The amount of the premium may be fixed between 2,418 and 3,022 ECU per ha of vineyard replanted, depending on the structural situation and the cost of the vineyard restructuring operations.

However, in order to take account of special situations, Member States may exceed maximum limit specified in the first subparagraph.

- a special degressive allowance paid to farmers practising farming as their main occupation to compensate for loss of income resulting from restructuring.

This allowance shall be granted for a maximum of three years and may not exceed a total of 3,000 ECU/ha.

ARTICLE 13

4. Projects must:

- satisfy the conditions laid down in the first subparagraph of Article 2(1), paragraphs 2 to 5 of Articles 2, 3 and 4 of Council Regulation (EEC) No. 458/80³.
- indicate the areas within which the compensatory allowance referred to in Article 11 may be granted in areas within the meaning of Article 3(4) of Directive 75/268/EEC.

³ OJ No. L 57, 29.2.1980, p. 27.

Amendment No. 32

ARTICLE 13

Amend paragraph 5 to read:

5. The actual expenditure incurred by Member States in implementing the measures referred to in paragraph 3 shall be reimbursed at the rate of 50%.
(Delete the rest of paragraph 5)

ARTICLE 13

5. The actual expenditure incurred by Member States in implementing the measures referred to in paragraph 3 shall be reimbursed at the rate of 50%, subject to the overall limits of:

17 000 hectares in Greece,
20 000 hectares in France,
30 000 hectares in Italy, as laid down in Article 8(1) of Regulation (EEC) No. 458/80.

Amendment No. 33

ARTICLE 13

Amend paragraph 6 to read:

6. Part of the Community contribution shall be provided by the EAGGF Guidance Section, the amount being laid down in the Annex. The balance shall be provided under this Regulation.

ARTICLE 13

6. Part of the Community contribution shall be provided by the EAGGF Guidance Section, subject to the conditions and limits laid down by Regulation (EEC) No. 458/80.

The balance of the Community contribution required to make up the amount and the rate fixed in paragraphs 3 and 5 and to cover the additional measure over and above Regulation (EEC) No. 458/80, as referred to in the second indent of paragraph 3, shall be provided under this Regulation.

Amendment No. 34

ARTICLE 14

Amend and supplement paragraph 1(a) as follows:

1. The measures for the development of crop production, other than those relating to the restructuring of vineyards, referred to in point II.B.2 of the integrated Mediterranean programmes for Greece, Italy and France may include:

ARTICLE 14

1. The measures for the development of crop production, other than those relating to the restructuring of vineyards, referred to in point II.B of the integrated Mediterranean programmes for Greece, Italy and France may include:

- as regards wine-growing

(a) measures to encourage the conversion of vineyards producing table wines to crops of which there are no surpluses, in particular:

- either fodder protein and seed crops and medicinal and aromatic plants,
- or permanent crops of nuts, soft fruit or exotic fruit.
- or energy-producing crops, i.e. for methanol and ethanol.

In addition to the aids provided for in Article 8, the measures shall cover the granting:

- of a premium per hectare of conversion, towards the costs of grubbing vines, preparing the soil and purchasing selected seed,
- in the case of conversion to other permanent crops, a special degressive allowance payable to farmers practising farming as their main occupation, to compensate for loss of income resulting from the conversion.

(delete the rest of the 4th indent)

- in France, Greece and Italy, aids for collective mechanization.
(delete the rest of the 5th indent)

- as regards wine-growing

(a) measures to encourage the conversion of vineyards producing table wines to crops of which there are no surpluses, in particular:

- either fodder and protein crops and medicinal and aromatic plants,
- or permanent crops of nuts, soft fruit or exotic fruit.

In addition to the aids provided for in Article 8, the measures shall cover the granting:

- of a premium per hectare of conversion, towards the costs of grubbing vines, preparing the soil and purchasing selected seed,
- in the case of conversion to other permanent crops, a special degressive allowance payable to farmers practising farming as their main occupation, to compensate for loss of income resulting from the conversion.

This allowance shall be granted for a maximum period of five years and may not exceed an overall total of 6 000 ECU per hectare.

- in Greece and Italy, aids for collective mechanization, in accordance with the provisions referred to in Article 12(1)(b);

Amendment No. 35

ARTICLE 14

Amend and supplement paragraph 1(b)
as follows:

- as regards olive growing

ARTICLE 14

- as regards olive growing

1(b) Measures to encourage:

- the restructuring of plantations for the production of oil;
- conversion to the growing of table olives or permanent crops of nuts, soft fruit or exotic fruit;
- conversion to fodder and protein crops;
- renewal of olive groves in the island regions of Greece.

The measures shall relate to the granting:

- of a premium per hectare towards the costs of restructuring and conversion, including the purchase of propagating material and selected seed and replanting costs,
- except in the case of conversion to fodder and protein crops, a special degressive allowance in accordance with the fourth indent of (a);
- in Greece and Italy, aids for collective mechanization, in accordance with the provisions referred to in Article 12(1)(b).

Amendment No. 36

ARTICLE 14

Amend and supplement paragraph 1(c)
as follows:

- (c) the measures referred to under (b) may also be applied:
- to the restructuring of permanent crops of nuts, soft fruit and exotic fruit, and energy-producing crops, provided the results of market research show that there is a market for the foregoing products.
 - in Greece, to the renewal of vineyards intended for the production of dried grapes;
(22 words deleted)

1(b) Measures to encourage:

- the restructuring of plantations for the production of oil;
- conversion to the growing of table olives or permanent crops of nuts, soft fruit or exotic fruit;
- conversion to fodder and protein crops;

The measures shall relate to the granting:

- of a premium per hectare towards the costs of restructuring and conversion, including the purchase of selected seed,
- except in the case of conversion to fodder and protein crops, a special degressive allowance in accordance with the fourth indent of (a);
- in Greece and Italy aids for collective mechanization, in accordance with the provisions referred to in Article 12(1)(b).

ARTICLE 14

- (c) the measures referred to under (b) may also be applied:

- to the restructuring of permanent crops of nuts, soft fruit and exotic fruit,
- in Greece, to the renewal of vineyards intended for the production of dried grapes; in this case the allowance referred to in the fifth indent of point (b) may not exceed a total of 3 000 ECU.

In Greece the aid referred to in the third indent of point (b) may also be granted for the planting of apple orchards and the planting of vines for the production of dried grapes,
(21 words deleted)

In Greece the aid referred to in the third indent of point (b) may also be granted for the planting of apple orchards and the planting of vines for the production of dried grapes, provided that such planting does not increase the total area under apples or under vines for the production of dried grapes;

Amendment No. 37

ARTICLE 14

ARTICLE 14

Amend paragraph 1(d) and add subparagraphs (d)(a) and (d)(b) as follows:

- As regards annual plants, aromatic and medicinal plants and seeds and propagating material
- (d) Measures to encourage standardization, rationalization and improvement of quality, including varietal conversion, and aids for the extension of the cultivation of aromatic and medicinal plants to the island regions of Greece.

The measures shall relate to the granting of a premium per hectare towards the cost of establishing the products concerned, not exceeding the actual cost of the reproductive material.

- As regards annual plants, aromatic and medicinal plants and seeds and propagating material
- (d) Measures to encourage standardization, rationalization and improvement of quality, including varietal conversion.

The measures shall relate to the granting of a premium per hectare towards the costs of establishing the lines of production concerned, not exceeding the actual cost of the reproductive material.

- as regards fruit and vegetables

- (d)(a) aids for the standardization, rationalization and quality improvement of all types of fruit and vegetables of which there is not a surplus on the market.

Measures:

- to finance multi-purpose freezing installations (fish, fruit and vegetables, etc.),
- to encourage the production of varieties of which there are shortages,
- to industrialize fruit and vegetable-growing through new production methods and quality specifications,

- to establish a land register for perennial crops, by region,
 - to guide production on the principle of avoiding surpluses and destruction.
- as regards sub-tropical crops
- (f) aids for
- extending certain specialized crops to the islands,
 - pioneering projects and measures to promote and capitalize on production.

Amendment No. 38

ARTICLE 14

Amend paragraph 4 as follows:

4. The actual expenditure incurred by the Member States concerned on the measures referred to in paragraph 2 shall be reimbursed at the rate of 50%, subject to the limits laid down in the Annex.
(Delete the remainder)

ARTICLE 14

4. The actual expenditure incurred by the Member States concerned on the measures referred to in paragraph 2 shall be reimbursed at the rate of 50%, subject to the following limits:
- 3 000 ECU per hectare of vineyard for the conversion premium or for the measures referred to in paragraph 1 (b) and (c), with not more than:
- 20 000 hectares in Greece,
50 000 hectares in Italy,
15 000 hectares in France;
- 50 ECU per hectare of vegetable, medicinal and aromatic plant crops referred to in paragraph 1(d);
- 100 ECU per hectare for the production of seeds and propagating material referred to in paragraph 1(d)

Amendment No. 39

ARTICLE 15

Amend paragraph 1 to read:

1. The specific measures for the development of fodder crops and livestock farming in the lowlands and coastal areas, referred to in point II C 1 of the IMPs for Greece and Italy and the first indent of point II C 1 of the IMP for France may include:

ARTICLE 15

1. The specific measures for the development of fodder crops and livestock farming in the lowlands and coastal areas, referred to in point II C 1 of the IMPs for Greece and Italy and the first indent of point II C 1 of the IMP for France may include:

- (a) aids towards the cost of water supplies for irrigating intensive fodder and protein crops and irrigating land intended for the production of selected seed for these crops;
- (b) aids for the purchase of selected seed for the crops referred to in point (a);
- (c) aids for the collective purchase of machinery and irrigation equipment for collective use for the crops referred to in point (a); (delete the rest of (c))
- (d) in Italy, aids for the construction of livestock housing for the fattening of livestock coming principally from mountainous and less-favoured areas provided that such construction work is part of the process of conversion to fodder production; (delete the rest of (d))
- (e) in Greece, as regards cattle, goat and sheep farming, the measures referred to in points (a), (d), (e) and (f) of Article 12(1), (9 words deleted) and, as regards pig farming, the measure referred to in point (h) of the said Article.
- (a) aids towards the cost of water supplies for irrigating intensive fodder and protein crops and irrigating land intended for the production of selected seed for these crops;
- (b) aids for the purchase of selected seed for the crops referred to in point (a);
- (c) aids for the purchase of machinery and irrigation equipment for collective use for the crops referred to in point (a); the aids shall be granted in accordance with the conditions laid down in Article 3(2) of Regulation (EEC) No. 1944/81;
- (d) in Italy, aids for the construction of livestock housing for the fattening of livestock coming principally from areas within the meaning of Article 3 of Directive 75/268/EEC, provided that such construction work is part of the process of conversion to fodder production; the aids shall be granted in accordance with the conditions laid down in Article 3(2) of Regulation (EEC) No. 1944/81. However, the maximum investment to be taken into consideration for the granting of aid shall be increased to an eligible amount of 30 000 ECU per individual holding and 150 000 ECU per holding operated by a group of producers;
- (e) in Greece, as regards cattle farming, the measures referred to in points (a), (d), (e) and (f) of Article 12(1), subject to the conditions and limits laid down therein and, as regards pig farming, the measure referred to in point (h) of the said Article.

Amendment No. 40

ARTICLE 15

Amend paragraph 2 to read:

ARTICLE 15

2. The measures referred to in paragraph 1 shall be implemented under one or more detailed plans.

These plans, made necessary as a result of this Regulation, shall be presented by the Member States concerned as part of the operational plan of campaign referred to in Article 2(3) and approved by the Commission in accordance with the procedure referred to in Article 5(2).

2. The measures referred to in paragraph 1 shall be implemented under one or more detailed plans.

These plans or, where appropriate, adjustments - made necessary as a result of this Regulation - to plans already approved by the Commission pursuant to Article 2(3) of Regulation (EEC) No. 1944/81 or Article 3(2) of Regulation (EEC) No. 1975/82 shall be presented by the Member States concerned as part of the operational plan of campaign referred to in Article 3 and approved by the Commission in accordance with the procedure referred to in Article 5(2).

Amendment No. 41

ARTICLE 15

Amend paragraph 4 to read:

The actual expenditure incurred by Member States in implementing the measures referred to in paragraph 1 shall be reimbursed at the rate of 50%, subject to the financial limits laid down in the Annex.

(delete the rest of the paragraph)

ARTICLE 15

4. The actual expenditure incurred by Member States in implementing the measures referred to in paragraph 1 shall be reimbursed at the rate of 50%, subject to the following maximum eligible amounts and limits:

- as regards the measure provided for in paragraph 1(a) and (b), 170 ECU per year per hectare irrigated, for a maximum of five years, with the following overall limits:

150,000 hectares in Greece,
50,000 hectares in Italy,
30,000 hectares in France,

- as regards the measures provided for in paragraph 1(c), 1,000 ECU per year per hectare irrigated,

- as regards the measures provided for in paragraph 1(e), up to an overall limit of 30% of the overall expenditure provided for in respect of the measures referred to in paragraph 1(a), (b) and (c).

Amendment No. 42

ARTICLE 15

Amend paragraph 5 to read:

As regards Italy, the Community contribution shall be provided in part by the EAGGF Guidance Section, subject to the conditions laid down in the operational plan of campaign within the limits of the appropriations specified in the Annex.

The balance of the Community contribution (13 words deleted) shall be provided under this Regulation within the limits specified in the Annex.

ARTICLE 15

5. As regards Italy, the Community contribution shall be provided in part by the EAGGF Guidance Section, subject to the conditions and limits laid down by Regulation (EEC) No. 1944/81.

The balance of the Community contribution required to make up the rate, amounts and volumes fixed in paragraph 4 shall be provided under this Regulation.

Amendment No. 43

ARTICLE 16

Amend and supplement paragraph 1 as follows:

1. The specific measures designed to develop crops other than grapevines, referred to in II.C.2 of the IMPs for Greece and Italy and the second and third paragraphs of II.C.1 of the IMP for France, shall cover:

(a) measures to encourage:

- the restructuring of fruit-tree plantations, except citrus fruit, in order to adapt the varieties grown to market requirements, provided that the result is not to increase the area under trees producing types of fruit of which there is a surplus on the Community market; in Greece such measures may also cover the conversion of apple orchards to the crops referred to in Article 14(a),
- the restructuring and development of plantations of nuts, soft fruit and exotic fruits;
- alterations in table grapevine varieties in Greece,
- alteration in the siting of vineyards of dried grape varieties in Greece.
- the restructuring and development of plantations of energy producing crops, i.e. for methanol and ethanol,

Aid shall consist of:

- a premium per hectare to cover part of the cost of necessary work such as grubbing, cultivation of the soil and replanting, or, in the case of nuts, soft fruit, exotic fruits, vineyards and dried grapes, first planting;

ARTICLE 16

1. The specific measures designed to develop crops other than grapevines, referred to in II.C.2 of the IMPs for Greece and Italy and the second and third paragraphs of II.C.1 of the IMP for France, shall cover:

(a) measures to encourage:

- the restructuring of fruit-tree plantations, except citrus fruit, in order to adapt the varieties grown to market requirements, provided that the result is not to increase the area under fruit trees; in Greece, such measures may also cover the conversion of apple orchards to the crops referred to in Article 14(a),
- the restructuring and development of plantations of nuts, soft fruit and exotic fruits.

Aid shall consist of:

- a premium per hectare to cover part of the cost of necessary work such as grubbing, cultivation of the soil and replanting or, in the case of nuts, soft fruit and exotic fruits, first planting;

- a special compensation payment to producers with farming as their main occupation to offset income lost as a result of restructuring, to be paid in decreasing instalments.

In the case of restructuring of fruit-tree plantations, compensation shall be paid for a maximum of 5 years and may not exceed a total of 6,000 ECU per ha.

- (b) measures of the type provided for in Article 14(d) to encourage the standardization, rationalization and quality improvement of vegetable production.

In France and in Greece, such measures may include rice production.

- b(a) measures to protect citrus crops from frost. These measures shall comprise subsidies for the installation of frost protection (protective covers)

- b(b) measures to restructure tobacco cultivation to introduce varieties for which there is increased market demand. These measures shall comprise subsidies for experimentally introducing new varieties and converting ground to irrigated ground.

- a special compensation payment to producers with farming as their main occupation to offset income lost as a result of restructuring to be paid in decreasing instalments.

In the case of restructuring of fruit-tree plantations, compensation shall be paid for a maximum of 5 years and may not exceed a total of 6,000 ECU per ha.

- (b) measures of the type provided for in Article 14(d) to encourage the standardization, rationalization and quality improvement of vegetable production.

In France, such measures may include rice production.

Amendment No. 44

ARTICLE 16

Add to paragraph 3 as follows:

3. The plans referred to in paragraph 3 shall fulfil the conditions for the granting of the individual aids referred to in paragraph 1, and include

ARTICLE 16

3. The plans referred to in paragraph 2 shall include:

-
- | | |
|--|---|
| <ul style="list-style-type: none">- an estimate in hectares of the area under fruit trees, nuts, soft fruit, exotic fruits and, in Greece, vineyards which will have been restructured or developed by the time the plans are completed;- an indication of the location of the areas concerned and the criteria on which they have been selected;- an indication of the types of vegetable eligible under the measures referred to in paragraph 1(b);- the arrangements for guaranteeing that restructuring will lead to an increase in the area under fruit trees;- the form and amount of aid proposed;- an estimate of the costs involved and finance required;- <u>effective coordination with the Community measures already being applied such as the citrus fruit plan.</u> | <ul style="list-style-type: none">- an estimate in hectares of the area under fruit trees, nuts, soft fruit, exotic fruits and, in Greece, vineyards which will have been restructured or developed by the time the plans are completed;- an indication of the location of the areas concerned and the criteria on which they have been selected;- an indication of the types of vegetable eligible under the measures referred to in paragraph 1(b);- the arrangements for guaranteeing that restructuring will lead to an increase in the area under fruit trees;- the form and amount of aid proposed;- an estimate of the costs involved and the finance required. |
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Amendment No. 45

ARTICLE 16

Amend paragraph 4 to read:

4. Reimbursement of the actual expenditure by the Member States concerned on the measures referred to in paragraph 1 shall be at a rate of 50% up to the maximum total amounts specified in the Annex.

(Delete the rest of the paragraph)

ARTICLE 16

4. Reimbursement of the actual expenditure by the Member States concerned on the measures referred to in paragraph 1 shall be at a rate of 50%, up to the maximum amounts eligible and subject to the limitations below:

3,000 ECU per hectare in the case of the measures referred to in the third indent of paragraph 1(a), with a ceiling of:

24,000 hectares in Greece,

30,000 hectares in Italy,

15,000 hectares in France.

These limits shall also apply to the areas eligible under measures of the type referred to in the second indent of Article 17(1).

Amendment No. 46

ARTICLE 17

Add to paragraph 1 new fifth and sixth
indents as follows:

1. The specific measures designed to develop the crops referred to in II.C.3 of the IMPs for Greece and Italy and II.C.2 of the IMP for France, other than restructuring of vineyards, shall cover:
 - in Greece and France, measures to encourage the conversion of vineyards producing table wines in accordance with Article 14(1)(a),
 - measures to encourage the restructuring and conversion of olive groves in accordance with Article 14(1)(b),
 - measures to encourage the establishment of nut and exotic fruit plantations in accordance with Article 14(1)(c),
 - in Greece, measures to encourage conversion of vineyards for the production of dried grapes in accordance with Article 14(1)(a).
 - measures to encourage restructuring of tobacco plantations,
 - measures to encourage the restructuring and conversion of olive groves and vineyards for energy-producing plants, i.e. to yield methanol and ethanol.

Amendment No. 47

ARTICLE 17

Amend paragraph 4 to read:

4. Reimbursement of the actual expenditure by the Member States concerned on the measures referred to in paragraph 2 shall be at a rate of 50%, up to the maximum amounts specified in the Annex, except in the case of newly established quality tobacco plantations or restructuring of tobacco plantations, where the maximum amount eligible shall be 5,000 ECU per hectare.

(Delete the rest of the paragraph)

ARTICLE 17

1. The specific measures designed to develop the crops referred to in II.C.3 of the IMPs for Greece and Italy and II.C.2 of the IMP for France, other than restructuring of vineyards, shall cover:
 - in Greece and France, measures to encourage the conversion of vineyards producing table wines in accordance with Article 14(1)(a),
 - measures to encourage the restructuring and conversion of olive groves in accordance with Article 14(1)(b),
 - measures to encourage the establishment of nut and exotic fruit plantations in accordance with Article 14(1)(c),
 - in Greece, measures to encourage conversion of vineyards for the production of dried grapes in accordance with Article 14(1)(a).

ARTICLE 17

4. Reimbursement of the actual expenditure by the Member States concerned on the measures referred to in paragraph 2 shall be at a rate of 50%, up to the maximum amounts eligible and subject to the limitations below:
 - 3,000 ECU per hectare of vineyards converted, with a ceiling of:

- 4,000 hectares in Greece,
- 30,000 hectares in France,
- 3,000 ECU per hectare in the case of restructuring or conversion of olive groves,
- 3,000 ECU per hectare in the case of newly established plantations of nuts and exotic fruits.

Amendment No. 48

ARTICLE 18

Amend paragraph 1 and add three
new indents as follows:

1. The Community's contribution to financing the forestry measures referred to in II.D of the IMP for Greece and II.E of the IMPs for Italy and France shall cover the types of project below:

- afforestation and improvement of deteriorated woodlands in order to improve farming conditions in the area concerned by protecting soil and water resources;
- commercial forestry, including the planting of fast-growing trees;
- related works, such as earth-moving, the construction of forest roads and the control of fast-flowing streams;
- measures to prevent and fight forest fires and supply of fire-fighting aircraft;
- the establishment of tree nurseries;
- the creation of nature parks and conservancy areas, including facilities for the rearing of game;
- the renovation and restructuring of chestnut and cork plantations and, in Greece, promotion of the Aleppo pine;
- the development of forestry improvement schemes;
- studies and trials essential to preparing the projects above;

ARTICLE 18

1. The Community's contribution to financing the forestry measures referred to in II.D of the IMP for Greece and II.E of the IMPs for Italy and France shall cover the types of project below:

- afforestation and improvement of deteriorated woodlands in order to improve farming conditions in the area concerned by protecting soil and water resources;
- commercial forestry, including the planting of fast-growing trees;
- related works, such as earth-moving, the construction of forest roads and the control of fast-flowing streams;
- measures to prevent and fight forest fires;
- the establishment of tree nurseries;
- the creation of nature parks and conservancy areas, including facilities for the rearing of game;
- the renovation and restructuring of chestnut and cork plantations and, in Greece, promotion of the Aleppo pine;
- the development of forestry improvement schemes;
- studies and trials essential to preparing the projects above;

- starting-up aid to cooperatives and recognized groups set up to manage woodlands in common, the aid being intended as a contribution towards the cost of establishing and running such groups, including advisory services, during the first few years.
 - afforestation and improvement of deteriorated woodlands in order to grow energy productive trees for methanol.
 - aids for the establishment of processing plants for forest product residues,
 - the creation of forest areas round the various towns in Greece, in order to protect them from excessive growth and pollution of the environment.
- starting-up aid to recognized groups set up to manage woodlands in common, the aid being intended as a contribution towards the cost of establishing and running such groups, including advisory services, during the first few years.

Amendment No. 49

ARTICLE 18

Amend paragraph 2 to read:

2. Draft projects must:

- (a) in the case of the measures described in the first nine indents of paragraph 1:
 - indicate the economic impact on the development of the region concerned, including the effects on each sector of production;
 - indicate the type and scale of planned works, the timetable and the proposed sources of finance;
 - indicate the location of such works and the land area involved in such projects;
- (b) in the case of measures as described in the last indent of paragraph 1:
 - give an estimate of the number of groupings to be created and the area of woodland involved;

ARTICLE 18

2. Draft projects must:

- (a) in the case of the measures described in the first nine indents of paragraph 1:
 - indicate the economic impact on the agricultural sector in the region concerned, including the effects on the producers themselves
 - indicate the type and scale of planned works, the timetable and the proposed sources of finance;
 - indicate the location of such works and the land area involved in such projects;
- (b) in the case of measures as described in the last indent of paragraph 1:
 - give an estimate of the number of groupings to be created and the area of woodland involved;

- indicate the minimum criteria which forestry groups must fulfil, which must include a requirement that groups consist of at least five holdings and cover at least 150 hectares;
- indicate the level of starting-up aid.

- indicate the minimum criteria which forestry groups must fulfil, which must include a requirement that groups consist of at least ten holdings and cover at least 550 hectares;
- indicate the level of starting-up aid.

Amendment No. 50

ARTICLE 18

Replace the text of paragraph 4 as follows:

4. The Community aid shall cover 50% of the cost of the works and other measures referred to in paragraph 2, within the allocation limits specified in the Annex. The Community contribution shall be provided in part by the EAGGF and in part under this Regulation, in accordance with the provisions set out in the Annex.

ARTICLE 18

4. The Community aid shall cover 50% of the cost of the works and other measures referred to in paragraph 2, up to the maximum eligible amounts and subject to the limitations below:

- 2,500 ECU per hectare for protective and commercial afforestation, with an overall ceiling of:

25,000 hectares in Greece,

60,000 hectares in Italy, including maximum 20,000 hectares in the region referred to in IID of the integrated programme for Italy,

30,000 hectares in France,

- 2,300 ECU per hectare for the improvements of deteriorated woodlands, the renovation and restructuring of chestnut and cork plantations and the promotion of Aleppo pines, with an overall ceiling of:

40,000 hectares in Greece,

60,000 hectares in Italy, including maximum 20,000 hectares in the region referred to in IID of the IMP for Italy,

40,000 hectares in France,

- 1,200 ECU per hectare for related works such as earth-moving and other minor ground stabilization operations
- 18,000 ECU per kilometre for forest roads, with an overall ceiling of:

6,000 kilometres in Greece,

1,500 kilometres in Italy, including a maximum 500 kilometres in the regions referred to in IID of the IMP for Italy,

1,000 kilometres in France,

- 300 ECU per hectare for controlling fast-flowing streams,
- 200 ECU per hectare for measures to prevent and fight forest fires, with an overall ceiling of:

200,000 hectares protected in Greece,

100,000 hectares protected in Italy, including a maximum 30,000 hectares in the regions referred to in IID of the IMP for Italy,

70,000 hectares protected in France,

- 10% of the overall expenditure allotted to forestry in the operational plan of campaign for the creation of nature parks and conservancy areas,
- 5% of the total cost of projects covered by paragraph 1 for preparatory work.

In the case of Greece, the Community contribution shall be met in part from the Guidance Section of the European Agricultural Guidance and Guarantee Fund on the conditions and within the limits set out in Regulation (EEC) No. 1975/82.

The balance of the Community contribution required to make up the rates and amounts laid down in paragraph 4 to cover the additional measures referred to in paragraph 1 and to allow the overall limits on eligible expenditure referred to in indents 7 to 12 of Article 18(2)(b) of Regulation (EEC) No. 1975/82 to be exceeded shall be provided under this Regulation.

Amendment No. 51

ARTICLE 19

Replace the text of paragraph 7 as follows:

7. The programmes referred to in paragraph 1 shall be presented by the Member States concerned as part of the operational plan of campaign referred to in Article 3 and be approved by the Commission in accordance with the procedure referred to in Articles 4 and 5 of this regulation.

ARTICLE 19

7. The projects referred to in paragraph 1 of this Article must be covered by a descriptive outline within the meaning of Article 7 of Regulation (EEC) No. 2908/83. This descriptive outline, together with any amendments to existing descriptive outlines, shall be presented to the Commission as part of the operational plan of campaign referred to in Article 3 of this Regulation.

Amendment No. 52

ARTICLE 19

Delete paragraph 8

ARTICLE 19

8. The projects referred to in paragraphs 2 and 3 of this Article must be covered by a multiannual guidance programme within the meaning of Article 2 of Regulation (EEC) No. 2908/83, presented to the Commission as part of the operational plan of campaign referred to in Article 3 of this Regulation and approved by the Commission in accordance with Article 5 of Regulation (EEC) No. 2908/83.

Amendment No. 53

ARTICLE 19

Delete paragraph 9.

ARTICLE 19

9. In cases where a multiannual guidance programme has already been approved by the Commission pursuant to Regulation (EEC) No. 2908/83, the amendments necessitated by the IMPs shall be presented to the Commission as part of the operational plan of campaign referred to in Article 3.

Amendment No. 54

ARTICLE 19

Amend paragraph 11 to read:

11. The programmes must be covered by the operational plan of campaign referred to in Article 3. The special programme shall contain at least the following information:

ARTICLE 19

11. The special programme referred to in paragraph 10 shall contain at least the following information:

- | | |
|---|---|
| <ul style="list-style-type: none">- demarcation of the geographical area(s) covered by the programme;- present status of the fishing fleet in the areas concerned: number of vessels broken down by length, gross registered tonnage, power, age and type of fishing;- previous developments and prospects with regard to employment in the fisheries sector in the areas concerned: number of fishermen, broken down by age, vocational training and type of fishing;- detailed information on existing facilities and programmes for the provision of technical assistance and counselling;- requirements met by the programme, objectives and foreseeable impact on employment;- investment plans, expenditure involved and provisional schedule;- link-up with other measures provided for under the IMPs;- duration of programme. | <ul style="list-style-type: none">- demarcation of the geographical area(s) covered by the programme;- present status of the fishing fleet in the areas concerned: number of vessels broken down by length, gross registered tonnage, power, age and type of fishing;- previous developments and prospects with regard to employment in the fisheries sector in the areas concerned: number of fishermen, broken down by age, vocational training and type of fishing;- detailed information on existing facilities and programmes for the provision of technical assistance and counselling;- requirements met by the programme, objectives and foreseeable impact on employment;- investment plans, expenditure involved and provisional schedule;- link-up with other measures provided for under the IMPs;- duration of programme. |
|---|---|

amendment No. 55

ARTICLE 19

amend paragraph 12 as follows:

2. The part of the Community contribution specified in the Annex shall be provided by the EAGGF Guidance Section. The balance shall be provided under this regulation.

ARTICLE 19

12. Part of the Community aid referred to in paragraph 5 shall be provided by the EAGGF subject to the conditions laid down by Regulation (EEC) No. 2908/83. The balance of the aid required to make up the rates fixed in paragraph 5 and to cover the projects not subsidized under Regulation (EEC) No. 2908/83 shall be provided under this Regulation. The provisions contained in Articles 12, 17, 18, 19, 20(1) and 21 of Regulation (EEC) No. 2908/83, together with those contained in Articles 8 and 9 of Regulation (EEC) No. 729/70 shall apply to the granting of such aid.

ARTICLES 20 AND 21 UNCHANGED

Amendment No. 56

ARTICLE 22

ARTICLE 22

Replace paragraph 1 with the following:

1. The measures for increasing the market value of products provided for in point IV.1 of the IMPs for Greece and France and IV.A of the IMP for Italy shall include financing for schemes aimed at:
 - (a) rationalizing and developing storage, packaging, preservation and processing of agricultural and fisheries products;
 - (b) processing the agricultural products included in Annex II of the Treaty into products not covered by that annex, and the marketing of such products, provided that they are new products or by-products which increase the market value of agricultural production and are of particular interest to the producers concerned.
 - (c) a better knowledge of markets and the factors affecting prices; this shall include operations to strengthen and investigate markets, providing these are carried out by producers' unions or organizations;
 - (d) ascertaining how far, from a technical and economic point of view, it is possible to apply new techniques which will help to produce changes in the industrial sector (pilot projects), particularly in the development of new products and by-products;
 - (e) energy-saving and the removal, recovery and recycling of refuse or manufactured products;
 - (f) bringing in the basic products of crop farming and stock breeding and growing the appropriate crops for energy production.
1. The schemes referred to in Article 6 of Regulation (EEC) No. 355/77 and in IV.1 of the integrated programmes for Greece and France and IV.A of the integrated programme for Italy shall cover
 - machinery for harvesting agricultural commodities, provided that this machinery is owned and used by producers' organizations or other beneficiaries within the meaning of Regulation (EEC) No. 355/77 other than producers;
 - advertizing and market research, provided that these are conducted by groups or organizations representing producers in the sector in question;
 - the processing of agricultural commodities listed in Annex II to the Treaty for the manufacture of products not listed in the said Annex and the marketing of such products, provided that these are new products or by-products manufactured from agricultural commodities of commercial significance to the agricultural producers concerned.

Amendment No. 57

ARTICLE 22

Amend paragraph 2 as follows:

2. The measures provided for in paragraph 1 shall be the subject of a detailed plan included in the operational plan of campaign within the meaning of Articles 3 and 4. The contribution of the beneficiary to the operations referred to in paragraph 1 is hereby reduced to
- 20% in the case of projects in Greece and Italy,
 - 25% in the case of projects in France

Amendment No. 58

ARTICLE 22

Amend paragraph 3 to read:

3. The Community's economic contribution to the operations provided for in paragraph 1 shall be:
- 60% for programmes in Greece and in the areas of the Mezzogiorno referred to in the IMP for Italy,
 - 45% for programmes in France.

Amendment No. 59

ARTICLE 22

Replace the text of paragraph 4 as follows:

4. The Community contribution shall be provided in part by the EAGGF Guidance Section, the amount being specified in the Annex, and in part under this Regulation.

ARTICLE 22

2. The contribution of the beneficiary referred to in Article 17(2)(a) of Regulation (EEC) No. 355/77 is hereby reduced to:
- at least 20% in the case of projects in Greece and Italy,
 - at least 25% in the case of projects in France.
3. The level of the Community contribution provided for in Article 17 (2)(c) of Regulation (EEC) No. 355/77 is supplemented to bring the overall level of contribution to:
- 60% for projects in Greece and in the areas of the Mezzogiorno referred to in the IMP for Italy,
 - 45% for projects in France.

ARTICLE 22

4. The balance of the Community contribution needed to finance the amounts additional to Regulation (EEC) No. 355/77 as referred to in paragraphs 1 and 3 shall be paid under this Regulation and approved in accordance with Title II of Regulation (EEC) No. 355/77.

Amendment No. 60

ARTICLE 23

Amend paragraph 1 to read :

1. Council Regulation (EEC) No. 1360/78 as referred to in points IV.2/IV.B of the integrated programmes for Greece, Italy and France may be applied to producers of:
 - dried figs
08.03 B of the Common Customs Tariff,
 - dried grapes
08.04 of the Common Customs Tariff,
 - dried apricots
08.12 A of the Common Customs Tariff,
 - prunes
08.12 C of the Common Customs Tariff,
 - nuts
08.05 of the Common Customs Tariff,
 - locust beans
12.08 B, C of the Common Customs Tariff,
 - resin
13.02 A of the Common Customs Tariff,

and in France to producers of:

- the crop and livestock products referred to in Article 3(1) of Regulation (EEC) No. 1360/78;
- the following processed agricultural products:
 - beef and veal, quarters and whole carcasses
ex 02.01 A of the Common Customs Tariff,
 - cheese and curd
04.04 of the Common Customs Tariff,
 - dried forage
ex 12.10 B of the Common Customs Tariff,
 - olive oil
15.07 A of the Common Customs Tariff,
 - cork
45.01 of the Common Customs Tariff.

Amendment No. 61

ARTICLE 24

Amend paragraph 1 to read:

ARTICLE 23

1. Council Regulation (EEC) No. 1360/78 referred to in points IV.2/IV.B of the integrated programmes for Greece, Italy and France may be applied to producers of:
 - dried figs
08.03 B of the Common Customs Tariff,
 - dried grapes
08.04 of the Common Customs Tariff,
 - dried apricots
08.12 A of the Common Customs Tariff,
 - prunes
08.12 C of the Common Customs Tariff,
 - nuts
08.05 of the Common Customs Tariff,
 - locust beans
12.08 B, C of the Common Customs Tariff,and in France to producers of :

- the crop and livestock products referred to in Article 3(1) of Regulation (EEC) No. 1360/78;
- the following processed agricultural products:
 - beef and veal, quarters and whole carcasses
ex 02.01 A of the Common Customs Tariff,
 - cheese and curd
04.04 of the Common Customs Tariff,
 - dried forage
ex 12.10 B of the Common Customs Tariff,
 - olive oil
15.07 A of the Common Customs Tariff,
 - cork
45.01 of the Common Customs Tariff.

ARTICLE 24

1. As regards the Community contribution to operations to promote small and medium-sized enterprises and craft firms under point V1 of the integrated Mediterranean programmes for Greece, Italy and France, the following provisions of Council Regulation (EEC) No. 2615/80¹ as amended by Council Regulation (EEC) No. 214/84² shall apply:

- (a) operations under point V1 (a) of the IMPs: Article 5 (1)(a)(i);
- (b) operations under point V1 (b) of the IMPs: Article 5 (1)(a)(ii);
- (c) operations under point V1 (c) of the IMPs: Article 5 (1)(a)(iii) and (iv);
- (d) operations under point V1 (d) of the IMPs: Article 5 (1)(a)(v);
- (e) operations under point V1 (e) of the IMPs: Article 5 (1)(a)(vii);
- (f) operations under point V1 (f) of the IMPs: Article 5 (1)(b)(i);
- (g) operations under point V1 (g) of the IMPs: Article 5 (1)(b)(ii);
- (h) operations under point V1 (h) of the IMPs: Article 5 (1)(a)(viii);
- (i) operations under point V1 (i) of the IMPs: Article 5 (1)(c)(ii);
- (j) operations under point V1 (k) of the IMPs: Article 5 (1)(e).

Amendment No. 62

ARTICLE 25

Amend as follows:

The Community contribution to operations for relocating businesses under point V.2. of the IMP for Greece shall be as follows:

- (1) operations under point V.2.(a) of the IMPs: 75% of the public expenditure resulting from the granting of aid for dismantling, transferring and modifying equipment, provided that such aid is supplementary to the existing aid system;

¹ OJ No. L 271, 15.10.1980, p.1

² OJ No. L 27, 31.1.1984, p.1

1. As regards the Community contribution to operations to promote small and medium-sized enterprises and craft firms under point V1 of the integrated Mediterranean programmes for Greece, Italy and France, the following provisions of Council Regulation (EEC) No. 2615/80¹ shall apply:

- (a) operations under point V1 (a) of the IMPs: Article 5 (1)(a)(i);
- (b) operations under point V1 (b) of the IMPs: Article 5 (1)(a)(ii);
- (c) operations under point V1 (c) of the IMPs: Article 5 (1)(a)(iii) and (iv);
- (d) operations under point V1 (d) of the IMPs: Article 5 (1)(a)(v);
- (e) operations under point V1 (e) of the IMPs: Article 5 (1)(a)(vii);
- (f) operations under point V1 (f) of the IMPs: Article 5 (1)(b)(i);
- (g) operations under point V1 (g) of the IMPs: Article 5 (1)(b)(ii);
- (h) operations under point V1 (h) of the IMPs: Article 5 (1)(a)(viii);
- (i) operations under point V1 (i) of the IMPs: Article 5 (1)(c)(ii);
- (j) operations under point V1 (k) of the IMPs: Article 5 (1)(e).

ARTICLE 25

The Community contribution to operations for relocating businesses under point V.2. of the IMP shall be as follows:

- (1) operations under point V.2.(a) of the IMPs: 50% of the public expenditure resulting from the granting of aid for dismantling, transferring and modifying equipment, provided that such aid is supplementary to the existing aid system;

- (2) operations under point V.2.(b) of the IMPs: 75% of the public expenditure with a ceiling of 15,000 ECU per housing unit.

Amendment No. 63

ARTICLE 26

Replace this article with the following:

1. The operations to promote rural tourism are provided for under the following points in the Annexes: V.3 in the case of Greece, V.B in the case of Italy and V.2 in the case of France. Additional operations, such as creation of parks and cultural centres and the renovation of buildings of architectural interest, may be included.
2. The Community contribution to the operations referred to in paragraph 1 may not exceed 50% of expenditure by private operators and 60% of public expenditure.

Amendment No. 64

ARTICLE 27

Amend and add to paragraph 1 as follows:

1. As regards the Community contribution to operations for promoting renewable sources of energy under point V.4 of the IMPs, the following provisions of Council Regulation (EEC) No. 2618/80¹, as amended by Council Regulation (EEC) No. 218/84², shall apply:
 - (a) operations under point V.4.(a) of the IMPs: Article 5(1)(a);
 - (b) operations under point V.4.(b) of the IMPs: Article 5(1)(b);

¹ OJ No. L 271, 15.10.1980, p.1

² OJ No. L 27, 31.1.1984, p.15

- (2) operations under point V.2.(b) of the IMPs: 50% of the public expenditure with a ceiling of 10,000 ECU per housing unit.

ARTICLE 26

1. As regards the Community contribution to operations for developing rural tourism under V.3 of the IMPs, the following provisions of Regulation (EEC) No. 2615/80 shall apply:
 - (a) operations under point V.3(a) of the IMPs: Article 5(1)(d)(i)
 - (b) operations under point V.3(b) of the IMPs: Article 5(1)(d)(ii)
 - (c) operations under point V.3(c) of the IMPs: Article 5(1)(d)(iv)
2. In addition, in the case of operations under point V.3(d) of the IMPs the Community contribution shall be 50% of the public expenditure resulting from the cost of restoring buildings and monuments accessible to tourists

ARTICLE 27

1. As regards the Community contribution to operations for promoting renewable sources of energy under point V.4 of the IMPs, the following provisions of Council Regulation (EEC) No. 2618/80 shall apply:
 - (a) operations under point V.4.(a) of the IMPs: Article 5(1)(a);
 - (b) operations under point V.4.(b) of the IMPs: Article 5(1)(b);

- (c) operations under point V.4.(c) of the IMPs: Article 5(1)(c);
- (d) operations to develop thermal mineral springs and medicinal springs;
- (e) operations to exploit peat and lignite deposits.

- (c) operations under point V.4.(c) of the IMPs: Article 5(1)(c).

Amendment No. 65

ARTICLE 28

Replace the text of Article 28 as follows:

In the event of the measures under consideration being covered by other Community financial instruments, the Community contribution must not exceed the rates laid down in this Regulation.

Amendment No. 66

ARTICLE 29

Replace the text of Article 29 as follows:

The special programmes provided for in Article 24 must specify the procedures for carrying out the operations referred to, the expenditure taken into account in order to determine the Community contribution and the procedures for administration and supervision.

Amendment No. 67

ARTICLE 30

Delete Article 30

ARTICLE 28

1. Aid granted under the IMPs and, where appropriate, under Regulations (EEC) No 2615/80 and (EEC) No 2618/80 may not be combined with aid from the quota section of the ERDF.
2. Where necessary, the provisions of Article 5 (3) of Regulation (EEC) No 2615/80 and of Article 5 (2) of Regulation (EEC) No 2618/80 shall apply.

ARTICLE 29

1. The implementation of the operations referred to in Articles 1 to 4 shall be carried out under a special programme presented to the Commission within the framework of the operational plan of campaign referred to in Article 3 of this Regulation.
2. The provisions of Article 3 (2), (3), (4) and (6) of Regulations (EEC) No 2615/80 and (EEC) No 2618/80 shall apply.
3. Where a special programme has already been approved by the Commission pursuant to Regulations (EEC) No 2615/80 or (EEC) No 2618/80, the necessary adjustments with reference to the IMP shall be presented within the framework of the operational plan of campaign.

ARTICLE 30

The provisions of Articles 5 (5) and 6 of Regulation (EEC) No 2615/80 shall apply.

Amendment No. 68

ARTICLE 31

Replace Article 31 with the following:

1. The Community contribution to the financing of the infrastructures required for the development of the activities enabling employment openings to be created is provided for in Point VI of the IMPs for Greece, France and Italy. Community grants may be made for the erection or conversion of premises suitable for day nurseries in regions lacking social infrastructure works such as hospital and school buildings and cultural centres, providing such projects are included under the regional development programme.

The Community's financial contribution shall be:

- in the case of Greece: 75% of the actual expenditure
 - in the case of Italy: 65% of the actual expenditure
 - in the case of France: 50% of the actual expenditure.
2. Operations under para. 1 must be carried out in the context of the regional development programme, which is expected to be amended.
 3. The Community contribution shall be provided in part by the ERDF and in part by virtue of this regulation, within the limits of the sums laid down in the Annex.

ARTICLE 31

1. As regards the Community contribution to the financing of infrastructure under point VI(a) and (b) of the integrated Mediterranean programmes for Greece and Italy and VI(a) of the integrated Mediterranean Programme for France, the provisions of Council Regulation (EEC) No. 724/75¹ shall apply.
2. In particular, only infrastructure covered by programmes as defined in Article 8 of Regulation (EEC) No. 725/75 may be financed. Such programmes shall be presented to the Commission within the framework of the operational plan of campaign referred to in Article 3 of this Regulation.
3. The rates of the Community contribution shall be:
 - in the case of Greece: 75% of the public expenditure
 - in the case of Italy: 65% of the public expenditure
 - in the case of France: 50% of the public expenditure.
4. The Community contribution shall be provided in part by the ERDF which shall grant assistance under the terms laid down by Regulation (EEC) No. 724/75. The balance of the Community contribution needed to attain the rates laid down in paragraph 3 above and to cover any infrastructure referred to in paragraph 1 which is not eligible under Regulation (EEC) No. 724/75, shall be provided under this regulation.

¹ OJ No. L 73, 21.3.1975, p. 1

Amendment No. 69

ARTICLE 32

Replace the text of paragraph 5 as follows:

5. The Community contribution shall be provided under this Regulation and in part by the EAGGF Guidance Section, for the amounts laid down in the Annex.

ARTICLE 32

5. In the case of Greece, the Community contribution shall be provided in part by the EAGGF Guidance Section, which shall provide assistance on the conditions and within the limits provided for in Regulation (EEC) No. 1975/82.

The balance of the Community contribution needed to make up the rate laid down in paragraph 4 and to enable the volumes laid down in Regulation (EEC) No. 1975/82 to be exceeded shall be provided under this Regulation.

Amendment No. 70

ARTICLE 32

Delete paragraph 6

ARTICLE 32

6. Community assistance shall be approved, where necessary, notwithstanding Article 18 (2) (a) of Regulation (EEC) No. 1975/82, in accordance with the procedure referred to in Article 5 (3) of this Regulation.

Amendment No. 71

ARTICLE 33

Amend paragraph 1 to read:

1. The measures to develop the agricultural advisory services referred to at points VII(a) and VII(A) of the IMPs for Greece and Italy respectively shall include:

- (a) establishment of a national advisory services committee;
- (b) establishment and operation of inter-regional training centres for agricultural advisers and/or agricultural instructors;
- (c) further training for instructors;
- (d) training of agricultural advisers and/or agricultural instructors;
- (e) employment of the agricultural advisers and/or agricultural instructors;

ARTICLE 33

1. The measures to develop the agricultural advisory services referred to at point VII (a) of the integrated Mediterranean Programme for Greece shall include:

- (a) establishment of a national advisory services committee;
- (b) establishment of training centres for agricultural advisers;
- (c) specialized training of instructors;
- (d) training of agricultural advisers;
- (e) employment of the advisers.

Amendment No. 72

ARTICLE 33

Amend paragraph 2 to read:

2. The measures referred to in paragraph 1 shall be implemented in the form of a detailed plan under the operational plan of campaign referred to in Article 3 and which shall be approved by the Commission under the procedure laid down in Article 5(2).

ARTICLE 33

2. The measures referred to in paragraph 1 shall be implemented in the form of a detailed plan to which Articles 3 and 5 to 9 of Council Regulation (EEC) No. 270/79¹ shall apply mutatis mutandis. The plan shall be submitted by Greece under the operational plan of campaign referred to in Article 3 shall be approved by the Commission under the procedure laid down in Article 5(2).

Amendment No. 73

ARTICLE 33

Amend paragraph 3 to read:

3. Actual expenditure incurred by Greece in implementing the measures referred to in paragraph 1 shall be reimbursed at a rate of 75%, subject to maximum eligible amounts and within the following limits:
- 100,000 ECU for the further training of teachers;
 - 260,000 ECU per annum for the running expenses of the national committee, including the centres;
 - 1,200,000 ECU per annum for expenditure incurred by way of the course attendance allowance, for a period of 4 years and subject to a limit of 3,000 ECU per student per year;
 - 15,000 ECU per agricultural adviser and/or agricultural instructor employed under the annual advisory plans, paid directly or indirectly by public authorities and trained in accordance with this Article. Community aid shall extend over a period of 6 years of work by the agricultural advisers and/or agricultural instructor and shall be granted on the basis of the sliding scale laid down in Article 11(3) of Regulation (EEC) No. 270/79.

ARTICLE 33

3. Actual expenditure incurred by Greece in implementing the measures referred to in paragraph 1 shall be reimbursed at a rate of 75%, subject to maximum eligible amounts and within the following limited:
- 100,000 ECU per annum for the specialized training of teachers;
 - 260,000 ECU per annum for the running expenses of the national committee, including the centres;
 - 1,200,000 ECU per annum for expenditure incurred by way of the course attendance allowance, for a period of 4 years and subject to a limit of 4,000 ECU per student.
 - 15,000 ECU per adviser employed under the annual advisory plans, paid directly or indirectly by public authorities and trained in accordance with this Article. Community aid shall extend over a period of 6 years of work by the adviser and shall be granted on the basis of the sliding scale laid down in Article 11(3) of Regulation (EEC) No. 270/79.

¹CJ No. L 38, 14.2.1979, p.6.

Amendment No. 74

ARTICLE 34

ARTICLE 34

Amend paragraph 1 to read:

1. The following amounts shall be added to the maximum eligible amounts fixed in Article 11 of Regulation (EEC) No. 270/79, which is referred to at point VII(a) of the IMP for Italy:
 - 72,000 ECU for running expenses incurred by the inter-regional body in respect of each centre set up in the areas of the Mezzogiorno covered by the Programme;
 - 2,000 ECU per student for expenditure incurred by way of the attendance allowance;
 - 5,000 ECU per agricultural adviser and/or agricultural instructor employed.

1. The following amounts shall be added to the maximum eligible amounts fixed in Article 11 of Regulation (EEC) No. 270/79, which is referred to at point VII(A) of the IMP for Italy:
 - 72,000 ECU for running expenses incurred by the inter-regional body in respect of each centre set up in the areas of the Mezzogiorno covered by the Programme;
 - 2,000 ECU per student for expenditure incurred by way of the attendance allowance;
 - 5,000 ECU per adviser employed.

Amendment No. 75

ARTICLE 35

ARTICLE 35

Amend and supplement Article 35 as follows:

1. The provisions of Council Regulation (EEC) No. 2950/83¹ shall apply to the Community contribution to the financing of the vocational training measures and the activities designed to increase awareness, provide information and promote local initiative provided for under point VII(a) of the integrated Mediterranean programmes for Greece, Italy and France as well as of the measures for developing the services which guarantee integrated operation of training and the establishment of facilities to monitor the labour market, provided for under the same point in the IMPs for Greece and Italy.

1. The provisions of Council Regulation (EEC) No. shall apply to the Community contribution to the financing of the vocational training measures and the activities designed to increase awareness, provide information and promote local initiative provided for under point VII(a) of the integrated Mediterranean programmes for Greece, Italy and France as well as of the measures for developing the services which guarantee integrated operation of training and the establishment of facilities to monitor the labour market, provided for under the same point in the IMPs for Greece and Italy.

¹ OJ No. L 289, 22 October, 1983, page 1

2. All running expenses other than those concerning vocational training shall be eligible within the meaning of Article 1 of Regulation (EEC) No. 2950/83 for the measures referred to in paragraph 1.

2. All running expenses other than those concerning vocational training shall be eligible within the meaning of Article 1 of Regulation (EEC) No. for the measures referred to in paragraph 1.

2a. In order to encourage employment and more especially the mobility of workers between various sectors by means of measures to employ and retrain persons taking up or changing an occupation, in accordance with the objectives of the IMP s, who do not qualify for assistance from the European Social Fund under the regulation now in force, an allocation shall be granted under this Regulation. As regards the relevant procedures, the provisions of Council Regulation (EEC) No. 2950/83 of 17 October 1983 shall apply in so far as they are compatible .

3. The Community contribution shall be:

- for Greece: 75% of eligible expenditure,
- for Italy: 65% of eligible expenditure,
- for France: 50% of eligible expenditure.

3. The Community contribution shall be:

- for Greece: 75% of eligible expenditure,
- for Italy: 65% of eligible expenditure
- for France: 50% of eligible expenditure

4. The Community contribution shall be provided under this Regulation.

4. The Community contribution shall be provided under this Regulation.

ARTICLE 36 UNCHANGED

Amendment No. 76

ARTICLE 37

Amend paragraph 2 to read:

2. In the course of the second and fifth years, the Commission shall present to Parliament and to the Council a report on the implementation of the measures provided for in the integrated Mediterranean programmes, specifically in accordance with the conditions for decisions to grant finance set out in Article 4(1) (a).

Amendment No. 77

ARTICLE 38

Add a fourth paragraph as follows:

The Commission shall ensure that the various measures are mutually complementary and consistent throughout the period covered by the integrated Mediterranean programmes.

It may, if need be, carry out appropriate on-the-spot checks, inter alia to monitor the economic effectiveness of the measures or projects part-financed by the Community.

Where appropriate, it may, in accordance with the procedures laid down in Article 4(2), suspend the Community's financial contribution if it finds that the various measures are no longer mutually complementary and consistent.

Where aids are utilized in contravention or circumvention of EEC regulations, the Commission shall reclaim the amounts granted. This shall also apply in respect of aids for projects not concluded within a period of 8 years.

Amendment No. 78

ARTICLE 39

Replace the text of Article 39 as follows:

1. The integrated Mediterranean programmes for Greece, Italy and France shall be published in the Annex and considered as part of this Regulation.

2. For each IME, the appropriations granted under this Regulation shall be laid down measure by measure, including those to be provided by the EAGGF, the ERDF and the ESF.

ARTICLE 37

2. In the course of the third and the fifth years, the Commission shall present to Parliament and to the Council a report on the implementation of the measures provided for in the integrated Mediterranean programmes.

ARTICLE 38

The Commission shall ensure that the various measures are mutually complementary and consistent throughout the period covered by the integrated Mediterranean programmes.

It may, if need be, carry out appropriate on-the-spot checks, inter alia to monitor the economic effectiveness of the measures or projects part-financed by the Community.

Where appropriate, it may, in accordance with the procedures laid down in Article 4(2), suspend the Community's financial contribution if it finds that the various measures are no longer mutually complementary and consistent.

ARTICLE 39

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Amendment No. 79

Article 39a

Add a new Article 39a as follows:

This Regulation shall enter into force
on the third day following its publication
in the Official Journal of the European
Communities.

This Regulation shall be binding in its
entirety and directly applicable in all
Member States.

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 on instituting the integrated Mediterranean programmes, and incorporating the opinion of the European Parliament.

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM(83) 495 final, COM(83) 641 final and COM(83) 24 final)¹,
- having been asked by the Council, pursuant to Article 235 of the Treaty establishing the European Economic Community, to give an opinion (Doc. 1-661/83),
- having regard to the report by the Committee on Regional Policy and Regional Planning and the opinions of the Committee on Agriculture, the Committee on Economic and Monetary Affairs, the Committee on Budgets, the Committee on Social Affairs and Employment and the Committee on the Environment, Public Health and Consumer Protection (Doc. 1-1530/83),
- having regard to the results of the votes on the Commission proposal,
- having regard to the motions for resolutions tabled by:
 - . Mrs BARBARELLA and others on the Mediterranean programmes (Doc. 1-1006/81)
 - . Mr BARBAGLI and Mr BERSANI on a proposal for a regulation concerning incentives for integrated development operations in the Appennine zones of Central Italy (Doc. 1-56/82)
 - . Mr BARBAGLI and others on the development and definition of the internal regions of the Community (Doc. 1-57/82)
 - . Mr COSTANZO and others on specific Community action for the protection, enlargement and preservation of the forestry resources of the Mediterranean regions (Doc. 1-815/82)
 - . Mr KYRKOS on the Institute for Studies in Mediterranean Agriculture in Chania, Crete (Doc. 1-1077/82),
- having regard to its resolutions of
 - 16 February 1982²
 - 16 February 1982³
 - 17 June 1982⁴

¹OJ No. C 251, 19.9.1983, p. 1

²OJ No. C 66, 15.3.1982, p. 26 - (PÖTTERING report on a 'Mediterranean plan' - Doc. 1-736/81)

³OJ No. C 66, 15.3.1982, p. 21 (FAURE report on the contribution of rural development to the re-establishment of regional balances in the Community - Doc. 1-648/81)

⁴OJ No. C 182, 19.7.1982, p. 64 (HOFFER report on the Commission's response to the Mandate of 10 May 1980 - Doc. 1-307/82)

- having regard to the motions for resolutions tabled by
 - . Mr ALMIRANTE and others on the crisis in the canning industry in Campania (Doc. 1-1353/82/rev.)
 - . Mr ALMIRANTE and others on the crisis in the slate industry (Doc. 1-274/83)
 - . Mr ALMIRANTE and others on the crisis in the Italian paper industry (Doc. 1-276/83)
 - . Mr COLLESELLI and others on special Community measures to revive agriculture and forestry in the mountain and dolomite area of the Region of Veneto, through the recovery of land subject to hydrogeological degeneration (Doc. 1-177/83)
 - . Mr KYRKOS on financing the employment of unemployed agronomists by agricultural cooperatives and cooperative unions, in the context of the Integrated Mediterranean Programme for Greece (Doc. 1-369/83)
 - . Mr LIMA and Mr GIUMMARRA on the coordination of Community action in Sicily (Doc. 1-423/83)
 - . Mr KYRKOS on the development programme for the Greek islands (Doc. 1-429/83),
 - having regard to the decision by the European Council in Stuttgart to go forward with the integrated Mediterranean programmes,
- A. recalling the report from the Commission pursuant to the mandate of 30 May 1980¹ and its commitment to draw up a report on the Mediterranean Programmes: lines of action²,
- B. having regard to the regional geographical position of and the natural disadvantages suffered by the Mediterranean regions,
- C. taking as given the special character of their economies, the features of which are severe structural weaknesses and particularities, a skewed demographic profile, high unemployment and underemployment,
- D. whereas the economies of the Mediterranean regions are highly dependent on the primary sector and have as their alternative employment sector the secondary sector which tends towards the traditional labour-intensive, low-productivity form, while the tertiary sector is unnaturally swollen, with serious shortcomings in the administrative and information sectors,

¹ Bulletin of the European Communities, Supplement 1/81, chapters 27 to 30

² COM(81) 637 final.

- E. considering that the high rate of emigration by skilled and younger members of the work-force has serious repercussions on the vigour of their economies and in undermining the social structure,
- F. noting that all the abovementioned characteristics, special features, particularities, structural weaknesses and sectoral deformities constitute 'peripherality syndrome' comprising inhibitory factors which obstruct rapid economic development or the accumulation of capital in any form,
- G. whereas, owing to their special structural and physical characteristics, the Mediterranean regions have been less favoured than other regions of the Community by the process of European integration and by the Community's structural improvement policies,
- H. whereas the integrated Mediterranean programmes (IMP) are supposed to be a response to a section of the demands in the Greek Memorandum of 19 March 1982,
- I. maintaining that the main reasons and associated factors which make the IMPs necessary are:
- (1) the level of development and peculiarity of the Mediterranean regions, which create a 'peripherality syndrome',
 - (2) the implementation of the Community's common policies in their present form, which have created serious problems in the Mediterranean regions,
 - (3) the Community's Mediterranean policy towards the non-Community Mediterranean countries,
 - (4) the socio-economic consequences which will ensue from the accession of Portugal and Spain to the Community¹,
1. Approves the amended proposal of the Commission of the European Communities for the integrated Mediterranean programmes² which consist of measures to be implemented within the framework of the Community's structural funds and Community rules on the IMPs and which should aim to increase the incomes of those living in the less-developed Mediterranean regions while, at the same time, maintaining the level of employment without provoking the migration of the population from the agricultural regions;

¹ OJ No. C 334, 20.12.1982, p. 54 (report by Lord D'UUR0 on the enlargement of the Community to include Spain and Portugal - Doc. 1-658/82)

² COM(83) 495 final, COM(83) 641 final, COM(83) 24 final - OJ No. C 251, 19.9.1983, p. 1

2. Approves the basic principles of equivalence and equality which imbue the Commission's proposals, but stresses that only a global approach to the problems of the Mediterranean regions will contribute to restructuring their economic structures, in that a simple transfer of funds does not constitute a factor which will bring the socio-economic situation of such regions into balance;
3. Welcomes the fact that the Commission has taken account of several observations in the resolution of 16 February 1982 in its proposals for integrated Mediterranean programmes, but regrets and criticizes the fact that the Commission has not taken up the idea put forward in the abovementioned resolution for resources for a Mediterranean Plan based on a revolving fund;
4. Emphasises that the success of the objectives set in the IMPs will depend on combating the causes of the structural weaknesses and the creation of jobs in non-agricultural sectors which must absorb the surplus manpower which will be released from the primary sector, ensuring that there is an adequate system for the distribution and sales of new products and services resulting from IMPs.
5. Considers that the Commission proposal for a regulation instituting the IMPs lacks clarity and simplicity and fails to coordinate the different measures, qualities which are essential to achieve the objectives of developing the less-developed regions of the Mediterranean; consequently, calls on the Commission to amend the proposal for a regulation and indicates the directions which have to be followed, namely:
 - (a) guaranteeing local bodies greater opportunities for action and broader responsibility for implementing the integrated programmes,
 - (b) ensuring cohesion between all Community intervention measures and ensuring that all Community financial bodies are geared to the aims established in the IMPs,
 - (c) simplifying the regulations provided for at Community level and harmonizing the financial procedures within the framework of the programme,
 - (d) making provision for a revolving fund to increase the appropriations needed to develop small and medium-sized undertakings seeing that the Commission has still not managed to establish such a fund as already called for in its resolutions of 16 February 1982 and 22 April 1982¹.

¹ OJ No. C 66, 15.3.1982, p. 26 (PÖTTERING report on a 'Mediterranean Plan' - Doc. 1-736/81 and OJ No. C 125, 17.5.1982, p.84 (DE PASQUALE report on the reform of the ERDF - Doc 1-61/82.

6. Observes that Community intervention must not be confined or reduced to IMPs solely in the agricultural sector; this means that national and Community efforts by the Mediterranean regions in non-agricultural sectors must be stepped up and coordinated in tandem with measures on behalf of agriculture, if the IMPs or the desired development of the Mediterranean regions are to be truly integrated in all spheres of activity;
7. Notes certain gaps and shortcomings within the framework of the IMPs and calls on the Commission to take account of the following comments:
 - (a) there is no serious policy to increase the size of agricultural holdings, which is a major problem for the development of agriculture; the renewal of Council Directive 72/160/EEC on the cessation of farming, which never took effect in the Mezzogiorno, is totally unacceptable. On the other hand credit facilities for farmers could be improved;
 - (b) within the framework of the IMPs, a serious, comprehensive hydrological survey should be organized in the Mediterranean regions with a view to determining accurately the existing difficulties and subsequently ascertaining what feedingstuffs can be grown in each region;
 - (c) with regard to plant products, the obligation not to increase production should be limited to products and varieties found to be causing problems of overproduction in the Community market; on the other hand, provision should be made to facilitate conversion to other agricultural products in the areas concerned;
 - (d) cohesion should be guaranteed between the market measures of the CAP and the objectives laid down in the IMPs. This problem arises in particular in the stock-rearing sector, which is to be developed in the inland areas and which should not therefore be placed at a disadvantage by other Community measures;
 - (e) the financing of initiatives which are non-agricultural but connected with agriculture is extremely limited, considering the major social importance and the importance for employment of these activities;
8. Endorses the distribution of Community expenditure to three Member States (Italy 44.5%, Greece 38.4% and France 17.1%) and stresses that the Levy of 40% of total costs imposed on the Member States must be strictly adhered to so that the principle of additionality is applied;

as regards agriculture

9. Points out that the measures on behalf of agriculture occupy a central position in the IMPs owing to the importance of the sector for the economies of the Mediterranean regions and the necessity of modernizing them;
10. Recalls its resolutions of
- 9 July 1982¹
 - 16 June 1982²
 - 17 November 1982³
- and, more particularly, stresses the need to aid fruit and vegetable producers' organizations and to reinforce the principles underlying production and marketing in this sector in the context of Community enlargement;
11. Stresses once again:
- (a) the inherent weaknesses of Mediterranean agriculture, the products of which are frequently seasonal, perishable and difficult to store, and are therefore especially vulnerable to any market difficulties,
 - (b) the inadequacy and, frequently, the non-existence of producers' organizations,
 - (c) the shortcomings in Community rules governing typical Mediterranean products as regards the organization of the markets, guarantees, prices to producers and Community preference;
12. Observes that the ratio between expenditure on production structures and expenditure on marketing and processing structures is disproportionately weighted against the latter and supports calls for an improvement in the said ratio through an increase in the amounts allocated to making improvements in marketing and processing structures;
13. Notes that the IMPs include a large number of different types of measures which cannot all be carried out at the same time in practice, and therefore asks the Commission to make provision through a specific procedure:
- (a) to enable Community allocations made available for such measures as may exhaust the available appropriations before the expiry of the six-year period to be increased, subject to an upper limit,

¹ OJ No. C 238, 13.9.1982, p. 87 (COLLESELLI report on the common organization of the market in wine - Doc. 1-412/82)

² OJ No. C 182, 19.7.1982, p. 36 (MAFFRE-BAUGE report on the common organization of the market in fruit and vegetables - Doc. 1-279/82)

³ OJ No. C 334, 20.12.1982, p. 63 (SUTRA DE GERMA report on Mediterranean agriculture and the problems of the enlargement of the EEC towards the South - Doc. 1-785/82)

- (b) to make it possible to extend the application of certain measures in order to complete certain activities which, by their nature, are subject to heavy delays.
14. Observes that in the case of agriculture the specific proposals made by the Commission are exclusively in the area of structural improvements, whereas in the area of improving the organization of the markets in Mediterranean products the Commission confines itself to vague words and wishful thinking;
 15. Calls on the Commission to ensure adequate support for the timely creation of sales and distribution networks for the products of restructuring ;
 16. Draws attention to the importance of energy-producing agriculture for the liquid fuel needs of Greece, Italy and France, and the need to incorporate the results of the Community's action programme in biomechanical engineering to facilitate agricultural restructuring for energy purposes in IMPs.
 17. Stresses once again that the sought-after conversion or modernization of traditional production sectors in the Mediterranean regions are dependent not only on technical factors relating to production and processing structures, but also on conditions on the market in Mediterranean products, particularly as regards availability guarantees and support prices;
 18. Notes that in the absence of specific parallel proposals for improving common organizations of the markets, there is a risk that the IMPs will have no real results;
 19. Points out that the Commission has not included any regional development planning element in the proposed measures whereby activities in the agricultural and non-agricultural sectors will be developed side by side and in a complementary manner to form a harmonious process of development for such regions;

as regards forestry

20. Points to:
 - (a) the economic importance of forests for the whole of the Community,
 - (b) their ecological role and the part they play in protecting the soil,
 - (c) the desperate condition of forests in the Mediterranean regions, owing to destruction, and
 - (d) the urgent need for extensive steps to be taken to protect them from fire and for reafforestation measures;

(e) the potential of afforestation for methanol production.

21. Observes that Community efforts in the forestry sector in general and in the context of the IMPs in particular are very slight and supports their reinforcement;

as regards fishing

22. Points out the considerable opportunities for the development of the Mediterranean regions in the fishing and aquaculture sectors, as stressed in its resolutions of
- 10 February 1983 ¹
23. Points out that fishing is a most important sector from the point of view of the prospects of creating alternative employment openings and producing high-quality protein food for those living in the Mediterranean regions, and supports an increase in the amounts earmarked for the development of fishing;
24. Asks the Commission, in applying the measures for the restructuring of the fleets, to take account of the special characteristics of the fishing fleets in the Mediterranean regions as regards age, type and size;
25. Calls on the Commission to submit its specific proposals on this sector as soon as possible;

as regards the development of non-agricultural sectors

26. Believes that the restructuring of the agricultural sector in the Mediterranean regions as proposed in the IMPs will have negative effects on employment and that the creation of alternative employment openings in non-agricultural sectors must therefore be a priority;
27. Points out that the proposed measures for the development of small and medium-sized undertakings, rural tourism and alternative energy sources have already been proposed as part of the first and second series of specific Community actions by the ERDF, non-quota section, and that the Commission is simply extending the field of application, thereby displaying timidity and a lack of imagination;

¹ OJ No. C 69, 14.3.1983, p. 74 and p. 78 (GAUTHIER report on Community fisheries policy in the Mediterranean - Doc. 1-949/82, and PAPAEFSTRATIOU report on the development of fisheries in Greek bays, lagoons and inland waters - Doc. 1-950/82)

28. Stresses the fundamental part played by the SMUs, in coping with unemployment in stabilizing the economy, in the subtleness and flexibility of their reaction to changes in market conditions, in their lower level of dependence on the background economic situation, in their widespread geographical distribution and dispersal, in the contribution they make to maintaining productive activities in the countryside and in retarding the depopulation of backward regions;
29. Stresses that small undertakings should be the main beneficiaries of the integrated programmes; large undertakings could also give aid in circumstances where the purpose of such aid is to carry out national developmental objectives for certain regions, always providing that this does not conflict with broader Community aims;
30. Stresses the importance of the new information technologies for fulfilling the aims of the integrated programmes. Current developments in telecommunications and the establishment of a suitable information network at European level could help to eliminate some of the disadvantages attaching, for instance, to remoteness and limited size that have hindered the non-agricultural development of the poorer Mediterranean regions. In this context, investments in infrastructures in the communications sector, such as data transmission and telecommunications, should be given considerable encouragement;
31. Asks the Commission to step up the financing of SMU investments by activating Article 352 of the budget so as to give effect to its resolution of 16 February 1982 on the creation of a revolving fund;
32. Maintains that to facilitate employment and occupational mobility, provisions should be made to include under the normal tasks of the European Social Fund¹ the financing of operations and programmes designed to create additional employment in sectors of the economy which, owing to the structural measures in the IMPs, are able to absorb surplus manpower;

¹Regulation (EEC) No. 2950/83, OJ No. L 289, 22.10.1983

as regards tourism

33. Recalls the important climatic, geographical and cultural advantages enjoyed by the Mediterranean regions and the important part played by rural tourism in securing additional income, and asks the Commission to increase the sums allocated for the development of this sector;

as regards energy

34. Considers that the sums allocated to the energy sector are insufficient to make an effective contribution to the twin objectives of discovering alternative energy sources and promoting new jobs; if these twin objectives are to succeed, they will require:

- (a) the development of local resources such as wind and solar energy as part of a programme of research and pilot projects,
- (b) the promotion of the biomass for energy purposes, as rightly stressed in its resolution of 17 September 1982¹,
- (c) the development of the geothermal deposits in the Mediterranean which, thanks to the sub-soil, are of high quality and are relatively easy to develop,
- (d) the development of the lignite and peat deposits which are important alternative energy sources;

35. Recommends, as regards technical assistance, that due attention be paid to training staff at local level;

as regards transport

36. Draws attention to the regional geographical position of the Mediterranean regions, which are among the most outlying regions of the Community, and to the serious deficiencies in the infrastructural sector, particularly the transport infrastructure sector;
37. Emphasizes the considerable contribution of the infrastructure to creating development nuclei (with serious effects on productivity) and, in general, to the socio-economic development of a region;
38. Considers that Community aids to the infrastructural sector, given that the sector is capable of absorbing far more, are completely inadequate and calls for them to be trebled to deal with fundamental deficiencies;

¹OJ No. C 267, 11.10.1982, p. 102 (SELIGMAN report on the development of the biomass for energy purposes - Doc. 1-460/82)

39. Asks the Commission to include projects financed under Article 781 (in the absence of a basic regulation providing for financial support for infrastructure projects in the transport sector) among infrastructure projects eligible for additional assistance from the IMPs, provided that such projects meet the required criteria and contribute to the agricultural development of the regions in which they are carried out;

as regards the environment

40. Emphasises the relationship which exists between the protection and rehabilitation of the environment and regional development, including the immediate contribution which environmental policy can make to employment;
41. Points to the importance of a preventive policy for the protection of the environment and to its incorporation in other policies (agricultural, forestry, tourism, industrial, energy, fisheries, etc.), and recalls that making a detailed survey of the effects on the environment is a procedure of great benefit in the attainment of this objective;
42. Asks the Commission and the Council to draw up a study reviewing the effects on the environment of every activity in the Mediterranean programmes, to provide adequate economic resources for this purpose and, in general, to apply a policy designed to prevent harmful effects on the environment;

as regards financing and financial consequences

43. Agrees with the Commission that, if the unity and integrated character of the programmes, as well as administrative flexibility, are to be preserved, the sums to be allocated in the form of annual grants should be entered in the Community budget under a separate article (Article 551);
44. Considers that the level of the proposed expenditure and the inevitable uncertainties of the present day necessitate particularly detailed supervision of such expenditure, and therefore calls on the Commission to give particular attention to this point in its reports and on the Court of Auditors to draw up a special report on the effectiveness of these programmes in their third year of implementation;
45. Is of the opinion that in appropriations granted by all the Community funds to the IMPs should be identified in the case of each project;

as regards the application of the IMPs

46. Points to the fundamental part which regional and local authorities must play in devising and applying the IMPs and calls on the Commission to step up coordination between regional, national and Community bodies for this purpose;
47. Points out that where programmes have to be co-financed by the state, they may include projects receiving financing from the regional or local authorities alone;
48. Observes that the role of the Guidance Committees and technical working groups which it is proposed to create is not clearly defined, so that there will be confusion among the users of the various financing instruments;
49. Recalls the fundamental weaknesses in the administrative sector in the Mediterranean regions at both national and regional levels, and therefore calls on the Commission to take appropriate steps to offer technical assistance to ensure the effective implementation of the IMPs;
50. Emphasises the importance of implementing assistance in favour of Greece, Italy and France such that the accession of Spain and Portugal will be facilitated rather than hindered.
51. Believes that, in view of their importance for the integration of the Mediterranean regions within the Community economy and for the promotion of economic convergence, the IMPs should be implemented as a matter of urgency since the sums which are required for the first two years are not large and can easily be absorbed;
52. Asks the Council to initiate the conciliation procedure laid down in the agreement between the three Institutions of 4 March 1975¹, and points out that, pursuant to paragraph 4 of the said agreement, it becomes obligatory to initiate the procedure if the Council intends to depart from the Opinion adopted by Parliament;
53. Instructs its President to forward this report in the form of the Commission's proposals as amended by Parliament, together with the resolution relating to it, as Parliament's Opinion, to the Commission, the Council and the governments of the Member States in which the IMPs are applied.

1 OJ No. C 89, 22.4.1975

EXPLANATORY STATEMENTI. INTRODUCTION

1. The balanced development of the Community presupposes vigorous and significant action enabling the least developed regions to minimize the extent to which they are lagging behind other regions. Consequently, it is not by chance that the problems of integration and development which characterize the Community's Mediterranean regions have recently been the subject of numerous studies carried out by different Community bodies. The problems which the Mediterranean regions are facing are clearly not new. However, the solutions proposed over the years have been unambitious, uncoordinated and not always the most suitable, with the result that the problems have increased with the passage of time owing to developments in the general economic situation and Community policies, coupled with external factors connected with the Community's role in international relations.

2. The Commission attached special importance to the problems of the Mediterranean regions in the 'Report from the Commission of the European Communities to the Council pursuant to the Mandate of 30 May 1980'¹ and in 'Mediterranean programmes - lines of action'², also within the framework of the Mandate of 30 May 1980. In both these documents and in earlier documents, the Commission attempted to discover the reasons for the deteriorating situation in the Mediterranean regions and reached the conclusion that the problems of the Mediterranean regions arose chiefly:
 - from the natural disadvantages in these regions, which must be seen in a different context,
 - from their level of development and 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 designed to bring about structural improvements;

¹ Bulletin of the European Communities, Supplement 1/81, chapters 27-30

² COM(81) 637 final of 11 November 1981

- the major importance of agriculture for the economy and the fact that the implementation of the CAP (guarantees) in recent years has benefited the rich regions of the Community more than the less-favoured regions.

The Commission reached this conclusion in its document 'Reflections on the common agricultural policy'¹ which also states that there are major differences in income and productivity between the agricultural regions of the Community. However, even more alarming is the fact that, although some regions such as Ireland and north-eastern Italy have managed to narrow the gap, these differences generally increased in the 1970's. The Community policy of common agricultural market has not helped to reduce regional imbalances and this is due to two basic factors. First, the richer regions of the Community, on account of the nature of their production (cereals, milk and beef), benefit more than the less-developed regions, and particularly the Mediterranean regions where fruit, vegetables and wine are the main products, as the former products receive a greater degree of Community support. Second, the common organization of the markets, together with the system of common prices and subsidies, tends to favour the more prosperous producers, who for the most part are located in the wealthier regions of the Community, precisely because they larger and more modern farms.

3. The European Parliament has also shown great interest in this matter on a number of occasions and repeatedly expressed its political will to the Council and the Commission requesting that programmes for the Mediterranean regions be drawn up as soon as possible, while stressing that Community action should take the form of a vigorous and effective policy committed to promoting balanced development within the regions and not simply economic compensation, particularly in view of the future enlargement of the Community. Otherwise, the measures taken to solve the problems of the Mediterranean regions would lead to the creation of a compensatory system for the transfer of resources from the northern to the southern regions of the Community.

¹Bulletin of the European Communities, supplement 6/80, para 12 pp 8-9

4. On 17 March 1983, in response to the commitment it had given in chapter 30 of its report to the Council pursuant to the Mandate of 30 May, the Commission presented its proposals for IMPs in the form of a communication from the Commission to the Council¹. The Commission's communication includes:

- Part I, explanatory statement together with information on the financial implications,
- Part II, the three IMPs proposed for the Greek, Italian and French regions.

The Commission's proposal in the form of a proposal for a regulation was submitted to the Council on 16 August 1983².

5. It should be noted that the Commission did not present definite proposals in the fisheries sector in the proposal for a regulation. This delay is due to the fact that the Council on Fisheries has still not been able to reach a decision on the implementing details of the resolution of 25 January 1983 on the structural policy in the fisheries and aquaculture sector. The Commission's definite proposals are expected to be submitted by the end of 1983.

II. THE NEED FOR IMPs

6. As we shall see below, there are four main factors which make the IMPs necessary:

- (i) the level of development and the special nature of the Community's Mediterranean regions which give rise to a 'regional syndrome',
 - (ii) the Community's common policies, from which the Mediterranean regions have not benefitted as much as they should have done,
 - (iii) the Community's preferential policy for products originating from the other Mediterranean countries,
 - (iv) the social and economic implication of Spanish and Portuguese accession
- (i) Special features of the Mediterranean regions of the Community

7. The 26 Mediterranean regions which concern us are characterized by structural weaknesses and special features which produce a syndrome of economic and social indicators met with in less-developed economies. In other words, these regions (see Annex I):

¹ COM (83) 24 final
² COM (83) 495 fin

- (i) are dependent on the primary sector, which is highly labour-intensive and therefore employs a substantial proportion of the workforce (one quarter of the working population of the Mediterranean regions is employed in the primary sector as compared with the Community average of 8%);
 - (ii) have an alternative source of employment in the low-efficiency secondary sector, which tends to be structured along traditional labour-intensive lines and employs approximately 28% of the active population;
 - (iii) also have an overgrown tertiary sector characterized by administrative weaknesses and low productivity;
 - (iv) have the fastest growing level of unemployment amongst young people and the highest percentage of unemployed in the Community;
 - (v) have a high level of migration among skilled and relatively young workers which adversely affects labour efficiency and undermines the social structure;
 - (vi) have low returns on labour (about two-thirds of the Community average) and high underemployment (approximately 16%);
 - (vii) have small and rather marginal influence on investment and a low capital yield factor;
 - (viii) have problems in finding outlets for their products because of traditional marketing patterns and the Community's liberal and preferential policy, particularly towards other countries of the Mediterranean basin in the agricultural sector.
8. These characteristics, which are responsible for the special features, structural weaknesses, disadvantages and low level of development of the Mediterranean regions, can be summed up in the term 'regional syndrome'. This term implies the existence of inhibiting factors that prevent a fast rate of economic development and any form of growth based on productive investments that would contribute to indigenous development.
9. The unfavourable position of agriculture, which, as already noted, is an essential sector of the economy in these regions, needs stressing from the outset. It is well known that the productivity of the primary sector is determined by the efficiency of the factors of production, in other words, land capital and labour, all three of which are in a poor condition in the Mediterranean regions.

The land clearly bears the disastrous marks of years of deforestation and erosion, in addition to which it is parcelled up into numerous small-holdings which need absolutely to be irrigated and fertilized in order to be viable. The equipment available on these holdings, viz. machinery, buildings and other installations, is usually inadequate and outdated; the owners of the holdings are generally old and uneducated; the low level of productivity obviously leads to low farm incomes, while the environment in which the activity of the farming sector is carried out in these regions is in a state of degradation. In general, rural areas are sparsely populated and divided into small communities lacking in infrastructures and with a level of social organization unsuited to meeting the contemporary needs of the agricultural population. Low farm incomes and the degraded rural environment are responsible for the continuing migration of the agricultural population and the gradual depopulation of agricultural areas in the Mediterranean regions of the Community.

(ii) Common structural policies and the Mediterranean regions

10. In drawing up and implementing the different policies pursued over the last two decades at national and Community level, insufficient attention has been paid to the disadvantages of the Mediterranean regions and their special developmental potentialities. A number of uncoordinated regional development measures have indeed been implemented, thanks to various financial instruments (particularly the European Investment Bank, Articles 54 and 56 of the ECSC Treaty and the EAGGF (Guidance Section) followed later by the establishment of the European Regional Development Fund. Certain measures were also adopted with a view to coordinating (and 'regionalizing') the interventions of the various funds but, although these did achieve some degree of success - and sometimes led to important developments such as the greater cohesion of structural measures and the compulsory submission of regional development programmes - these endeavours, both at Community and at national level, were inadequate because they continued to be conceived and implemented in isolation from one another. The outcome was that the Mediterranean regions did not benefit as much as they should have done from the advantages of economic convergence and Community integration which the different policies were designed to achieve.

11. The main reasons why favourable results were not achieved are as follows:

- (i) the inadequate coordination of the various financial measures, with financing of isolated schemes having little regional impact,
- (ii) the failure to finance certain infrastructure works, such as the social infrastructure,
- (iii) the criteria for financing laid down by the various funds are, in many instances, general in application, rigid and not adapted to the special features of the Mediterranean regions,
- (iv) the difficulty encountered by national or regional administrations in implementing Community development measures,
- (v) the complicated administrative procedures involved in the preparation and submission of programmes, and finally
- (vi) the inadequate endowment of the various funds (particularly the Regional and Social Funds) in addition to the small percentage of expenditure on certain top-priority works for the Mediterranean regions. The Commission itself stresses:

'Taking the period 1973 - 1982, the total aid allocated to the Mediterranean regions from the structural Funds represents only 31% of the overall budget for these Funds and some 6% of total Community expenditure'.¹

It should be remembered that the Community budget does not exceed 1% of the gross Community product.

In conclusion, neither the procedure followed nor the resources made available have been able to reduce the regional imbalances between the Mediterranean regions and the other regions of the Community and 'the development gap between these regions and the others has not closed and in certain cases has actually widened'.²

(iii) Preferential policy and the Mediterranean

12. With all the 14 states of the Mediterranean which are not members of the EEC, the Community has signed agreements concluding a preferential trade policy for products which are the same or similar to those of the Mediterranean regions.

¹ (COM (83) 24 final, paragraph 14

² COM (83) 24 final, paragraph 13

These agreements allow duty-free access for the industrial products of 14 countries - depending on the sort of products and country of origin - to Community markets. As far as agricultural products from these countries are concerned, the agreements allow access at reduced rates of duty. A sizeable proportion of Community agricultural imports come from these countries and these imports have clearly taken the place of corresponding products from the Mediterranean regions of the Community.

The Community's preferential policy is essential for external political reasons, i.e. to avoid rupturing the present fragile balance of its relations with the Mediterranean countries. The loss of Community markets would compel these countries to reorientate their foreign trade in order to maintain the economic balance and further development required by their population growth. This would inevitably lead to these countries forging closer political ties with their new markets, with grave economic and political implications. It should not be forgotten that, owing to its geographical position, the southern part of the Mediterranean basin is of greater strategic importance to the Community than to the USA or Japan.

12a. However, the Community's relations with the countries in question cannot be maintained or strengthened at the cost of delaying the development of its Mediterranean regions. On the other hand, it is not certain that a policy which opens up prosperous Community markets to exports and low-priced products from other Mediterranean countries, including many products, such as food, which could be used to meet the needs of the often deprived local markets, makes any sound contribution to the long term policy for developing the economies of these countries. With this view in mind, the Community should re-examine and renegotiate the economic cooperation agreements concluded with the other countries of the Mediterranean basin.

(iv). Accession of Portugal and Spain

13. The European Parliament's position with regard to Community enlargement was expressed in the report by Lord DOURO¹.

¹Doc. 1-658/82

The opinions of the 10 committees provide a multi-dimensional picture of the implications of enlargement towards the South. Regions which produce industrial products will receive economic benefits because enlargement will lead to trading links with countries not only in the Iberian Peninsula but, above all, with Latin America and Africa. Moreover, Spain has a sizeable industry in sectors where the Community has structural problems such as shipbuilding, steel and footwear. Portugal also has a sizeable textiles industry, yet another sector with structural problems but one that is characteristic of the Mediterranean regions. Uncontrolled competition in light industry will lead to a fall in prices, lower profits, reduced investments and productivity, reduced production and a corresponding rise in unemployment, which is already at a high level.

- 13a. The brunt of the economic cost of enlargement will be borne by the Mediterranean regions. The reason for this simple: the two applicant countries have economic structures which are very similar to those of the Mediterranean regions¹. In other words, the structural weaknesses, intra-sectoral distortions and marketable goods are similar to those of the Mediterranean regions. Thus, the regions which have most in common with the applicant countries will be adversely affected by attempts to balance out these advantages. In other words, if the Community really wants Spanish and Portuguese accession to be a success, the structural funds must play an important role in creating opportunities to maximize the productive factors and achieve an optimal division of labour;
14. The report by Mr SUTRA DE GERMA² on Mediterranean agriculture and the problems of the enlargement of the EEC towards the South clearly stresses the adverse implications for the Mediterranean regions and proposes that measures be taken immediately, particularly in the agricultural sector. It proposes specific measures that the Community should take before accession for four major products, viz. fruit and vegetables, wine, citrus fruits and olive oil. The CATHERWOOD report³ proposes, in particular, a long transitional period whereby, even after accession, Spain and Portugal will be subject to certain regulations prohibiting the expansion of olive plantations

¹ See UN Economic Bulletin for Europe, Volume 23, No 2 1972 and No 2 1978 on a structural analysis of production in the Mediterranean countries.

² Doc. 1-785/82

³ Doc 1-248/83 A+B

- stipulating quality specifications for fruit and vegetables, etc.
15. The Commission has already stressed the need for a 'new' Mediterranean policy for the enlarged Community¹ and has also analyzed the sectoral implications of enlargement. The accession of the two applicant countries will lead to surpluses in olive oil, wine, citrus fruits and fruit and vegetables. In other words, surpluses in all those products which the 26 Mediterranean regions produce and upon which they depend for their living.

III. AIMS OF THE IMPs

16. The aims of the IMPs are essentially two-fold: to increase incomes and raise the level of employment in the agricultural areas of the Mediterranean regions for which they were originally intended. To this end, the Commission proposes, for the first time, that the existing structural policy instruments be employed within the framework of a cohesive overall programme of far-reaching measures. It is proposed that the action of the various financial instruments be rectified, strengthened or intensified so as to eliminate directly or indirectly the natural, economic, social and other disadvantages of these regions. In addition, new measures also within the framework of existing Community instruments are proposed.
17. Generally speaking, the IMPs are divided into two sections:
- (a) measures dealing with the primary sector (agriculture, forestry, fisheries) which is the basic area of economic activity in these regions;
 - (b) measures dealing with other sectors which are more able to absorb the manpower surplus created in the primary sector as a result of modernization.
18. This aspect of the IMPs, in other words the fact that they are directed principally at the primary sector and secondly at other sectors insofar as these make a contribution to tackling the problems created in the primary sector, gives rise to an observation. At all events, Community action should not be limited to integrated Mediterranean programmes in the agricultural sector alone.

¹COM (82) 353 final

This means that measures on behalf of the Mediterranean regions should also be taken in other areas of Community economic activity with a view to reducing the gap between the Mediterranean regions and the central regions of Europe. It is absolutely essential that the Community step up its efforts in all sectors if its action on behalf of the Mediterranean regions within the framework of the IMPs is not to end up achieving no more than a simple transfer of resources without improving the structures of the overall activities of these regions and leaving the regional problem untouched and probably even more acute as the result of enlargement.

IV. IMPLEMENTATION OF MEASURES

19. The IMP for Greece covers the whole country, except for the prefecture of Attica and the conurbation of Thessaloniki. However, it should be remembered that these regions account for 45% of Greece's population, 50% of its GNP and 75% of its services. They have enormous structural problems in the communications sector, problems due to the centralization of industry, which is damaging the rural environment, and the growing problem of air pollution. In addition to allowing the agricultural measures to be implemented in the rural areas of the prefecture of Attica, these regions should be included in the IMP, at least as regards the following:

(a) support for small and medium-sized undertakings,

(b) support for vocational training centres,

(c) measures to reduce pollution

The IMP for Italy essentially covers the whole of the Mezzogiorno, except for the conurbations of Rome, Naples and Palermo. It also covers the regions of Liguria, Tuscany, Umbria and the Marches, except for the conurbations of Florence and Genoa and the built-up urbanized tourist area along the coast. Given that the majority of measures directed towards the Mezzogiorno cover all economic activities, it would appear that the IMP for Italy is better elaborated. The IMP for France covers 5 Mediterranean regions:

Languedoc-Roussillon, Corsica, Provence-Alpes-Côte d'Azur, Aquitaine and Midi-Pyrénées, except for the conurbations of Marseilles, Bordeaux, and Toulouse and the built-up urbanized and tourist area along the coast.

In view of the geographical position of these areas and the importance of agriculture for them, the IMP for France will be able to promote both its goals: the modernization of the primary sector and the creation of jobs in non-agricultural sectors.

V. SECTORAL ANALYSIS

A. PRIMARY SECTOR

1.1 AGRICULTURE - Production structures

20. The measures on behalf of agriculture occupy a central position in the IMPs, given the importance of the sector for the economy of the Mediterranean regions and the need for modernization.

These measures fall naturally into two categories:

1. 'Horizontal' measures to improve general farming conditions and income support
2. Special measures at farm level

As far as the implementation of these measures is concerned, there are also two categories:

3. Measures on behalf of mountain, island and other problem regions
4. Measures on behalf of lowland and coastal regions

The measures referred to in points 3 and 4 consist of combinations of the measures referred to in points 1 and 2, varying as to the scale and intensity of implementation. For instance, the measures referred to in point 1 apply to all the regions covered by points 3 and 4 but, to a greater extent (scale of investments), to the regions covered by point 3, which have the most structural problems.

On the other hand, the measures referred to under point 2 are more selective, since they take account of the characteristics of each region. In some regions covered by point 4, for example irrigated regions, the emphasis is on operations to rationalize production and improve product quality by changing to different varieties. In other regions covered by point 4, such as dry regions under irrigation, the emphasis is on conversion to types of product that do not create market surpluses, such as fodder crops, which are needed all year round for the livestock sectors both in lowland and mountain regions. In the regions covered by point 3, where the scope for switching to new products is limited, emphasis is placed on encouraging cattle farming, improving traditional sheep and goat farming and introducing or expanding crops suited to the unfavourable environmental conditions, such as aromatic and medicinal plants and nuts.

21.1. 'Horizontal' measures to improve general farming conditions and income support

Include:

(a) Measures to improve physical infrastructure

Aimed at:

- (i) encouraging and consolidation by contributing to the financing of essential related schemes (ground-levelling, trench-digging, construction of access roads, etc.),
- (ii) extending irrigation and drainage by contributing to the financing of schemes essential to agriculture (reservoirs, boreholes, and renewal or construction of irrigation and drainage networks etc.),
- (iii) improving the physical environment by contributing to the financing of schemes to protect agricultural land from erosion, improve land in mountain areas, construct small irrigation systems, build shelters etc.

22.(b) Measures to improve the social structure and income support

Aimed at:

- (i) speeding up the departure of elderly farmers and encouraging them to give up their farms to younger people setting up in agriculture in accordance with Directive 72/160/EEC,
- (ii) supporting the income of farmers in mountain and less-favoured regions by increasing and extending the general scope of the compensatory allowances. To this end, the compensatory allowances provided for in Directive 75/268/EEC need to be as large as possible, scaled according to age to encourage young people to remain in agriculture and granted for all the lines of production covered by the integrated programme.

23.(c) Concomitant measures

Aimed at:

- (i) Technical support and vocational guidance for farmers basically by means of engaging, training and sending agricultural consultants to the regions concerned,
- (ii) Promoting agricultural research.

24.(d) Specific measures for the production sectors

These measures differ from region to region. As already noted, the IMPs basically distinguish between two categories of region:

25.A. Mountain, island and other problem regions

(a) Measures on behalf of cattle, sheep, and goat farming and, in the case of Italy, farming of equine animals

- (i) aids for the construction, improvement and modernization of livestock housing, including the requisite equipment,
- (ii) aids for the purchase of machinery for fodder production,
- (iii) aids for the improvement of pastureland, grassland and other land used for the production of fodder crops, together with the purchase of the requisite equipment, including fences,
- (iv) aids to combat and prevent disease and, in particular, aids for inspections, tests and vaccinations,
- (v) aids for the genetic improvement of herds and, in particular:
 - aids for the modernization or creation of breeding and selection centres including aids for progeny testing,
 - aids for the intensification of performance testing,
 - aids to encourage more widespread use of artificial insemination,
 - aids for the purchase of male breeding animals of approved quality,
- (vi) in Italy and Greece, an additional premium for beef-breed calves and calves resulting from a cross with a beef breed,
- (vii) in Italy, an additional premium for keeping cows for meat production.

26. (b) Measures on behalf of pig farming

Include:

- (i) aids to combat and prevent disease and, in particular, aids for inspections, tests and vaccinations,
- (ii) in Corsica, aids for the construction and modernization of shelters for extensive farming.

27. (c) Measures on behalf of wine-growing

Include:

- (i) aids to promote collective restructuring of vineyards intended for the production of table wines (premium towards the cost of grubbing up and replanting vines and a special premium to compensate for loss of income until such time as the new vineyards enter into production),
- (ii) aids to encourage the conversion of vineyards producing table wines to crops of which there are no surpluses such as, in particular, fodder crops and aromatic and medicinal plants or permanent crops of nuts, soft fruit or exotic fruit (aid for the establishment of irrigation and drainage networks, a premium towards the cost of grubbing up and replanting new crops, a special premium to compensate for loss of income resulting from the conversion to permanent crops until such time as these crops enter into production and, in addition, in Greece and Italy, aid for the collective mechanization of crops),
- (iii) in Greece, aids for the renewal of vineyards producing dried grapes (premium towards the cost of grubbing up and replanting, special premium to compensate for loss of income until such time as the new vineyards enter into production and aid for collective mechanization),
- (iv) in Greece, aids for the planting of new vineyards producing dried grapes within presently existing vineyards.

28. (d) Measures on behalf of olive-growing

Aids for the restructuring of plantations for the production of oil and for their conversion to the growing of table olives, or fodder crops or permanent crops (premium towards the cost of restructuring, conversion and planting of new crops, special premium to compensate for loss of income resulting from conversion to permanent crops until such time as these crops enter into production, and, in addition, in Greece and Italy, aid for collective mechanization).

29. (e) Measures on behalf of permanent crops of nuts, soft fruit and exotic fruit. Aids for restructuring these crops (as in the previous case).
30. (f) Measures on behalf of permanent apple orchards in Greece. Aids for the planting of new apple trees within presently existing orchards.
31. (g) Measures on behalf of annual crops, aromatic and medicinal plants and seeds and propogating material
 Aids to encourage standardization, rationalization and improvement of quality, including varietal conversion (premium towards the cost of establishing the lines of production concerned).

32.B. Lowland and coastal regions

(a) Measures on behalf of livestock farming

- (i) aids to reduce the cost of irrigating intensive fodder crops and land intended for the production of high-quality seed for these crops,
- (ii) aids for the purchase of high-quality seed for fodder crops,
- (iii) aids for the purchase of machinery and irrigation equipment for collective use for the cultivation of these crops,
- (iv) in Italy, aids for the construction of livestock housing for the fattening of livestock,
- (v) in Greece, aids for the construction, improvement and modernization of livestock housing for cattle,
- (vi) in Greece, as regards cattle farming and pig farming, aids to combat and prevent disease and, in particular, aids for inspections, tests and vaccinations,
- (vii) in Greece (as in the case of mountain, island and other problem regions), aids for the genetic improvement of herds,
- (viii) in Greece, an additional premium for beef-breed calves and calves resulting from a cross with a beef breed.

33. (b) Measures on behalf of irrigated crops (excluding vineyards)

- (i) aids for the restructuring (varietal conversion) of fruit-tree plantations, except citrus fruit, provided that the

result is not to increase the area under fruit trees, or for their conversion to crops of which there are no surpluses (as in the case of mountain, island and other problem regions),

- (ii) aids for the restructuring and development of plantations of nuts, soft fruit and exotic fruits (as in the previous case),
- (iii) aids to encourage standardization, rationalization and improvement of quality, including varietal conversion, in the vegetable sector and, in France, in the rice sector (as in the case of mountain, island and other problem regions).

34. (c) Measures on behalf of non-irrigated or partially irrigated crops

- (i) in Greece and France, aids to promote the conversion of vineyards producing table wines to other crops (as in the case of mountain, island and other problem regions),
- (ii) aids to promote the restructuring and conversion of olive plantations for the production of oil (as in the case of mountain, island and other problem regions),
- (iii) aids to promote the establishment of permanent crops for the production of nuts, soft fruit and exotic fruits (as in the case of mountain, island and other problem regions),
- (iv) in Greece, aids to promote the conversion of vineyards producing dried grapes (as in the case of mountain, island and other problem regions).

1.2 FORESTRY

35. The measures on behalf of forests are directed at the mountain, island and other problem regions covered by the IMPs.

They include:

- (i) aids to promote reforestation and improvement of deteriorated woodlands in order to improve farming conditions by protecting soil,
- (ii) aids to promote commercial reforestation, including the planting of fast-growing trees,
- (iii) aids to implement related schemes such as earth-moving in protected areas, the construction of forest roads and the control of fast-flowing streams,

- (iv) aids to prevent and fight forest fires,
- (v) aids to create parks and conservancy areas, including facilities for the rearing of game,
- (vi) aids to renew and restructure chestnut and cork plantations and, in Greece, promote the development of the Aleppo pine,
- (vii) aids to develop forestry improvement schemes,
- (viii) aids to implement studies and trials essential to the above improvements,
- (ix) aids to groups set up to manage woodlands in common.

1.3 MARKETING AND PROCESSING STRUCTURES

36. The measures on behalf of the production structures referred to above are supplemented by measures to improve marketing and processing structures with a view to exploiting the products of the primary sector more efficiently. These measures fall into two main categories:

A. Measures on behalf of preserving and processing industries and marketing

These measures aim to increase subsidies and extend the scope of Regulation (EEC) No. 355/77 by:

- (i) reducing the individual contribution and increasing the Community contribution to the overall expense of the work,
- (ii) including products and by-products, not covered by Annex II, in the marketing and processing programmes for agricultural products eligible for Community aid, subject to certain conditions,
- (iii) financing measures to encourage the marketing of these products and study markets, provided that these measures are undertaken by groups representing the producers.

B. Measures on behalf of establishing producer groups and seeing them through the initial stages

These measures aim to increase subsidies and extend the scope of Regulation (EEC) No. 1360/78 as follows:

- (i) by applying Regulation (EEC) No. 1360/78 to all products covered by the IMPs,
- (ii) by increasing the Community's contribution to financing these measures.

1.4 FINANCING OF PROPOSED MEASURES FOR THE PRIMARY SECTOR

37. The contribution to be made by the individual, the Member State and the Community to financing the proposed measures was assessed having regard to the nature of the measures, the extent of the problems facing each region and the financial resources of the Member States participating in the Community action in question.

According to this method, the financial contribution to be made by the individual is higher in the case of measures which must guarantee a return on capital investment in the short-term, such as in the sector concerned with the marketing and processing of agricultural products. On the other hand, this amount is obviously lower in the case of measures aimed at improving production structures.

In the same way, the financial contribution to be made at national level by Greece is limited compared to Italy and even more so by comparison to France in the case of, for instance, schemes wholly financed by the state (reafforestation, irrigation).

Of the total Community contribution of 6,628m ECU (100%) to finance the IMPs, 2,657m ECU (40%) is earmarked for agriculture, 385m ECU (6%) for forestry, 352m ECU (5%) for fisheries and 470m ECU (7%) for marketing and processing structures. In other words, approximately 58% of Community expenditure (with the exception of certain concomitant measures) will be spent on the development of the primary sector. This percentage varies from Member State to Member State with the result that the primary sector absorbs 65.5%, 51.5% and 59.8% of Community expenditure in Greece, Italy and France respectively.

The main part of Community expenditure on behalf of agriculture (63%) is spent on the mountain, island and other disadvantaged regions. The breakdown of this expenditure in terms of the proposed measures is as follows:

- 63% for 'horizontal' measures to improve general farming conditions and income support,
- 37% for special measures at farm level.

On the other hand, in the lowland and coastal regions (37% of Community expenditure on behalf of agriculture), the breakdown in terms of the proposed

measure is as follows:

- 33% for 'horizontal' measures to improve general farming conditions,
- 67% for special measures at farm level.

1.5 COMMENTS - CRITICISMS

1.5.1 GENERAL REMARKS

38. (a) The amount of expenditure earmarked for the primary sector (more than half of the Community's contribution to overall expenditure) appears disproportionate to the sector's economic importance (contribution to gross product, contribution to employment of active population). At first sight, this ratio is justified by the fact that the IMPs are essentially intended to develop agricultural regions characterized by a lower level of development than other regions. Moreover, the Commission considers that the IMPs, given that they fall within the framework of regional programmes, are necessarily supplemented by other national and Community policies to improve structures in the non-agricultural sectors which continue to be implemented alongside them. This assertion is not self-evident. If the amount provided for the primary sector was assessed in such a way that all of this sector's structural problems in the agricultural areas of the regions covered by the IMPs could be dealt with - while the finance for the remaining sectors was assessed on the basis of their contribution to solving the problems of the primary sector - then the cost of the additional resources needed to develop the remaining sectors in the agricultural and non-agricultural areas covered by the IMPs would have to be taken into account. These resources should be programmed in a systematic manner at Community level within the framework of national and Community policies in the sectors in question to ensure that they supplement and operate in harmony with the IMPs. Only by fulfilling this condition will the IMPs develop into effective integrated programmes.
39. (b) The balance between expenditure on production structures and expenditure on marketing and processing structures in the primary industry is weighted towards the former. 'In the Mediterranean regions processing and marketing are traditionally among the main sticking points with regard to developing

agriculture and fisheries ...¹, therefore the above balance must be improved by increasing the amounts earmarked for improving marketing and processing structures.

40. (b) Community expenditure in the forestry sector (where there is no common policy but merely ad hoc measures) is exceptionally small (6% of total Community financing) if account is taken of
- the economic importance of forestry for the Community as a whole,
 - the ecological importance of forests and their contribution to soil conservation,
 - the disastrous condition of forests in the Mediterranean regions of the Community,
 - the vital need to take extensive measures to protect forests from fires and for reforestation.

For these reasons, the amounts provided for in the IMPs for forestry must be increased.

41. (d) Neither the Commission communication², nor the Commission's proposal for a Council regulation³, make provision for the Community expenditure provided for to be transferred from one activity to another within the sector in question or between sectors. However, such flexibility is essential in view of the wide range and different type of measures provided for, which, in practice, cannot possibly be implemented in full. To ensure that the resources available are put to their best use, provision should therefore be made to enable resources to be transferred - up to a maximum limit and subject to a special procedure - from one activity to another within a sector or between sectors. This limit could be set at an annual rate of 10%.

42. (e) Moreover, in cases where certain effective measures are likely to exhaust the appropriations available before the end of the projected period of operation of the IMPs, provision should be made to enable the Community resources provided to be increased - up to a maximum limit and subject to a special procedure - on behalf of the measures in question for the remaining period of the IMPs. This limit could be set at 25% for once only.

¹COM(83) 24 final, Annex II, Chapter IV, 1, first paragraph

²COM(83) 24 final

³COM(83) 495 final

43. (f) On the other hand, provision should be made for a period of grace at the end of the projected period of operation of the IMPs to complete certain activities which, by their very nature, may require more time or are running behind schedule (e.g. measures to protect the soil from erosion). This period could be set at two years.
44. (g) As regards agriculture, the specific measures proposed are concerned with improvements in agricultural structures. On the other hand, as regards the organization of markets, the Commission restricts itself to the following vague statement: '... The full effectiveness of the measures for conversion to other lines of production may require market policy measures for most of which the Commission has already taken initiatives aimed at guaranteeing the farmers concerned a satisfactory income'¹.

However, it is clear that the intention to convert or modernize traditional lines of production, which is the central objective of the IMPs, depends not only on the technical factors connected with production and processing structures, but also on the market conditions of the products in question, particularly as regards guaranteed outlets and price support. Indeed, it is common knowledge that products from the southern regions of the Community receive less Community support and are given less Community preference within the framework of the common organization of the markets than products from northern regions.

Consequently, in the absence of specific proposals at this stage to improve the common organization of the markets for products covered by the IMPs, the proposals aimed at improving structures are in danger of achieving nothing and the IMPs run the risk of total failure.

45. (h) Finally, no provision has been made to incorporate the proposed measures within a regional planning programme. A Community measure described as an integrated programme could at least lay the foundations for an organized rural area in which the activities of the agricultural and non-agricultural sectors could be developed alongside each other in a process of harmonious development for these regions.

¹ COM(83) 24 final, Annex II, paragraph 1.3

1.5.2 SPECIFIC COMMENTS

46. (a) Measures to improve marketing and processing structures should also be eligible for advance payments in view of the fact that considerable delays often occur between the time when a plan is approved and the time when the work is carried out, which involves a revision of the costs and all that this entails.
47. (b) Land consolidation should not be limited simply to joining up lots of ground but should create viable holdings. This could be achieved through the amalgamation of small farms by offering special incentives (for instance, departure premiums, pensions for surplus manpower, training and employment in other sectors for the surplus manpower, etc.). To this end, a definition must be laid down stipulating the minimum size of viable holding allowed after consolidation takes place, with legal provisions to guarantee that the holdings created as a result of the measure in question cannot be parcelled out again.
48. (c) Compensation for leaving the holding should take into account the quality and fertility of the land thus made available, be set at a level high enough to guarantee a decent standard of living in similar regions (at least equal to the average income) and be paid in the form of a pension. Moreover, the payment of compensation should be subject to the condition that the vacated land be handed over to the state or private organizations on the basis of a long-term agreement for purposes of consolidation. The use of the vacated land should be coordinated by a central body such as a Land Bank.
49. (d) The compensatory allowance should be paid in respect of all solipeds, not just horses. Moreover, the proposed unitary amounts (by LUs or hectare) should be further increased to provide a real incentive to the population to continue living in the mountain regions.
50. (e) In addition, provision should be made to provide aid to distribute fodder in mountain, island and other problem regions during the winter period.

B. FISHERIES

51. The Mediterranean regions of the Community have tremendous potential for development in the fisheries sector and, particularly, in the aquaculture sector. The measures proposed by the Commission aim to increase overall productivity and the incomes of fish farmers and fishermen with a view to guaranteeing not just development but, at the very least, to maintaining the number of jobs in this sector. To this end, the Commission proposes a number of measures as follows:

- the building and modernization of new ports, cold stores and revictualling facilities,
- the construction of winter shelter areas and small-scale port facilities,
- the setting-up and modernization of fish farms and hatcheries to restock lagoons and lakes,
- grants for the restructuring of the fishing fleet.

This restructuring should take account of the characteristics of the fishing fleet of the Mediterranean (size, age) if these measures are to be effective.

52. The measures proposed by the Commission are clearly not new insofar as most of these measures are already being financed (admittedly with a smaller financial contribution) under Regulation (EEC) No. 1982 of 25 July 1978, which provides for intermediate measures on behalf of coastal fisheries.

For the years 1983 - 1985, the Council of Ministers intends to replace in the near future the intermediate measures on behalf of coastal fisheries by a new regulation lasting for three years to develop structures in the fisheries sector. This means that the measures provided for within the framework of the IMPs will supplement (with an increase in resources) the measures which are to be proposed in the near future. This is why the Commission delayed its submission of specific proposals to the proposal for a regulation on fisheries.

Finally, the Commission proposes that studies be financed to investigate the maritime resources of the Mediterranean.

C. DEVELOPMENT OF NON-AGRICULTURAL SECTORS

53. The Commission's proposals for the improvement of the structures of the primary sector will create, as the Commission itself acknowledges in its explanatory statement (Chapter 32), a surplus of labour resulting in a number of unfavourable and adverse consequences. It will therefore be up to the secondary and tertiary sectors to absorb the surplus manpower thus created.

The most effective way of increasing agricultural incomes is to establish the necessary conditions for creating alternative job opportunities in the non-agricultural sectors which will provide the agricultural population with additional revenue. To this end, related productive activities must be encouraged, namely those that can provide additional income along with the development of economic opportunities in sectors where the Community could develop its production vertically or reduce its dependence on imports.

54. The sectors that could contribute substantially to the creation of alternative job opportunities are:
- the development of SMUs and, in particular, undertakings adjacent to the agricultural sector and advanced technological industry,
 - the development of rural tourism.

1. THE DEVELOPMENT OF SMALL AND MEDIUM-SIZED UNDERTAKINGS AND CRAFT INDUSTRIES

55. The development of small and medium-sized undertakings (SMUs) and craft industries is one sphere of activity that corresponds particularly well to the aims of the Mediterranean programmes. Indeed, this type of undertaking provides the economic backbone of the Mediterranean regions.
56. Small and medium-sized undertakings have certain handicaps and are faced with vertain problems having regard to the extensive market competition.

57. One of their handicaps is the difficulty they encounter when attempting to raise capital on the capital market or through the money markets via the banking system. This handicap is due to the fact that they are small and necessarily limited in financial capacity and poorly organized. Consequently, when they resort to borrowing they are forced to pay high interest rates.
58. Another handicap of small and medium sized undertakings is the limited opportunities they have for undertaking research and developing new technology. Their level of productivity is small compared to large units and their supplies of raw materials are bought on less favourable terms because their negotiating ability is limited. The same applies to the bulk sale of their products. Their ability to carry out market research abroad and penetrate export markets is also limited, as is their ability to provide vocational training not just for managers and middle-ranking personnel, but also for lower management. And most importantly, as a result of modern developments in the organization of production and product marketing, which favour large-scale centralization these handicaps are becoming even larger.
59. However, small and medium-sized undertakings also have many advantages which, if developed, could turn the conditions in which they operate within the wider market to their advantage. In all economies, small and medium-sized undertakings have in the past proved to be a stabilizing factor, regardless of whether the economic circumstances were favourable or unfavourable. They have also shown that they are particularly resistant to unemployment, especially among young people. They have been and still are able to react more swiftly and more flexibly than large undertakings to changes in market conditions on account of their managerial flexibility and degree of specialization, thus proving that they are less affected by fluctuations in the economic situation.
60. One major advantage of small and medium-sized undertakings is their ability to specialize in the production of quality products or products for which there is a specialized consumer demand or in meeting the orders of other large undertakings which cannot gear mass-production to goods of this kind.

61. The wide dispersion of SMUs and their geographical location make a decisive contribution towards spreading national income more effectively and, particularly, towards maintaining productive activity in rural areas, thereby helping to slow down the gradual depopulation of these regions.
62. The measures which the Community should take should not be limited merely to economic (material) aid for SMUs (in other words financing of investments), but should also cover the wider 'environment' (in the broadest meaning of this term) of SMUs to maximize the development potential (including the human resources) of the Mediterranean regions. These measures should cover the following areas:
- (a) Information on markets, on European legislation, on financial instruments (terms, conditions), on the situation of the markets of third countries, on the opportunities for winning supply contracts and public tenders, on technical specifications, on transfer of information, etc.
 - (b) Public contracts system. Winning contracts for public works, supplies and services is a particular problem for SMUs, which are faced with numerous difficulties in this sector. A system should therefore be developed to provide information on public works and provide assistance for undertakings with regard to procedures, contact with the administrative departments concerned and financing problems.
 - (c) Acquaintance with and implementation of innovations concerned with the assimilation of new technologies and the promotion of new ideas.

(d) Environment of SMUs. Additional measures should be taken with regard to the 'environment' of SMUs. These measures should, for example, deal with the following: the improvement of communication infrastructures, the decentralization of research bodies, the creation of access road networks, the organization of trade fairs with financial support from the Community, etc.

63. The Commission's proposals on the development of SMUs within the framework of the IMPs unfortunately do not meet all the needs of SMUs as described above. They are exactly the same as the measures proposed by the Commission in Regulation (EEC) No. 2615/80 instituting a specific Community regional development measure contributing to the development of certain French and Italian regions in the context of Community enlargement and the measures proposed on 18 November 1982 as part of the second series of special Community measures contributing to the regional development of the Greek islands¹.

The only additional (positive) element in the proposal concerning the IMPs is the establishment of measures aimed at having economic activities outside the major urban centres relocated in the provinces (dismantling, transfer and resiting of equipment etc.)

The special Community measures proposed under the non-quota section of the ERDF (COM(82) 658 final) were essentially aimed at enabling SMUs to cope with the (adverse) consequences of Community enlargement. Since the aim of the IMPs, as described above, is not simply to deal with the effects of enlargement, the mere extension of these measures in geographical terms as proposed in 1980 and 1982 will not solve the problems, and particularly the financing problems, that beset SMUs in the Mediterranean regions. For this reason, it is essential that Article 552 of the budget, which was introduced at the request of the European Parliament, be brought into operation to implement the resolution of the PÖTTERING report on the creation of a revolving fund establishing a firm basis for financing (by loans) SMUs alongside the measures proposed within the framework of the IMPs (Article 551 of the budget).

2. DEVELOPMENT OF RURAL TOURISM AND CULTURAL POTENTIAL

64. In cultural terms, the Mediterranean region has been one of the richest areas of human endeavour ever since the neolithic period up to the present time. A general feature of this cultural potential is the vibrant and invigorating atmosphere generated by the constant climatic conditions and the geographical and geological characteristics associated with them (flora and fauna, the landscape of the mountains and lowlands) together with the character and customs of the local inhabitants.
65. The Commission notes that one of the possibilities for promoting development in the Mediterranean regions is to take action to boost tourism, particularly in rural areas. The Mediterranean regions have considerable climatic (sunshine), geographical (sea, landscape) and cultural (history, architecture) advantages compared to other regions. The development of tourism and, in particular, rural tourism is of primary importance for the Mediterranean regions for many reasons:

¹ OJ 61 of 15.3.82, p 26

a. direct economic effects such as: increased income from the provision of accommodation, meals and various tourist activities, transport services and communications, etc.;

b. indirect effects which cannot be fully evaluated such as:

(1) inhibition of urbanization, (2) maintenance and development of Mediterranean agricultural products (fruit and vegetables) to ensure supplies for local markets, (3) reduction of unemployment, etc.

66. The measures which the Community should take to promote tourism and, in particular, rural tourism are the following:

- the granting of aid for the construction or conversion of small hotels and the preparation of farm holiday accommodation,
- the establishment and development of joint services or bodies responsible for promotion, publicity, tourist entertainment and coordinated management of accommodation and facilities,
- the financing of installations and infrastructure works closely connected with the development of tourism, including recreational and cultural activities,
- the financing of studies to conduct a census on the standard and range of accommodation available, identifying gaps in provision, consumer-based market studies and, in general, studies to promote tourism,
- the financing of infrastructure works connected with the development of the cultural sector (construction of museums, reerection of monuments) in tourist areas with considerable potential for development.

67. In its proposals for the development of tourism in the Mediterranean regions, the Commission extends within the framework of the IMPs the scope of the measures proposed in 1980 and 1982 in the context of the first and second series of specific Community measures contributing to the development of the mountain regions of France, Italy and Greece. There is no doubt that the proposed measures will contribute to the development of tourism in rural areas. However, the proposed measures should be supplemented by other measures to promote cultural development, because the schemes proposed for financing within the framework of the IMPs in this sector are somewhat limited (for instance, no provision is made to finance schemes for the renovation and maintenance of the architectural heritage where it is a feature of local interest etc.).

3. ENERGY

68. The Mediterranean regions of the Community are heavily dependent from the energy point of view as they have very few mineral energy resources. However, since the cost of these resources has risen in recent years, the considerable opportunities offered by these regions for developing wind and solar power, coupled with technological progress, have made it a viable proposition to exploit them.
69. It should also be noted that certain Mediterranean regions have geothermal resources and considerable peat and lignite deposits which, if exploited, could make a substantial contribution to the economic development e.g. of SMUs. Research is already being carried out in these regions with a view to finding new deposits. This research should be encouraged and extended in conjunction with feasibility studies and demonstration projects.
70. Finally, as noted in the SELIGMAN report¹ on the use of biomass as a source of energy, possibilities already exist for exploiting the energy potential of biomass not only from crops and plants, but particularly in the form of urban refuse and the by-products of agricultural production and processing. To this end, experimental and demonstration projects should be implemented to determine and promote technologies for the pyrolysis and vaporization of these materials.
71. Aid for renewable sources of energy will bring about a number of benefits. First, local resources will be developed, creating an industrial base that provides employment at local level. Second, the dependency of these regions on energy imports will be reduced. However, it is doubtful whether an energy plan can be financed with 142m ECU.

¹ Doc.1-460/82

72. It should also be noted that the IMPs do not attach sufficient importance to research in this sector. Finally, with the exception of the limited appropriations provided for the development of alternative energy sources, it should again be noted that the Commission is not taking any innovatory steps in this sector as far as the proposed measures within the framework of the IMPs are concerned, but merely extending the scope of the measures already proposed in 1980 and 1982 in the context of the first and second series of measures under the terms of the non-quota section of the ERDF.
73. With regard to Greece in particular, the Commission has not proposed any specific measures for the development of the considerable lignite and peat deposits. This omission is an important oversight at a time when Greece is producing a substantial amount of energy from these two sources and has introduced an important medium-term programme for the exploitation of lignite and peat deposits.

4. INFRASTRUCTURE WORKS - TRANSPORT

74. The Committee on Regional Policy and Regional Planning¹ has repeatedly stressed the important role of infrastructure (transport, communications, buildings etc.). To be more specific, the social and economic effects of a new or improved transport infrastructure depend on two factors:
- (a) the creation of economic opportunities
 - (b) the response to economic opportunities
- The creation of economic opportunities depends on the quality (level of technological development) and scale of resources invested in the infrastructure. The response to economic opportunities depends on the availability of the requisite local manpower.
75. As far as a region's productivity is concerned, the transport infrastructure helps to develop production and exports and thus increases the return on factors of production. As far as social progress is concerned, the infrastructure provides services, promotes population changes, provides employment and helps to redistribute income. Consequently, investments in the infrastructure are tantamount to the creation of development nuclei.

¹ Report by Mr Kyrkos (PE 84.847), opinions by Mr de Pasquale (PE 86.776) and Mr O'Donnell (PE 79.331)

In view of the geographical position of the Mediterranean regions, which are among the most isolated regions of the Community, and the clearly important role played by the infrastructure (and particularly transport) in the development of tourism, it is essential that the Community make a considerable effort on behalf of the Mediterranean regions in this sector.

76. Unfortunately, the contribution made by the IMPs in the infrastructure sector is extremely limited. The sum of 257m ECU allocated for infrastructure works (transport or telecommunications) is totally inadequate to remedy the severe deficiencies in this sector.
77. Moreover, in assessing the amount allocated for the financing of infrastructure works, no account was taken of the amounts which the countries concerned are to receive from the different funds, particularly the ERDF. For instance, for the infrastructure works which are to be implemented in Greece during the 6 years that the IMPs are in force, the Commission makes provision for 100-99-84 = 283m ECU. This amount is intended to be used to supplement the financing of infrastructure works which are to be submitted and financed by the ERDF throughout the 6-year period. On average, the percentage provided for from this sum of 283 m ECU will be 35%, while the remaining 30-40% will be met by the ERDF. Given that the ERDF budget for Greece, which is to cover 30-40% of the cost over the next 6 years, amounts to only 1,320 m ECU (220m ECU on average per year) it is clear that the figure of 283m ECU is totally inadequate, which means that many infrastructure works which are essential to keep the agricultural population in the disadvantaged regions of Greece will not be carried out. The same holds true for Italy.
78. Certain categories of infrastructure works which it is proposed to finance within the framework of the IMPs are either restricted (e.g. port structures, which are listed under the heading 'fisheries') or do not qualify under the ERDF current selection criteria (e.g. equipment for small medical centres, community training centres etc.)

This means that, in drawing up its plans, the Commission must be flexible in its interpretation of the selection criteria set out in Regulation (EEC) No. 724/75.

79. Finally, it should be noted that the IMPs are to give priority to the financing of small infrastructure works subject to the selection criteria of Regulation (EEC) No. 724/75. However, there are also major infrastructure works which, while being of general interest to the Community, are extremely important for the development of agriculture in the Mediterranean regions and might also be eligible for financing within the framework of the IMPs, particularly under Article 781 of the budget (financial support for transport infrastructure projects). The amounts and quotas provided for in Article 781 could be supplemented and integrated within the framework of the IMPs as long as the relevant criteria governing the granting of financial support for such works (general Community interest, etc.) were adhered to. The Egnation highway in Greece, which runs through Epirus, Macedonia and Thrace to the Turkish border, could qualify as such a scheme. It clearly runs through manifestly agricultural regions and is of wider Community interest; while finance for this scheme would make a great contribution to agricultural development, it would also contribute to the more general development of northern Greece.

5. ENVIRONMENT

80. The measures proposed within the framework of the IMPs will inevitably lead to environmental changes. Consequently, this aspect should be given special consideration in the context of the development of all the agricultural, energy and industrial activities or services provided for in the IMPs so as to avoid unforeseen damage, the cost of which is often high, particularly where measures to protect the environment are taken retrospectively.
81. Since certain measures designed to protect the environment can also help to create and save jobs, the Community should enjoin the Member States to protect the environment by introducing measures in each of the sectors covered by the IMPs and, particularly, in the tourist sector (coastal pollution, scenic damage) the fisheries sector

(overfishing, water pollution) and in the field of industrial development. As Mrs Spaak points out in her opinion drawn up on behalf of the Committee on the Environment, Public Health and Consumer Protection (PE 83.777/final) of 30 June 1983, the policy on environmental protection which should be followed should be preventive, not simply curative, and should be integrated with other policies

6. CONCOMITANT MEASURES

82. The Commission proposes a number of back-up measures for the effective dissemination of information and vocational training for the workforce. It also proposes a number of measures for the development of research on agriculture, fisheries and other sectors (bio-technology).
83. Your rapporteur fully endorses the Commission's initiatives, but considers the amounts allocated totally inadequate, not to say purely nominal. This is particularly the case with regard to the measures on behalf of research.

VI. FINANCING AND FINANCIAL IMPLICATIONS OF THE INTEGRATED MEDITERRANEAN PROGRAMMES

84. In drawing up the 1983 budget, the Commission devoted three specific Articles to the Mediterranean programmes, namely:
- Article 550 (Mediterranean programmes - Preparation of integrated programmes). Intended to enable the Community to finance directly in the regions in question the necessary preparatory measures with a view to the specific proposals to be followed,
 - Article 551 (Mediterranean programmes - Community measures). The Commission entered the nominal amount of 1 m ECU with a view to the IMPs beginning in 1983,
 - Article 552 (Operating fund - Measures to be applied within the framework of a programme for restructuring the economies of the Mediterranean countries belonging to the EEC).
85. Article 552 was created at the request of Parliament (and specifically following the adoption of the POTTERING report and later the DE PASQUALE report) which entered a p.m. in the 1983 budget.
86. In the draft preliminary budget for 1984, the Commission reinserted Articles 550, 551 and 552, entering 10 m ECU under Article 550. In Article 551, the Commission stipulates the sectoral activity that can be carried out within the framework of this article and in Article 552 it points out that the capital to be entered under this article is for the benefit of the applicant countries (Spain and Portugal), and that sufficient capital should be made available in the next six to eight years to meet requirements. Articles 551 and 552 were allocated a p.m.
87. The Commission proposes that amounts to be made available in the form of annual grants within the framework of the IMPs be entered in the Community budget under a separate chapter 551 entitled 'Mediterranean programmes'. This chapter is to be divided into separate appropriations for each sector covered by the IMPs (agriculture, fisheries, social measures). Authority to utilize and allocate these appropriations will be vested respectively in the departments managing the existing Funds, which will make it possible,

before appropriations are committed by the Commission, to utilize the uniform procedures of those Funds as regards consultation of their respective Committees. The Commission believes that this method will make it possible to safeguard the unity and the integrated nature of the programmes. Moreover, from a budgetary viewpoint, the Commission is of the opinion that the fact that it will be possible to transfer appropriations within the same chapter, in pace with the utilization of the appropriations allocated to the various components of the IMPs, will make for flexible management.

88. Community aid will be in two parts:
- refund of expenditure incurred by Member States in implementing measures provided for in the IMPs,
 - direct financial assistance towards the cost of implementing investment plans.
89. It is estimated that the Community's contribution will amount to 6,628m ECU or, in other words, a theoretical annual average expenditure of approximately 1,100m ECU. There is a breakdown of aid by sector and Community expenditure by Member State in table 2 (see Annex II).

The primary sector will receive half the Community's contribution, while all the other sectors together will receive the remainder. The Community breakdown of expenditure by country is as follows: Italy 44.5%, Greece 38.4% and France 17.1%.

90. It is estimated that the annual rate of take-up will be slow in the first two years: 10% in the first year and 12% in the second, with expenditure increasing considerably from the 3rd year onwards. The timetable for Community expenditure is fixed for six years.
91. The Commission estimates that the contribution of the Member States concerned will amount to approximately 4,500m ECU. This amount is considered essential if the aims of the IMPs and the measures provided for are to be achieved. The amounts to be paid by each Member State over the six-year period are given in table 3 (see Annex II).

92. Thus, it is estimated that overall expenditure will be in the region of 11,000m ECU, 40% of which is to be paid by the Member States and 60% by the Community. A breakdown of expenditure by the different types of measures is given in the annexes.

93. As we have seen, the agricultural measures will not be productive unless conditions can be created to absorb the surplus agricultural population by providing alternative employment opportunities in the agricultural regions.

In this context, the Commission's proposals do not deal with the basic problem and, as has been stressed in the chapter, generally display a lack of enterprise and imagination, particularly as regards the measures on behalf of the SMUs.

94. At this point, it should be recalled that the PÖTTERING report on the creation of a Mediterranean programme for the benefit of Mediterranean countries belonging to the European Community and the applicant countries, Portugal and Spain, proposes that a revolving fund be created for the Mediterranean regions including Spain and Portugal (Doc. 1-736/81).

95. The DE PASQUALE report on the Commission proposal amending Regulation (EEC) No. 724/75 on the creation of the ERDF gives a clearer definition of the role of the revolving fund. It is proposed that it take the form of a financial measure based on the principle of refundable capital in conjunction with local or regional banks to finance investments by small and medium-sized undertakings (paragraph 64, Doc. 1-61/82).

96. Whereas the Commission has created a relevant Article in the 1983 budget (Article 552) and in the preliminary draft budget for 1984, there are no apparent plans to make use of this capital in the immediate future. In view of the considerable importance and the major role played by the SMUs in the economy of the Mediterranean regions, and having regard to the problems which, as the PÖTTERING report pointed out, the revolving fund is designed to solve, it is absolutely essential that Article 552 of the budget be implemented alongside the other sectoral measures provided for by the Commission on behalf of the Mediterranean regions within the framework of Article 551 of the budget. Coordination of the financial instruments provided for under Articles 551 and 552 will help to maximize the

effectiveness of the IMPs and, in particular, help to create more jobs in non-agricultural sectors.

97. There is another aspect of the IMPs which must be stressed. The figure of 6,620m ECU proposed by the Commission is of nominal value only. If the rate of inflation is taken into account, then the real value of this figure calculated at 1982 prices is reduced considerably. This is an important factor which it appears was not given sufficient consideration by the Commission when planning what action should be taken when the six-year period expires. True, in paragraph 18 of document COM(83) 24, page 8, the Commission does not discount the possibility of presenting further proposals on behalf of the Mediterranean regions in the light of experience gained. However, taking into account past experience and the real value of the appropriations set aside for the Mediterranean regions compared with the high rate of inflation and the extent of the problems that need to be tackled, the degree of success achieved in restructuring the Mediterranean regions will be negligible owing to the lack of resources.

98. Finally, chapter 45 of the Commission's explanatory statement states that 'from a budgetary viewpoint, the fact that transfers will be possible within the chapter, in the light of the rate of utilization of the appropriations allocated to the various components of the programmes, will allow for flexible management'. In analyzing the Commission's proposal for a regulation, your rapporteur failed to find any provisions providing for the transfer of appropriations between the different articles of chapter 551. Consequently, if the appropriations of chapter 551 are to be managed in the most effective way, the Commission must add a rider to the proposal for a regulation making explicit provision for the transfer of appropriations.

VII. IMPLEMENTATION OF THE IMPs

99. Experience in recent years in implementing integrated programmes has shown that there are a number of problems at national and regional level within Member States and at Community level. For this reason, the IMPs must be implemented in a consistent and coordinated manner so that the roles of regional, national and Community bodies can be clearly defined as regards both the formulation and implementation of measures.

100. At Community level, the Commission will be responsible for implementing the measures in accordance with the procedures set out in the proposal for a regulation, depending on the activity involved. This proposal for a regulation, depending on the measures to be taken, defines the way in which Member States are to be associated in the implementation, together with machinery for cooperation and coordination with the Member States concerned (submission of programmes, data, etc.) pursuant to the procedures provided for under Regulations (EEC) 355/77 and (EEC) 729/69.
101. It should be pointed out that all the Member States will be associated in the implementation of the programmes through the existing Fund Committees, without any change to their rules of operation. The Fund Committees will be requested to give an opinion on the specific plans submitted to them in accordance with the existing procedures.
102. To facilitate implementation of the programmes, the Commission proposes (COM(83) 24, paragraph 41 and the proposal for a regulation (Article 2) that machinery for cooperation and coordination with each Member State concerned be set up on the basis of a two-tier system:
- (a) at the political level, it is proposed that a Steering Committee be set up to meet at least twice a year. If difficulties needing settlement at this level arise in the preparation of the measures, the Steering Committee will examine them;
 - (b) at the technical level, it is proposed that a technical Working Party be set up to deal with all the technical aspects of implementation. It will be composed of Commission representatives and representatives of the national and/or regional authorities.
103. Unfortunately, the explanatory statement and the proposal for a regulation omit to provide details as to how this machinery for cooperation and coordination is to be set up, operated and managed in each of the Member States concerned. Your rapporteur is of the opinion that unless this machinery is given clearer definition, it will lead only to additional procedures at the expense of efficiency, whereas it is absolutely essential, if the IMPs are to be implemented effectively, that any extension, for whatever reason, of the procedures provided for be resisted, so as to avoid

any confusion as to the already existing procedures governing the different structural measures.

VIII. CONCLUSIONS

104. The integrated programmes proposed by the Commission to the Council are an important and innovatory step and, at first sight, may appear to some people to be ambitious. They are innovatory in the sense that for the first time they tackle in a uniform and comprehensive manner the basic problems of economic and social development at Community level. In taking into account the scope and range of the measures to be implemented, the level of appropriations and the numerous technical and administrative difficulties which must be overcome are important factors. Finally, these measures may be considered ambitious in terms of their objectives, particularly when account is taken of the meagre results so far achieved by the implementation of various policies in the Mediterranean regions, the Community's general economic situation and the state of the Community budget.
105. However, the importance and the scale of the expenditure provided for within the framework of the IMPs should be assessed with reference to the tremendous problems facing the Mediterranean regions of the Community. The implementation of the IMPs will undoubtedly enable the Mediterranean regions to accelerate the process of catching up with increases in income and rises in the standard of living. For this reason, the resources to be mobilized will have to be commensurate with the huge gulf between the Mediterranean regions and the central regions of Europe.
106. Moreover, and this is very important, the gradual solution of the problems of the Mediterranean regions will contribute to a more harmonious development of the various Community policies and, if the gap is reduced, will enable progress to be made in the process of European integration.
107. As the Commission also points out, the IMPs are designed to respond to certain points and requests presented in the Greek memorandum of 19 March 1982 and the memorandum submitted by the previous government in August 1981; and, in fact, they do respond to many of Greece's requests.

108. The starting date for the implementation of the IMPs cannot be linked directly to the important problem of the increase in the Community's own resources. There is, of course, no doubt that new own resources need to be found in the short term so that new Community policies can be developed. However, establishing a direct link between the financing of the IMPs and the need to find new own resources is unjustifiable for four basic reasons:
- (a) the submission and implementation of the IMPs are by way of fulfilling the commitment undertaken by the Commission within the framework of the Mandate of 30 May. The Commission has never suggested the existence of any direct link between the need to find resources and the IMPs, particularly as regards their conception;
 - (b) very little Community expenditure will be required to finance the implementation of the IMPs in the first two years (in other words 1985 and 1986) as most of the expenditure will be incurred after 1987. This means that the IMPs can be implemented regardless of whether new own resources have been found for the Community;
 - (c) if the IMPs are implemented in 1985, this will provide an incentive for the Council to speed up their attempts to find new own resources and to develop new Community policies;
 - (d) since the IMPs are designed to respond to the demands presented in the Greek memorandum, they should be implemented without delay, otherwise by linking them directly with the need for new own resources, solution of the problems referred to in the Greek memorandum and acknowledged by the Commission in its reply¹ will be postponed indefinitely.
09. The European Parliament, which is the mouthpiece of the political will of the peoples of Europe and has consistently shown itself to be innovatory in supporting policies aimed at reducing the gulf between the rich and poor regions of the Community and measures to bring about closer integration within the European Community, should unanimously adopt the Commission's

proposals, which represent a decisive step towards solving the serious problems of the countries of the Mediterranean. By this political act, it will once again demonstrate the solidarity and consensus of the countries and peoples of the Community.

TABLE 1
BASIC ECONOMIC DATA

REGIONS	INDEX OF ECONOMIC DEVELOPMENT 1980	EMPLOYMENT % 1981			UNEMPLOYMENT 1982	INDEX OF SOCIAL DEPENDENCE 1977
		PRIMARY SECTOR	SECONDARY SECTOR	TERTIARY SECTOR		
<u>FRANCE</u>						
CORSICA		4.4	27.3	68.1	13.0	-
PROVENCE-COTE D'AZUR	113.1	4.4	27.3	68.1	11.8	1.50
LANGUEDOC-ROUSSILON	101.9	11.6	27.0	61.1	13.8	1.70
AQUITAINE	102.7	15.3	29.2	55.4	10.8	1.42
MIDI-PYRENEES	87.2	18.0	28.5	53.3	9.8	1.32
<u>ITALY</u>						
ABRUZZI	53.4	16.8	32.3	50.5	8.2	2.04
MOLISE	46.9	29.6	22.2	47.2	11.9	2.03
CAMPANIA	44.5	14.5	29.7	55.6	26.6	2.43
PUGLIA	47.2	20.8	29.4	49.6	14.4	2.39
BASILICATA	47.7	25.0	25.6	49.3	16.2	2.36
CALABRIA	37.3	16.0	25.1	58.7	12.9	2.69
SICILY	44.7	18.1	26.4	55.4	16.5	2.66
SARDINIA	51.7	15.6	26.8	57.2	17.0	2.46
LIGURIA	83.6	6.5	29.6	63.8	7.8	1.86
TUSCANY	75.1	8.3	44.7	46.9	4.9	1.63
UMBRIA	64.3	15.0	38.8	46.1	7.8	1.59
MARCHES	65.7	14.5	45.7	39.6	5.1	1.43
<u>GREECE</u>						
EASTERN GREECE AND ISLANDS	40.6	-	-	-	-	-
CENTRAL AND WESTERN MACEDONIA	-	7.5	35.4	37.0		
PELOPONNESE	-	30.7	32.0	57.3		
THESSALY	-	51.1	18.6	30.4		
EASTERN MACEDONIA	-	49.6	23.1	27.1		
CRETE	-	50.8	25.1	23.9		
EPIRUS	-	50.0	16.4	33.5		
THRACE	-	50.0	17.8	32.1		
EASTERN AEGEAN ISLANDS	-	63.1	14.1	21.9		
MEDITERRANEAN AVERAGE	65.1	24.42	27.64	48.94	12.2	1.69
COMMUNITY AVERAGE	100.0	8.0	38.3	53.6	9.9	1.12

RCES: a) EUROSTAT 1981
 b) LABOUR FORCE SAMPLE SURVEY
 c) THE REGIONS OF EUROPE, EC COMMISSION, BRUSSELS 1981
 d) ATLAS OF REGIONAL DEVELOPMENT

TABLE 2

COST OF DIFFERENT MEASURES BY STATE AND SECTOR

In million ECU

	Greece	Italy	France	Total	%
Agriculture	1,235	941	481	2,657	40
Forestry	120	190	75	385	6
Fisheries	139	153	60	352	5
Increasing the market value of products	172	235	63	470	7
Non-agricultural measures	330	740	336	1,406	21
Infrastructures	283	376	50	709	11
Back-up measures	263	316	70	647	10
TOTAL	2,542	2,951	1,135	6,628	100
COMMUNITY AMOUNT PER COUNTRY %	38.4	44.5	17.1	100	

Source: COM(83) 24 final, p.21

TABLE 3

COST BY MEMBER STATE

In million ECU

	Greece	Italy	France	Total	%
Total (6 year) cost by Member State	1,300	2,050	995	4,345	40
%	29.9	47.2	22.9	100.0	
Community expenditure	2,545	2,951	1,132	6,628	60
%	38.4	44.5	17.1	100.0	
Total public expenditure	3,845	5,001	2,127	10,973	100
%	35.0	45.6	19.4	100.0	

Source: COM(83) 24 final, p.26

motion for a resolution (Doc. 1-1006/81)

tabled by Mrs BARBARELLA, Mr VITALE, Mr PAPAPIETRO, Mr CARDIA, Mr IPPOLITO,
Mr CERAVOLO and Mr D'ANGELOSANTE

pursuant to Rule 47 of the Rules of Procedure
on the Mediterranean programmes

The European Parliament,

- whereas the differences in levels of development between Mediterranean and northern areas have grown wider during the 1970s, as is clearly brought out in the conclusions of the first report on the social and economic situation of the regions of the EEC¹,
 - whereas the operation of the common agricultural policy has been a substantial factor in this growing disparity, as the Commission itself points out in the document presented pursuant to the mandate of 30 May²,
 - noting the Commission's intention of embarking on a policy to narrow the gap between the Mediterranean and the other regions through medium-term programmes directed specifically at those areas,
1. Believes that the decisions on the scope and nature of these programmes, and on the financial resources to be allocated to them, should form an integral part of the negotiations on the 82/83 farm prices and related measures in implementation of the mandate;
 2. Considers that these measures in the Mediterranean area should be expressed in an effective policy for restoring the balance between the regions and not simply in some form of financial compensation with a view to the further enlargement of the Community;
 3. Takes the view in any case that whatever political and financial commitment is made to these measures, it does not dispense with the need for improvements to the market organizations for Mediterranean products;
 4. Supports the general guidelines proposed by the Commission for the drawing up of the programmes, but believes that it should speed up work on them so that the first programmes can be introduced by the beginning of next year;
 5. Suggests for this purpose that the programmes be subdivided into three types:
 - (a) measures to develop individual product areas
these should consist of plans to improve the conditions of production in clearly defined areas which have good potential for crops or livestock; more specifically the plans should develop new and/or alternative products; improve the quality of production in the Mediterranean sector while at the same time diversifying varieties if necessary; develop non-Mediterranean animal products.
 - (b) regional rural measures
these should be programmes supporting the plans in the product areas to make it possible to create the structures and infrastructures as a basis for the comprehensive social and economic development of the area concerned and should therefore include measures to:
 - test and make available technological innovations;
 - guarantee the full use of water and land resources;

¹ COM (80) 816 fin.
² COM (80) 800 fin.
³ COM (81) 608 fin.

- create efficient rural infrastructures;
- modernize the methods of transporting, preserving and processing products;
- facilitate building programmes in rural areas;
- provide incentives to tourism in agricultural areas;
- take action to protect the land and the countryside;
- develop rural activities connected with agriculture;
- initiate vocational training and retraining programmes.

(c) integrated development measures

although it is essential to solve the agricultural problems facing the Mediterranean areas, a whole range of measures is necessary, covering the whole economic and social development of the areas if they are to recover from the backwardness in their development; there is therefore a need for integrated development programmes to deal in a comprehensive way with the problems of industrial and civil infrastructures, small and medium sized industry, craft industries and services; unless this is done there can only be a worsening in the problem of unemployment and an exacerbation of urban congestion in the metropolitan areas in the less favoured regions;

These various aspects could be present in whole or in part in each programme according to the specific requirements of the area at which the programme is directed;

6. Calls on the Commission to set up at an early date a working party composed of its own representatives and representatives of the national and regional authorities and to determine with their assistance:
 - the project areas
 - the specific content of the various programmes
 - the financial resources to be allocated at Community, national and regional level;
 - the administrative procedures that will be required by the fact that this type of project represents an innovation in this field.
7. Calls upon the Commission to set up a suitable internal structure to coordinate the funds and manage the programmes properly;
8. Instructs its parliamentary committees responsible to report to it in due time on the basis of Rule 94(4) and Rule 97(1) of its Rules of Procedure, as appropriate, on the drawing up and implementation of the medium term programmes in the framework of a general policy for the development of the Mediterranean area.

motion for a resolution (Doc. 1-56/82)

tabled by Mr BARBAGLI and Mr BERSANI

pursuant to Rule 47 of the Rules of Procedure

on a proposal for a regulation concerning incentives for integrated development operations in the Appennine zones of Central Italy

The European Parliament,

- HAVING REGARD to the Treaty establishing the European Economic Community,
 - WHEREAS the Commission has already undertaken, in the context of the mandate of 30 May, to respect the principle of equity and equality between the various regions of the Community,
 - WHEREAS the conditions faced by certain inland mountain and hill zones differ greatly from those prevailing in other Community zones, as regards incomes, production and marketing structures, infrastructures, services and also social factors,
 - WHEREAS, it is necessary to use Community aid to encourage the development of the Appennine regions of Central Italy which, although they have the same level of development as certain less-favoured regions of the Italian Mezzogiorno, do not benefit from specific national and Community intervention,
 - WHEREAS it is therefore urgent that common action be taken to improve the productive and employment potential and restore balance to the social and economic situation of these zones, which are otherwise destined to suffer further depopulation and neglect,
1. Considers that the Commission of the European Economic Community should submit a proposal to the Council, as it has recently done in the case of other less-favoured regions of the Community, for a regulation concerning an integrated programme to relaunch agricultural and other activities in the inland mountain and hill zones of the Appennine region of Central Italy, with the main aim of protecting and stimulating employment possibilities in these areas;

2. Considers that such a programme should concern the following sectors in particular :
 - Agriculture and forests;
 - Tourism, agritourism and commerce;
 - Craft industries, small and medium-sized industry and, if possible, labour-intensive industrial undertakings;
 - Protection of the architectural heritage and the landscape;
 - Road and air infrastructures
3. Considers that the financial and general measures should provide for the combined use of all the Community funds and financial instruments and in particular :
 - For agriculture and forests, use of the provisions of the European Agricultural Guidance and Guarantee Fund, Guidance Section, for measures relating to :
 - (a) improvement of rural infrastructures;
 - (b) land improvement;
 - (c) specific action to develop agricultural production guidance;
 - (d) improvement of processing and marketing structures;
 - (e) development of forests;
 - (f) provision of training facilities and specialized structures to assist people working in the information field and coordination of the specific action referred to under (c);
4. Considers that, for the other sectors listed in paragraph 2, use must be made of the provisions of the European Regional Development Fund and of intervention by the European Investment Bank;
5. Considers that the drawing up of the programme and its efficient and gradual implementation must be accompanied by appropriate training programmes, using the measures provided for by the European Social Fund with the aim in particular of :
 - (a) preparing the environment and human resources,
 - (b) linking investments to training programmes,
 - (c) promoting the spread of technical progress as far
 - (d) linking the world of education with the world of production and work by means of sandwich courses.

6. Considers that these measures should be carried out as part of a programme drawn up by the Italian Government in collaboration with the regions, local authorities and representatives of producers, workers and cooperatives, and should be approved by the Commission;
7. Considers that, while it should make reference to existing intervention funds and financial instruments, the proposed regulation must have independent financial resources of its own;
8. Instructs its President to forward this resolution to the Council and the Commission.

Motion for a resolution (Doc. 1-57/82)

tabled by Mr SARBAGLI, Mr BERSANI, Mr GIUMMARRA, Mr COSTANZO, Mr COLLESELLI, Mr LIGIOS and Mr STELLA

pursuant to Rule 47 of the Rules of Procedure

on the development and definition of the internal regions of the Community

The European Parliament,

- having regard to Directive 75/268/EEC for the benefit of mountain and hill farming and farming in certain less-favoured areas,
- having regard to Directive 72/159/EEC on the modernization of agricultural undertakings, Directive 72/160/EEC concerning incentives for the cessation of agricultural activities and the exploitation of utilized farmland with a view to improving structures and Directive 72/161/EEC concerning socio-economic information and the professional qualifications of persons working in agriculture,
- having regard to Regulations (EEC) Nos. 355/77 and 1361/78 concerning the processing and marketing of agricultural products,
- having regard to Regulation (EEC) No. 1760/78 concerning the improvement of infrastructures in certain rural areas,
- having regard to the need for certain regions of the European Community to define and fix the limits of internal regions, principally hill regions, in which there is particular evidence of the abandonment of farmland and migration of the labour force, especially young people,
- whereas this situation is caused mainly by the low income potential of these areas either in agriculture or, in general terms, in other forms of employment,
- whereas the necessary revival of agriculture in these areas cannot in itself secure the objective of the redevelopment of such regions, for which a measure of complementarity must be established between agricultural and non-agricultural development,
- whereas there is therefore a need for solutions aimed at achieving this development through the full utilization of natural local resources and dependent resources (for example rural tourism, craft activities, etc.),
 1. Considers that the Commission of the European Communities should submit, by the end of 1982, a draft regulation fixing the limits of internal hill and mountain regions in the territories of the Member States not falling under Directive 75/268/EEC;
 2. Believes, moreover, that this definition should take account, above all, of the particular economic and social situations encountered in these internal regions;
 3. Considers, therefore, that this definition should be accompanied by suitable Community regulations designed to promote inter-sectoral action aimed at furthering the economic and social integration of the territories of these internal regions with neighbouring regions and a series of actions for their development;
 4. Considers, finally, that the abovementioned proposals also reflect the spirit and the principles of the Mandate of 30 May;
 5. Instructs its President to forward this resolution to the Council and the Commission.

Motion for a resolution (Doc. 1-815/82)

tabled by Mr COSTANZO, Mr KAZAZIS, Mr BARBAGLI, Mr STELLA, Mr GIUMMARRA, Mr COLLESELLI, Mr MODIANO, Mr DIANA, Mrs CASSANMAGNAGO CERRETTI, Mr LIGIOS and Mr ZECCHINO

pursuant to Rule 47 of the Rules of Procedure

on specific Community action for the protection, enlargement and preservation of the forestry resources of the Mediterranean regions

The European Parliament,

- A. Recalling earlier debates and votes of the European Parliament on the need for an increased political and financial commitment on the part of the EEC in the forestry sector,
- B. Considering the poor results obtained in this respect by means of the measures adopted so far by the Community under the Regional Fund, the directives for the reform of agricultural structures and the regulations forming part of what is known as the 'Mediterranean package',
- C. Considering that the benefits and products obtained from forests (healthy natural surroundings, water supplies, soil stability, wood and raw material for the manufacture of paper, etc.) are tending to become increasingly scarce, which should be a cause for concern to all countries of the Community and not only to the regions which are structurally more arid and have less forest,
- D. Considering that, especially in the southern regions of the EEC, forestry resources are clearly completely insufficient to meet ecological, hydrogeological and production needs,
- E. Considering that the limited forestry resources of these southern regions are the most exposed to and least protected against the destructive effects of fires,
- F. Considering, finally, that, above all in the mountain and hill areas of less-favoured regions, work on fire prevention, on increasing the areas covered by forest, on the care and maintenance of the undergrowth and on hydraulic and hydrogeological installations in forests may represent an important source of employment for the local population,

1. Calls on the European Commission:

- To submit as soon as possible a report to Parliament on the results obtained so far by means of Community measures in the forestry sector,

- To draw up a proposal for specific Community action, to be financed by the various structural funds (Regional Fund, EAGGF, Social Fund) supplemented as appropriate by special funds, so as to launch in the southern regions of the Community, a series of multi-annual aid programmes designed to deal, in conjunction with the Member States and the regional authorities, with all the problems connected with forestry as a whole, with the aim of increasing the productive and protective function of woods and forests and of creating new and permanent sources of employment for the local populations;
2. Instructs its President to forward this resolution to the Commission and the Council of the European Communities and the Governments of the Member States.

otion for a resolution (Doc. 1-1077/82)

abled by Mr KYRKOS

ursuant to Rule 47 of the Rules of Procedure

on the Institute for Studies in Mediterranean Agriculture in Chania, Crete.

The European Parliament,

- A. noting that the Greek Government and the International Centre for Higher Studies in Mediterranean Agriculture are setting up an Institute for Studies in Mediterranean Agriculture in Chania, Crete,
 - B. having regard to the efforts of the Commission and of the European Parliament's committees to draw up a Mediterranean policy,
 - C. having regard to the European Parliament's previous resolution on the Mediterranean programme (POTTERING REPORT 1-736/81),
 - D. noting the aims of the new Institute, namely to increase productivity and protection in branches of plant production, especially in the olive, citrus fruit and market-garden and sub-tropical plant production sectors,
 - E. considering that these aims are in line with the general aims of the Community's agricultural structure policy,
 - F. noting that this new Institute will admit students from all countries of the Mediterranean basin,
1. Calls on the Commission,
- a) to make part of the operating expenses of the new Institute chargeable to the budget of the agricultural structure policy;
 - b) to commission the new Institute to undertake specific studies in the sphere of Mediterranean agriculture;
 - c) to establish a number of scholarships for students of the new Institute, especially for students from Arab countries of the Mediterranean basin;
2. instructs its President to forward this resolution to the Commission and to the Council of Ministers.



