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The Structural Funds and employment

On 20 March, the Commission approved a communication (COM(96) 109) setting out ways of doing more and better in the area of employment through the Community's structural policy.

There is no question, of course, of reopening negotiations on the Community Support Frameworks and single programming documents that have already been adopted. The aim is rather to make use of the flexibility already built into these programmes by directing their implementation more towards helping job creation (investment in human capital, strengthening of business support services, encouraging the spread of innovative technologies, reorganization of working time, exploiting new sources of employment, etc).

In concrete terms, the Commission is proposing the allocation to employment creation schemes of the extra resources

available from annual adjustments for inflation (forecast to be ECU 5 billion between 1994 and 1999) and of funds reprogrammed by the various Monitoring Committees. The Commission will also try to ensure the same approach in the Objective 2 SPDs for 1997-99.

Beyond this redirection of assistance, the Commission has also stressed particularly the need to improve implementation. In this connection, it is proposing the setting-up of local or regional partnerships for employment between public and private actors within the framework of the Community structural policies. The objective is to launch a policy initiative which will involve all the partners concerned but not to duplicate the work of the Monitoring Committees; instead, the aim is to give local partners a framework for reflection and reference, in order to exploit to the full the flexibility available within programmes for supporting local development and employment initiatives.

Adoption of 7 new programmes

Between 13 and 31 March, the Commission adopted 7 new Community Initiative programmes. For information sheets on these programmes, please contact Mr L. Nigri, DG XVI/F.2,

(fax: +32-2-296.60.03) or consult the "ERDF programmes" page of DG XVI's Internet site (electronic address: <http://www.cec.lu/en/comm/dg16/dg16home.html>).

Eligible region / area	Community Initiative	Total public investment (ECU m 1995)	Structural Funds contribution (ECU m 1995)
B Bruxelles-capitale	Urban	5.0	2.2
Vlaanderen	SMEs	5.4	2.7
DK Danmark	SMEs	5.1	2.6
D Rheinland-Pfalz	SMEs	3.3	2.3
F Guadeloupe	Regis II	111.2	60.8
Guyane	Regis II	47.3	28.4
Martinique	Regis II	106.3	60.8

Cohesion Fund decisions

The European Commission has recently approved funding from the Cohesion Fund for a series of Spanish projects. These projects are located in the following regions: Andalusia, Aragon, Balearic Islands, Canary Islands, Catalonia, Galicia, Madrid, Navarre, Basque Country and

Valencia. They cover road transport infrastructure (ECU 435.7 million), treating and purifying water (ECU 48 million), management of solid waste (ECU 23 million) and rehabilitation of public spaces within towns and cities (ECU 16 million).

Objective 2 designated areas for 1997-99

In cooperation with the Member States, the Commission is in the process of drawing up the list of the areas which are to receive assistance from the Structural Funds under Objective 2 (conversion of declining industrial areas) between 1997 and 1999.

The Commission recognizes that the problems of the declining industrial regions will not be resolved in the short run and it therefore accepts the principle of rolling forward the current list as advocated by the Member States at the informal Madrid Council last December. However, each Member State is entitled to propose new areas for the 1997-99 list which have suffered a serious deterioration of their economic situation, to replace areas which have seen a real improvement.

The procedure for designating eligible areas is as follows: the Commission receives proposals for the list from the Member States concerned, examines them and negotiates on them with the Member States. Following these

negotiations, the Commission submits the complete list to the Consultative Committee for the Development and Conversion of the Regions and then adopts the final list. The decision adopting the list (this should come in May 1996) will be accompanied by an indicative financial distribution among the Member States so that they can have their programmes (in the form of SPDs) approved in time to ensure a smooth transition to the next programming period.

As a reminder, the areas currently eligible under Objective 2 cover 16.4% of the population of EUR-15. Among the new Member States, only Finland (for which the financial allocation has already been fixed) is affected by the review of eligible areas; the assistance for declining industrial areas in Austria and Sweden has been programmed for the whole of the period from 1995 to 1999. Over the period 1997-99, it is planned to devote a total appropriation of ECU 8.15 billion to areas eligible under Objective 2 in Germany, the Benelux countries, Spain, Denmark, France, Italy and the United Kingdom.

In brief

Presidency of the Committee of the Regions

On 20 March, the Committee of the Regions elected its president and its executive for 1996-98. The new President is Pasqual Maragall, Mayor of Barcelona. Jacques Blanc, Chief Executive of Languedoc-Roussillon, becomes first vice-president. The other vice-presidents are Knud Andersen (DK), Vannino Chiti (I), Manfred Dammeyer (D), Fernando Gomes (P), Charles Gray (UK), Roger Kaliff (S), Risto Koivisto (FIN), Thrassyvoulos Lazaridis (GR), Juan José Lucas Gimenez (E), Tony Mc Kenna (IRL), Carlo Meintz (L), Jan Terlouw (NL), Luc Van Den Brande (B), Jean-Jacques Weber (F), and Cristof Zernatto (A).

Delays in implementing assistance from the Structural Funds in Italy

At a meeting with Mario Arcelli, the Italian budget minister, Monika Wulf-Mathies said on behalf of the Commission that Structural Fund spending in Italy for 1994 and 1995 had reached abnormally low proportions of the sums allocated.

Eastern Germany under Objective 1 after 1999?

The Prime Ministers of the five new German Länder recently met the President of the Commission, Jacques Santer, together with Commissioners Martin Bangemann, Karel Van Miert and Monika Wulf-Mathies. They expressed in particular their wish to see eastern Germany continue to be among the regions eligible under Objective 1 after 1999.



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