

EU pledges support to regions devastated by floods

Cohesion Fund: new implementing regulation

The European Commission has published a new implementing regulation on the management and monitoring systems and implementing procedure for financial corrections to the Cohesion Fund. The new regulation, which was published in the Official Journal (L 201, 31.7.2002, p. 5), stipulates the terms of application of Regulation (EC) No 1164/94 for Cohesion Fund projects. It applies only to projects that were approved for the first time after 1 January 2000. Further information is available on the Inforegio web site:

http://europa.eu.int/comm/regional_policy/sources/docoffic/official/regulation/cf_en.htm

First call under Interreg III C

The first call for proposals under Interreg III C (interregional cooperation) is planned for October 2002. Contact details of the joint technical secretariats which have been set up for the management of the four Interreg III C programmes have been posted at:

http://europa.eu.int/comm/regional_policy/interreg3/abc/voletc_en.htm

A common web site for all four programmes can be found at:

<http://www.interreg3c.net>

On 18 September, in response to the devastation caused by the recent floods in several regions of Europe, the European Commission adopted a proposal for a Council regulation on the establishment of a new European Union solidarity fund

The Commission proposes that the new solidarity fund, endowed with additional resources of EUR 1 billion per annum, would be used in the event of 'natural, technological or environmental disasters' and would be available to Member States and to countries with which accession negotiations are under way. The new fund would be different from the Structural Funds and other existing Community instruments and would be limited to the most urgent needs. The long-term reconstruction of infrastructure and businesses would be left to other instruments.

The Commission suggests that this 'fresh money' could be made available under the Community budget as and from 2002 (EUR 1 billion per year). However, the necessary financial resources would only be requested from the Member States in case of such catastrophe. In relation to the events of this summer, such resources could therefore already be mobilised.

At a meeting on 28 August, EU Commissioners also confirmed a series of other measures, including Structural Fund transfers and adjustments, to assist areas affected by the floods. Permission was granted to Germany and Austria to reallocate part of the Structural Funds earmarked for them for the period 2000–06 and, in relation to the candidate countries hit by the flooding, it was confirmed that unspent pre-accession funds (ISPA, Phare and Sapard) would be reallocated.

Other measures announced include: derogations regarding agricultural set-aside areas; advances on direct payments; the use of cereal intervention stocks; EIB loans; approval of State aid to repair up to 100 % of damage; accelerated procedures for public procurement; assistance and information from the Monitoring and Information Centre; the forthcoming adoption of a European risk-prevention strategy. Further information is available at:

http://europa.eu.int/comm/regional_policy/index_en.htm

The situation concerning Structural Fund payments in 2002 and 2003

Addressing a meeting of the European Parliament Committee on Budgets, on 17 July 2002, Commissioner Barnier stated that Member States had until 31 March 2003 to present requests for final Structural Fund payments for the period 1994–99.

He highlighted the possibility that not all of the EUR 7.3 billion payment appropriations for 2002 would be claimed, in which case carry-over of appropriations to 2003 would be necessary. For

the period 2000–06, Mr Barnier stressed that the 'n + 2' rule (see *inforegio news* No 100) would impose greater discipline on programme managers and he urged that this rule be maintained in the

future. Commenting on the situation at 30 June 2002, he said he did not envisage significant losses of appropriations at the end of the year, except perhaps in the case of Italy, where losses

of up to a few hundred million euro could be recorded. Further information is available at:

http://europa.eu.int/comm/regional_policy/index_en.htm

Regional unemployment rates varied widely in the EU and candidate countries in 2001

New data published on 5 August 2002 by Eurostat shows that regional unemployment rates ranged from 1.2 to 33.3 % in the EU and from 2.0 to 32.8 % in the central European candidate countries (CECCs) in 2001.

Of the 209 NUTS 2 regions of the EU observed, 53 had a rate of 3.8 % or less, i.e. half the EU average and 16 regions had a rate of 15.2 % (double the EU average) or higher. Of the 53 CECC regions considered, only the regions of Közép-Magyarország (Budapest and its surrounding region) and Nyugat-Dunántúl (bordering Austria and Slovenia), in Hungary, and that of Prague, in the Czech Republic, had rates lower than half the EU average. In 22 regions, the unemployment rate was more than double the EU average.

A comparison of unemployment rates in the regions of the two zones shows similar levels of unemployment for both men and women in the CECCs, whereas in the EU unemployment amongst women is frequently higher than that of men. In both areas, regional differences in the unemployment rate for young people aged under 25 are more marked than those for the economically active population as a whole. Further information is available at:

<http://europa.eu.int/comm/eurostat/>

Interreg III: adoption of four new programmes

At the end of July 2002, the Commission announced the adoption of four new programmes under strands A (transnational cooperation) and B (cross-border cooperation) of the Community initiative Interreg III.

Further information is available on the Interreg web site:

http://www.europa.eu.int/comm/regional_policy/interreg3/index_en.htm

Programmes 2000-06	Total cost (million EUR)	Contribution from the Structural Funds (million EUR)
Interreg IIIA		
Italy and Albania	72.0	33.0
Greece and Albania	126.0	90.0
Interreg IIIB		
'Caribbean area' (Guadeloupe, Martinique and French Guiana)	24.0	12.0
Réunion island and neighbouring countries	5,9	5.0



European Commission
Directorate-General for Regional Policy

KN-AB-02-010-EN-C