

EUROPEAN PARLIAMENT

1999



2004

Session document

FINAL
A5-0247/2001

28 June 2001

REPORT

on the Commission's 11th Annual Report on the Structural Funds
(1999)
(COM(2000) 698 – C5-0108/2001 – 2001/2057(COS))

Committee on Regional Policy, Transport and Tourism

Rapporteur: Camilo Nogueira Román

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PROCEDURAL PAGE

By letter of 13 November 2000 the Commission forwarded to Parliament its 11th Annual Report on the Structural Funds (1999) (COM(2000) 698 – 2001/2057(COS)).

At the sitting of 15 March 2001 the President of Parliament announced that she had referred the report to the Committee on Regional Policy, Transport and Tourism as the committee responsible, and to all the committees concerned by it for their opinions (C5-0108/2001).

The Committee on Regional Policy, Transport and Tourism had appointed Camilo Nogueira Román rapporteur at its meeting of 24 January 2001.

It considered the Commission report and the draft report at its meetings of 29 May and 20 June 2001.

At the last meeting it adopted the motion for a resolution by 37 votes to 4, with 8 abstentions.

The following were present for the vote: Konstantinos Hatzidakis, chairman; Emmanouil Mastorakis and Rijk van Dam, vice-chairmen; Camilo Nogueira Román, rapporteur; Sir Robert Atkins, Emmanouil Bakopoulos, Rolf Berend, Theodorus J.J. Bouwman, Philip Charles Bradbourn, Carmen Cerdeira Morterero, Luigi Cesaro, Luigi Cocilovo (for Felipe Camisón Asensio), Paolo Costa, Danielle Darras, Garrelt Duin, Alain Esclopé, Jean-Claude Fruteau (for Giovanni Claudio Fava), Mathieu J.H. Grosch, Ewa Hedkvist Petersen, Mary Honeyball, Marie Anne Isler Béguin (for Reinhold Messner), Juan de Dios Izquierdo Collado, Dieter-Lebrecht Koch, Karsten Knolle (for Dana Rosemary Scallon), Giorgio Lisi, Sérgio Marques, Erik Meijer, Rosa Miguélez Ramos, Francesco Musotto, James Nicholson (for Carlos Ripoll i Martínez Bedoya), Juan Ojeda Sanz, Josu Ortuondo Larrea, Karla M.H. Peijs, Wilhelm Ernst Piecyk, Samuli Pohjamo, Alonso José Puerta, Reinhard Rack, Isidoro Sánchez García, Marieke Sanders-ten Holte, Gilles Savary, Ingo Schmitt, Brian Simpson, Renate Sommer, Ulrich Stockmann, Margie Sudre, Hannes Swoboda (for Joaquim Vairinhos), Ari Vatanen, Demetrio Volcic and Mark Francis Watts.

The opinions of the Committee on Budgets, the Committee on Employment and Social Affairs, the Committee on Fisheries and the Committee on Women's Rights and Equal Opportunities are attached.

The report was tabled on 28 June 2001.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

MOTION FOR A RESOLUTION

European Parliament resolution on the Commission's 11th Annual Report on the Structural Funds (1999) (COM(2000) 698 – C5-0108/2001 – 2001/2057(COS))

The European Parliament,

- having regard to the Commission report (COM(2000) 698 – C5-0108/2001),
- having regard to Regulation (EEC) No 2081/1993¹, and in particular Article 16 thereof, and Regulation (EEC) No 2082/1993², and in particular Article 31 thereof,
- having regard to the Court of Auditors' annual report for 1999³ submitted pursuant to Article 248 of the EC Treaty,
- having regard to the Treaty of Amsterdam and the employment conclusions of the Luxembourg European Council,
- having regard to Agenda 2000 and to Regulation (EEC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds and to the specific regulations governing each of the Structural Funds,
- having regard to the conclusions of the Lisbon and Stockholm European Councils on the new economy, employment and sustainable development,
- having regard to the Commission's second report on economic and social cohesion⁴ submitted pursuant to Article 159 of the EC Treaty,
- having regard to the Commission's sixth periodic report on the socio-economic situation and development of the regions of the European Union, submitted pursuant to Article 8 of Regulation (EEC) No 2083/1993 on the European Regional Development Fund⁵,
- having regard to Article 11 of Regulation (EEC) No 1260/1999 on additionality,
- having regard to Article 299, paragraph 2 of the EC Treaty,
- having regard to the Commission report on measures for the outermost regions of the European Union⁶,
- having regard to Rule 47(1) of its Rules of Procedure,
- having regard to the report of the Committee on Regional Policy, Transport and Tourism, and the opinions of the Committee on Budgets, Committee on Employment and Social

¹ OJ L 193, 31.7.1993, p. 5

² OJ L 193, 31.7.1993, p. 20.

³ OJ C 342, 1.12.2000, p. 1.

⁴ COM(2001) 24 (not yet published in OJ).

⁵ OJ C 277, 23.9.1996, pp. 13 and 45 (SEC(1999) 66).

⁶ COM(2000) 147 (not yet published in OJ).

- A. whereas 1999 was the final year of the application of the Structural Funds to seven different objectives, and whereas the new regulation reduces the number of objectives to three, on the understanding that each objective will be financed by a single structural fund, while the Community initiatives are to be reduced to four,
- B. whereas in 1999 an extensive period for applying the cohesion policies and, specifically, the Structural Funds, came to an end,
- C. whereas in the 11th Annual Report on the Structural Funds (1999) the main horizontal theme is that of measures to promote gender equality in employment,
- D. whereas the contributions from the Structural Funds have been substantial for the development of the regions, not only from the infrastructural and productive point of view but also that of social integration,
- E. whereas 1999 was the last year of the 1994-1999 programming period and saw the conclusion of the package of measures adopted in 1992 in Edinburgh and the preparation of the framework conditions for the new 2000-2006 programming period,
- F. whereas the reports should address the qualitative analysis and productive efficiency of the Structural Funds, and not confine themselves to measurement of their consumption, their quantitative distribution and the transparency of their application,
- G. whereas, despite the budgetary effort represented by the Edinburgh package and the progress achieved, the EU still exhibits major regional asymmetries in economic and social development, and whereas there are still disparities in the European Union between the periphery (including the outermost regions) and the centre,
- H. whereas the average per capita income of the 10 % of the population living in the Union's most prosperous regions is still 2.6 times higher than that of the 10 % living in the least-favoured regions, while the gap between the single richest and the single poorest region shows a ratio of 4.4,
- I. whereas, despite the aims underlying the creation and application of the Structural Funds, the correction of economic and social inequalities is having more impact at Member State than at regional level; whereas regional asymmetries have actually increased within some Member States,
- J. whereas there are signs of variations in income per inhabitant, particularly in the area of employment,
- K. whereas, following the two most recent programming periods, unemployment rates in the Member States which are the main beneficiaries of the Structural Funds have, with the notable exceptions of Ireland and Portugal, kept to the levels of 1988,
- L. whereas women are especially adversely affected by unemployment and low employment rates,

- M. whereas the Lisbon Council adopted full employment as a major objective of the Union,
- N. whereas the average wage differential between women and men in the EU is still extremely high (-28 %),
- O. having regard to the existing global relationship between lower income per inhabitant, overall unemployment and female unemployment,
- P. whereas the persistence of inequality as regards the male and female employment rates is also related to problems in the family and labour spheres: the domestic division of labour, the availability of crèches, children's and maternity allowances and occupational promotion factors; whereas, however, circumstances vary greatly from one Member State to another,
- Q. whereas, while education and training in new technology constitutes a factor of development, social and economic equality in the regional context remains a necessary condition for the operation of horizontal programmes for job creation, technical and vocational training and gender equality in employment,
- R. whereas labour mobility on its own is not enough to balance supply and demand in employment in the EU,
- S. whereas the factors of remoteness and insularity that are features of the outermost regions can be compensated by the development of activities financed by the Structural Funds, to increase the competitiveness of the value-added sector, facilitate access to information and define the role of these regions in the context of an enlarged European Union,
- T. whereas the entire territory of Europe, including the outermost regions, must be included in the trans-European networks,
- U. whereas the budget for cohesion policy, the Structural Funds and the Cohesion Fund for the EU of 15, as a percentage of total GDP, will be reduced for the period 2000-2006, from 0.46 % in 1999 to a proposed level of 0.31 % in 2006, i.e. to no higher than the 1994 level,
- V. whereas with the enlargement to take in new member states internal regional inequality could reach an unprecedented level; whereas particularly acute problems could arise concerning unemployment, as has already occurred with the integration of the two German economies,
- W. whereas Regulation (EC) No 1260/1999 states that the Member States are obliged to respect the principle of additionality when implementing projects cofinanced from the Structural Funds and that EU funding cannot replace structural expenditure or its equivalent by the Member States themselves; whereas over the 1994-1999 programming period not all the Member States provided the obligatory information on compliance with the principle of additionality,
- X. whereas the risk exists that economic and budgetary stability programmes could result in cutbacks in public investment, notably in transport infrastructure and R & D in the less-favoured regions; whereas it would be most unfortunate if such practices were followed

by Member States which are beneficiaries of the Structural Funds and the Cohesion Fund, since they are precisely the ones that most need such investment; whereas particular care must be taken to ensure that Member States' zero budget deficit policies do not jeopardise the principle of additionality,

- Y. whereas the sound and efficient implementation of the Structural Funds, guaranteed by suitable assessment and monitoring systems, is absolutely crucial for the credibility and effectiveness of the Community institutions,

Execution of the budget

1. Notes that, over the period 1994-1999, 99 % of commitment appropriations under the Structural Funds were utilised, and that ultimately only the considerable sums transferred in 2000 and the use of transversal financing permitted a satisfactory conclusion for the package of measures adopted in Edinburgh;
2. Acknowledges the efforts of the Commission, in the Annual Report for 1999, also to provide an overview of results for the whole 1994-1999 period; regrets that the Commission does not provide more extensive analysis of the budgetary performance over the period, but limits itself to a description of the actual out-turn;
3. Notes that indirect reference is made to the backlog of outstanding commitments remaining to be paid at the end of the period (*reste à liquider*) without either a complete quantitative description or detailed explanations being given; this is despite the fact that reducing that backlog and speeding up implementation have been recurrent objectives of each successive revision of the Structural Funds regulations, and a constant concern of the Budgetary Authority;
4. Confirms for the record, a backlog of some EUR 41 600 million at the end of 1999, of which some EUR 21 860 million remained at the end of 2000 according to the accounts; recalls that payments can be made on outstanding commitments from the 1994-1999 period until the end of 2001;
5. Criticises the fact that the RAL grew further in the period 1994-1999 and calls on the Commission to reverse this trend at once; calls further for a shift in the emphasis of project promotion not only from large, long-running projects but also shorter-running small and medium-sized projects, which are better suited to less developed regions;
6. Considers that the appropriations of EUR 160 million allocated by the Commission at the end of 1999 which were not covered in the budget should have been treated as a transfer of appropriations, and that appropriations for innovative activities should not have been cut to cover the shortfall; urges the Commission to ensure that the appropriations for innovative activities are restored to their agreed level at Berlin;
7. Welcomes the fact that outstanding appropriations from previous programming periods were substantially reduced in 1999; regrets, however, the fact that there are still outstanding appropriations from the period prior to 1989, i.e. some 11 years after the end of the programming period;
8. Notes the absence of clear guidelines concerning utilisation in respect of the Community

initiatives, with an excessive dispersal of measures;

9. Notes that, during the last programming period (1994-1999) projects were delayed and accumulated at the end of the period, which in turn slowed down the launching of projects for the following programming period (2000-2006); considers that it would be to everyone's advantage for the implementation of projects to be spread as evenly as possible over the programming period;
10. Points out that the level of commitments does not properly reflect actual implementation of measures, especially as a significant proportion of commitments were not entered into until directly before the end of the programming period; expresses its concern, in particular, at the slow implementation of Community Initiatives, given that only just over half of appropriations available for the 1994-1999 programming period have been paid, making the programmes more difficult and costly to implement by those responsible for them, namely local authorities, NGOs, and the like;
11. Calls for the Funds to have as a policy priority and effect the incorporation of small businesses (creation, expansion, technological equipment, development and innovation, internationalisation of markets etc.) by their inclusion in all priority projects of the Community Support Frameworks and their substantial participation in the take-up of such funds;
12. Takes the view that the recent reform of the Structural Funds is likely to significantly improve programming, implementation and financial implementation of operations; calls on the Commission to assist the national authorities in adjusting to the new regulations by means of an active information policy;
13. Welcomes the Commission's approach involving linking programming and evaluation more closely together; regrets, however, the fact that, when programming is being carried out, the final evaluation of previous programmes is generally not yet available;
14. Proposes that there be an improvement in the process introduced to simplify the Structural Funds, objectives and Community initiatives, in order to increasingly concentrate assistance in areas whose development is lagging behind and prevent further delays, of the kind observed to date, in the implementation of appropriations;

Employment

15. Calls on the Member States to continue with the employment policy process launched in Amsterdam;
16. Stresses the need to move towards a joint regional development and employment policy;
17. Calls on the Commission to orientate the joint implementation of the Structural Funds and the Cohesion Fund in the interests of internal regional equality in the beneficiary states, and to carry out a full analysis of their effectiveness;
18. Takes the view that coordination between Structural Fund operations and national action plans for employment needs to be improved;

Gender equality

19. Welcomes the Commission's initiative to present measures to promote equal opportunities for men and women as the special theme for its annual report for 1999; takes the view, however, that the report in question fails to provide specific details either on access for women to the Structural Funds or on the impact of assistance under the Community Initiatives, including the NOW Programme, on the situation of women on the labour market and the promotion of equal opportunities, details which, supported by figures, ought to make it possible to weigh up the effectiveness of the measures pursued in this regard;
20. Calls for an integrated policy to promote women's interests, considering that the horizontal objective of gender equality has only partly been taken into account so far, linking the target of 60 % female employment by 2010 to the implementation of the Structural Funds and the Cohesion Fund;
21. Calls for special measures to deal with the large problem of insecure employment, and particularly women's employment;
22. Calls for the implementation of general measures in support of women in order to encourage solutions to the problems related to work and family life;
23. Welcomes the Commission's decision to take steps in future to foster the principle of equal opportunities laid down in Articles 2 and 141 of the EC Treaty as amended by the Treaty of Amsterdam, incorporate the gender aspect into policy as a whole, and work at Community level for the adoption of horizontal affirmative action measures;
24. Notes that, in accordance with the new regulations on the Structural Funds for 2000-2006, which establish the mainstreaming of equal opportunities for women and men in the Funds as a priority aim, Member States are obliged to conduct an *ex ante* evaluation of the plans to be drawn up, establish selection criteria for projects and use indicators in monitoring assistance from the point of view of gender equality; notes accordingly that the monitoring indicators and statistics ought to be broken down by gender;
25. Calls on the Commission to ensure that henceforth its annual reports on the Structural Funds provide a breakdown by gender of data regarding the impact of assistance on the integration of women and men into the labour market, on education and vocational training, on the establishment of women in business and on the reconciliation of family and working life;

Enlargement

26. Calls for the immediate determination of cohesion policy for the period after 2006, on the basis of continued support for the sectors and regions in the present Union of 15 which will continue to be eligible, combined with the establishment of specific supplementary cohesion arrangements for the new Member States;
27. Suggests that, in the perspective of enlargement, and in light of the political choices facing the EU as outlined in the Second Report on economic and social cohesion (COM(2001) 24 of 31 January 2001), the quality of expenditure, the value-for-money of the different objectives and funds, as well as the performance of the different

beneficiaries, will become key issues in determining the future shape of the Union's cohesion strategy and the redistributive function of its budget;

Agriculture and fisheries

28. Insists that the CAP and the CFP must be redefined as fundamental elements of the Union's policy for regional equality, social cohesion and sustainable development;
29. Calls on the Commission to submit a detailed report to Parliament and the Council in 2002 on the operations financed under the Structural Funds implemented in the Union's fisheries sector in the period from 1994 to 1999, together with a study on the socio-economic situation in the Union's fishing regions;

Other policies

30. Calls on the Commission and the Council, with a view to the period 2007-2010, to give priority in the context of TEN to linking the peripheral regions to the Union's central regions, without facing cutbacks in public investments in the Member States concerned;
31. Calls on the Commission to take account, in the interest of economic and social cohesion, of the ultraperipheral nature of the overseas countries and territories, Madeira, the Azores and Canaries when safeguarding access to the Structural Funds after 2006;
32. Calls on the Commission and the Member States to act over the coming years in accordance with the philosophy of the Structural Fund regulations as regards environmental mainstreaming in respect of all of the Funds' objectives;
33. Calls on the Member States to honour their undertakings under the Natura 2000 directive;
34. Notes the adoption of the specific programmes under the fifth framework programme for RTD, as well as the preparation in 1999 of the communication 'Towards a European research area', in which it is proposed to strengthen the role of the regions in the European research effort and, in particular, in the construction of the European research area;

Additionality

35. Is dismayed that the principle of additionality, one of the four basic principles underlying the Structural Funds, is evidently not being fully complied with by the Member States and the Commission; regrets the fact that no penalty can be imposed when Member States infringe the additionality principle; calls on the Commission, when carrying out ex-ante reviews in connection with programming, to place particular emphasis on compliance with the additionality principle; agrees, furthermore, with the recommendation of the Court of Auditors that, for the new programming period, procedures for verifying additionality should be drawn up that are more workable, that are integrated into the programming, monitoring and evaluation frameworks and that are suitable for use with the budgetary and statistical information available;
36. Calls on the Member States to comply strictly with the principle of additionality and asks the Commission to act to create instruments and rules ensuring that additionality is

applied;

37. Calls on the Commission to supply Parliament as soon as possible with a list of the measures it intends to apply to ensure compliance with this principle, in particular where Member States which are beneficiaries of the Structural Funds and the Cohesion Fund operate a zero budget deficit rule;
38. Calls for the regions, and not the Member States, to be the bodies that administer and politically decide the Structural Fund projects that should be implemented within their territorial ambit;

Partnership

39. Urges the Commission and the Member States, in their management of the Structural Funds, to apply the principle of partnership with economic and social agents and the principle of subsidiarity, and to recognise the competences of the Member States' internal political units;

Evaluation and control

40. Welcomes the Commission's inclusion, for the first time in an annual report, of a chapter on the means of assessment and verification applied, in response to the criticisms made by Parliament in previous years;
41. Notes that the irregularities and cases of fraud reported by the Member States in 1999 involved an amount of EUR 120.6 million, in other words 0.39 % of the total Structural Fund appropriations (EUR 30.6 billion); calls on the Commission to strengthen on-the-spot checks by the appropriate inspection bodies; requests the Commission to provide regular information on the steps taken to combat irregularities in European Structural Fund operations in the Member States;
42. Notes the detailed rules laid down in Regulations (EC) Nos 438/2001 and 448/2001 for the purposes of implementing Regulation (EC) No 1260/1999; welcomes the improvements brought about in financial control regarding the Structural Funds; calls for the above Regulations to be applied comprehensively by the Member States and the Commission; calls on the Member States to improve the management and control systems designed to prevent, uncover, and remedy weak spots and systematic irregularities; calls on Member States which have not yet done so to give full powers to their national audit institutions to check the use made of EU resources at every level up to the final recipients;
43. Underlines the key role which the European Parliament should play in the process of evaluation and control, a role which has been neglected over the period covered by the Annual Report; believes that the Parliament should not just rubber-stamp the annual allocations when it comes to adopt the budget, but should be actively involved in the evaluation process, as a guarantor of the European interest alongside the Commission;
44. Suggests that a review and strengthening of the role of Parliament's role is necessary, in particular to hold the Commission and the Member States to their obligations as regards

transparency in this sector, notably as expressed in the Code of Conduct on implementation of structural policies agreed with the Commission in 1999;

45. Instructs its President to forward this resolution to the Council, the Commission and the Parliaments of the Member States.

EXPLANATORY STATEMENT

The 11th Annual Report on the Structural Funds concerns a year of particular importance in the evolution and definition of the Union's cohesion policy. 1999 marked the end of the 1994-1999 programming period and of the application of the 'Delors II' package (adopted in Edinburgh in 1992). It also saw the adoption by the Berlin European Council of the Agenda 2000 programme for the period 2000-2006, viewed as a transitional phase before the post-2006 period and an enlargement which could involve substantial changes in the existing cohesion policies.

The Edinburgh European Council had allocated EUR 161 billion at current prices to the Structural Funds and the Cohesion Fund. Of this sum, a total EUR 144 598.14 million was allotted to the Structural Funds, broken down as follows: ERDF 51.58 %, ESF 30.02 %, EAGGF 16.26 % and FIFG 1.84 %.

The 1994-1999 period has now come to an end, and the 11th Report makes it clear that things are still far from satisfactory as far as cohesion is concerned. This is also evident from the second report on economic and social cohesion, which concludes that there are no clear signs of improvement in the regional balance.

Indeed, what is happening is, on the contrary, the strengthening of a dominant centre formed by a triangle delimited by North Yorkshire, Franche-Comté and Hamburg - a macro-region which accounts for only one-seventh of the EU's surface but for one-third of its population and almost one-half of its income (47 %), while the periphery remains in a state of relative backwardness.

Implementation of the Structural Funds has not sufficed to correct the income inequalities between the richest and the least-favoured regions. The average per capita income of the richest regions, which account for 10 % of the Union's population, is still 2.6 times that of the regions in which the poorest 10 % live. The gulf appears even greater if we compare the richest regions with the least developed regions of the cohesion states: the per capita income of Hamburg is, respectively, 4.4, 3.7 and 3.6 times that of Epirus, Extremadura and the Azores. This continuing reality is not affected by the fact that in the three least-favoured Member States (Spain, Greece and Portugal) average per capita income increased between 1988 and 1999 from 68 % to 79 % of the Union average. Within some Member States, inequalities between regions have even increased.

Employment problems have a major impact at regional level. Unemployment averages 23 % in the ten EU regions most affected by it - most of them being among the least developed - while the corresponding figure is a mere 3 % in the ten regions with the least unemployment, which are mostly among the Union's richest. The Second Report recognises that the employment situation as between regions has not changed since 1980, and that there are no signs pointing towards a more balanced distribution of employment between regions.

In those Member States which are particular beneficiaries of the Structural Funds, such as Italy, Spain and Greece, comparison of the 1988 and 1998 unemployment levels in their Objective 1 regions offers a dispiriting perspective: over the period, unemployment remained

steady or increased in the Italian regions concerned, while it either fell slightly or increased in the beneficiary Spanish regions and rose visibly in their Greek equivalents. In Ireland and Portugal, by contrast, unemployment fell, from 16.3 % to 5.9 % and from 6.0 % to 4.7 % respectively.

Women are particularly affected by unemployment. The average female employment rate in the EU is only 53.1 %, by contrast with a male rate of 72.6 % and an overall rate of 62.85 %. However, things are worse in those Member States which have a high proportion of less-favoured regions, notably Italy, Spain and Greece, and in the Objective 1 regions of those Member States. Female employment hits a respective national low in Sicily (21.5 %), Andalusia (27.7 %) and Voreio Aigaio (34.5 %). Ireland (51.9 % - 75.7 %) and, notably, Portugal (62.9 % - 80.2 %) are, once again, the exceptions. Despite this, it is clear that the horizontal objective of gender equality has been taken into account only partially and that policies are still tending to be presented as gender-neutral.

In the light of the above, it appears unlikely that Agenda 2000 and the pre-enlargement phase will usher in any significant reduction in regional inequality. The appropriations for the 15 for the period 2000-2006, which total EUR 213 billion, actually entail a reduction in the financing of cohesion policy: the budget for that policy, measured as a percentage of overall GDP, will be less for 2000-2006 than it was for 1994-1999, falling from 0.46 % in 1999 to 0.31 % in 2006 and thus effectively returning in proportional terms to the 1994 level. The Agenda 2000 budget for the Structural Funds may have the capacity to maintain present efforts in the direction of economic and financial cohesion, but there is no reason to suppose that the results will be any improvement on those for 1994-1999.

Cohesion policy could, indeed, be endangered by new circumstances or by political and economic decisions at EU level. The stability plans are tending to reduce public investment, notably in infrastructure and R & D in the transport sector, and could even result in non-compliance with the principle of additionality on the part of the Member States which are beneficiaries of the Structural Funds and the Cohesion Fund. Labour mobility strategies may also reinforce regressive tendencies, cancelling out the educational efforts made by the less-favoured regions and encouraging the concentration of population and wealth in the central regions of Europe. Labour mobility is being promoted to make good the shortfall in personnel with skills in the new technologies in the central or economically more advanced Member States, and the gap is being filled by 'cutting-edge' professionals from the less-favoured regions and Member States. The paradoxical result is the migration from the Union's less-favoured Member States and regions of those workers who are the best qualified and who are most needed at home; the same phenomenon is occurring at global level with the intercontinental migration of the most skilled experts produced by third-world countries, which is creating a new and bizarre vicious circle of poverty.

It is clear from the 11th Report that the nature of the problems of regional inequality and social cohesion is effectively the same as it was before 1994-1999. This is particularly disturbing in view of the fact that the enlargement of the EU to take in countries with substantially lower per capita incomes will create an immediate and substantial increase in regional and social inequality. The earlier experience of the integration of the economy of the former GDR into the Federal Republic suggests that there is likely to be a particularly acute unemployment problem.

The decision to enlarge was the right one, but enlargement must not be used as a pretext to undermine the existing cohesion policy, which remains as necessary as ever: its continued importance is evident from the 11th Annual Report on the Structural Funds. The historic reunification which the decision to enlarge will bring about necessitates a reform of the Community's Structural Funds budget: extra funding will have to be channelled to the regions of the new member states. The political and budgetary effort made by Germany, with the EC's support, to incorporate the east German Länder into the economy of the Federal Republic and the Union should give an idea of the resources which will be needed if we are to attain results similar to those achieved in the German case.

The general execution of the programmes

The 11th Report sets out the Commission's activities in 1999 and the data relating to budgetary execution for that financial year and for the entire period 1994-1999. According to the report, at the end of 1999 610 interventions corresponding to the Structural Funds' priority objectives for 1994-1999 were in course of execution: most of these fell under Objectives 1 and 2. In addition, interventions under Community initiatives were being executed via 524 programmes. All in all 1134 programmes were in course of execution.

Over the course of 1999 commitments were made in respect of 93.47 % of the appropriations available for that year under Objectives 1 to 6 and payments were made in respect of 87.08 %. In the light of this it may be said that of all the appropriations adopted in Edinburgh for the period as a whole 99 % were committed. This result was possible only thanks to the considerable acceleration of executions which occurred that year. As regards payments, 1999 saw an improvement, which helped make it possible to achieve an overall 75 % rate for 1994-1999. The conclusion of the programming period did not happen in linear fashion, and the considerable levels of the appropriations carried over to 2000, as well as the existence of a deficit of approximately EUR 160.3 m, may be considered significant burdens for the execution of the budget.

Execution broken down by objectives

For Objective 1 (the least-favoured regions) the execution rate for commitment appropriations over 1994-1999 was 99 %, while for payments it was 78 %. In 1999 it was, once again, Objective 1 (together with Objective 3) that showed the best execution levels for payments, repeating the pattern of 1998: the Union's less prosperous Member States prove to have the best record here. By contrast, those Member States which were still exhibiting delays in execution under Objective 1 in 1999 were among the most prosperous.

For Objective 2 (regions undergoing industrial conversion) the execution rate for commitments over 1994-1999 was as high as 97 %, but for payments it was only 60 %. 25 % of the commitments for the period were concentrated in 1999.

For Objective 3 (long-term unemployment, integration of young people, inclusion in labour markets), by the end of 1999 execution had been accomplished in respect of all of the commitment appropriations for 1994-1999, while payment had been made in 80 % of cases. For Objective 4 (industrial change and production systems) 1999 was marked by further improvement in the execution of appropriations, building on the trend registered in 1998:

execution of commitment appropriations for the period was 100 %, although for payments it was only 69 %.

For Objective 5a (adaptation of agricultural and fisheries structures), the figures at the end of 1999 were 96 % for commitments and 75 % for payments in the case of agriculture; for fisheries, the figures were 100 % and 73 % respectively. For Objective 5b (development of rural areas outside the Objective 1 regions), 1999 saw a similar improvement to that for the objectives as a whole, even though many of the programmes had been revised to take in more effective measures. By the end of the period the figures were 99 % for commitments and 68 % for payments. For Objective 6 execution stood at 100 % for commitments, but for payments it was only 65 % (Finland) and 64 % (Sweden).

The Community initiatives

The rate of execution for the Community initiatives rose over the period to 95 %. This may be considered a relative success, given the disturbingly high delays which had characterised the years prior to 1999; it may be attributed primarily to the reallocation operated in late 1998, on the insistence of Parliament. The payment rate, however, was only 57 %.

The 11th Report states that in 1999 25 new programmes were adopted under the Community initiatives. Of these, 22 fell under the PME initiative. The others were: an URBAN programme for the Brussels-Capitale region; and two Interreg inter-regional cooperation programmes, one concerning the Atlantic area (involving Spain, France, Ireland, Portugal and the UK) and the other for anti-drought measures in Greece. Under the ADAPT and Emprego programmes, initiatives were undertaken in Northern Ireland, Britain, Helsinki and Stockholm. For Leader II, all the appropriations were committed. In the case of PESCA, it may be suggested that management of the programme was complicated by its being associated with three different Structural Funds.

Innovative measures and technical assistance

Under the heading of innovative measures and technical assistance financed from the Structural Funds (at percentages not exceeding 1.5 % for the ERDF and 2 % for the FIFG), commitment reached 100 % in the case of environmental measures. Of the measures undertaken via pilot schemes under Article 10 of the ERDF regulation, in 1999 almost all concerned interregional cooperation. The measures under Article 7 of the ERDF regulation (financed from ERDF resources at 0.5 %) essentially concerned territorial employment pacts in ten Member States. As regards measures under Article 6 of the ESF regulation, 1999 saw the launch of a many of the pilot projects for employment, as well as stronger promotion of local development policy as a facet of all employment-related policies. In the field of local enterprise capital, the Commission evaluated 594 proposals over the first half of 1999. 21 regions participated in a study of the social and economic benefits of the information society organised via the RISI initiative. 1999 also saw the adoption of 16 new actions under Article 8 of the EAGGF (Guidance) regulation, mostly concerning demonstration projects for farmers and rural women. Studies were also launched under Article 4 of the FIFG regulation.

Coordination with other financial instruments

The 11th Report notes the 8 % increase in the EIB's lending activity in 1999 (by comparison

with 1998), and stresses that 61 % of the bank's loans within the EU went to less-favoured regions. It also refers to its coordination with the European Investment Fund, which specialises in guarantees and capital operations; guarantees were granted in 1999 to a value of EUR 406.6 m. The Report also notes the closer coordination in 1999 of the Structural Funds with the education and training programmes, such as Leonardo.

The Structural Funds and the TENs

The 11th Report draws attention to the complementarity (financing different aspects) of the financial contribution for the trans-European networks (TENs) and the Structural Funds, notably the ERDF. It also notes the adoption in 1999 of Regulation (EC) No 1655/99, which amends the 1995 regulation to provide for multiannual investment programmes and the encouragement of public-private partnerships.

The Structural Funds and the CAP

The 11th Report makes a brief reference to the reform of the CAP provided for under Agenda 2000, stressing the role of 'the balanced development of the countryside, which accounts for 80 % of the area of Europe' and declaring that 'policy on agriculture and the countryside has an important role to play in the territorial, economic and social cohesion of the Union'.

The Structural Funds and the common fisheries policy

Again in a brief reference, the report stresses that aid to fishing fleets should not have the effect of increasing the fishing effort and that actions cofinanced by the FIFG should contribute to meeting the challenges of globalisation, consumers' quality requirements and the need for 'improved working conditions on board ship'.

The Structural Funds and the environment

The 11th Report states that the regulations for 2000-2006 provide for environmental mainstreaming in respect of all the objectives of the Structural Funds, in accordance with the principles of sustainable development. In this connection, the 'Guidelines for Programmes in the period 2000-06', which are to be considered as complementary to the regulations governing the Structural Funds, stress the need for 'investment in infrastructure for a high-quality environment, in particular in the sectors of water and waste management'. Concerning environmental legislation and the Natura programme, it states: 'A number of problems and delays arose in the implementation of 1994-99 programmes (...) due to the failure by several Member States to designate the sites to be protected.'

The Structural Funds and R & TD

The main points here are the adoption in 1999 of the specific programmes under the Fifth Framework Programme and the adoption of the Structural Fund regulations for 2000-2006, which have had a 'positive impact on the possibilities for the future financing of measures linked to RTD and innovation from structural assistance', whether under the ERDF, the ESF or the EAGGF.

Other Community policies

The Commission considers that 1999 was a fruitful year 'in the cultural field as far as regional development was concerned': most of the 32 pilot cooperation projects in this area under ERDF Article 10 were successfully completed. The report stresses that the new general regulation for the Structural Funds provides, for the first time, for the possibility of the Funds being used for purposes of 'cultural investment', provided sustainable jobs are created. In the field of tourism, the report states that 1999 saw recognition of this activity's importance for regional economies through the communication of the high-level group on tourism and employment, and stresses the need for sustainable strategies for promotion and development of the tourist industry.

Preparation of the programming period 2000-2006

The 11th Report lays particular stress on the work of preparation of the programming period 2000-2006, leading up to the Berlin European Council. The agreements reached on the financing of cohesion policy reduced the appropriations from the level set in the Commission's initial proposal (EUR 239.4 billion at 1999 prices); the new level is EUR 213.01 bn, broken down into EUR 195.01 bn for the Structural Funds and EUR 18 bn for the Cohesion Fund. The Council also decided the distribution of the Structural Funds among the three remaining integrated objectives, namely: EUR 135.95 bn (69.7 %) for Objective 1, 22.45 bn (11.5 %) for Objective 2 and 24.05 bn (12.3 %) for Objective 3. It also set the level of aid for the applicant countries at EUR 46.86 bn; of this sum, 7.28 bn were earmarked for the Instrument for Structural Policies for Pre-Accession (ISPA) and the remainder for post-accession structural measures. In addition, the Sapard instrument, for pre-accession measures for agriculture and rural development, received an allocation of EUR 520 bn per annum, intended for the applicant countries until such time as they become full members.

The period May-June 1999 saw the adoption of the general regulation on the Structural Funds, which reduces the number of priority objectives to three and the number of Community initiatives to four (Interreg, EQUAL, Leader and URBAN), together with the specific regulations for each Fund. This was followed immediately by the adoption of decisions on: the breakdown by Member State of the appropriations for the various objectives and the FIFG outside the Objective 1 regions; the appropriations allocated to each of the Community initiatives; the definition of the Objective 1 regions (totalling 92.212 million inhabitants or 22 % of the Union's population), including the regions eligible for transitional aid; and the definition of the maximum percentage of population by Member State to be eligible for Objective 2 (in all, 18 % of the Union's population). The entire territory of Ireland, Greece and Portugal is covered either by Objective 1 or by the transitional measures thereunder. The remaining Member States are eligible for Objective 2 and may be covered in specific cases by Objective 1. In the course of 1999, the Commission received the greater part of the Member States' plans for 2000-2006 under Objective 1, and all of the plans under Objective 3. In June 1999 it adopted the commitment appropriations for the Community structural initiatives for 2000-2006: EUR 4875 million for Interreg, EUR 2847 million for EQUAL, EUR 2020 million for Leader and EUR 700 million for URBAN.

The European Employment Strategy

The 11th Report states that 1999 witnessed further progress with the Luxembourg process concerning employment, with recommendations being made to the Member States regarding

fulfilment of their undertakings on the shared objectives of the European Employment Strategy: the Joint Employment Report for 1999 stressed that the Union's low employment rate of 61 % gives all the more cause for concern if one considers 'low participation by women and older people in the labour market and persistent high rates of long-term and youth unemployment' - negative factors which tend to be more acute in the less-favoured Member States and regions. Stress is laid on the need to make a shift 'from passive to active labour market policies' and to give priority to preventive action. The new objectives include lifelong learning, access to the information society, involvement of the social partners in the organisation of work and gender mainstreaming. It is emphasised that the new Structural Fund regulations oblige the Member States to integrate employment guidelines in their programmes.

Gender equality measures

The key theme of the 11th Annual Report is that of equal opportunities. The subject is analysed and an account is given of the Structural Funds' contribution to achieving gender equality. The Second Cohesion Report, meanwhile, has made it clear once and for all that all discrimination, whatever form it takes, represents a waste of talent and resources. On female employment, it is stressed that, despite the substantial growth in women's employment, especially in part-time jobs (one in three women in the Union works part-time), the employment rate for women was in 1999 still 19 % lower than that for men.

The report emphasises that the actions hitherto carried out in various fields to promote gender equality either were not given the necessary profile (as in the case of active employment policies for agriculture and the countryside) or were never anything but mere proposals intended to encourage Member States to act. The data included in the 11th Report show that Member States' policies do not include a genuinely coherent political emphasis on promoting equal opportunities in the gender field. Each Member State has focused on different aspects of the problem, choosing options on the basis of seemingly arbitrary criteria. In some Member States the actions cited, while they may have a certain qualitative value, appear to have had only a minor quantitative impact, while in others the objectives seem to be more ambitious and suited to general extension.

Belgium offers a kindergarten as an example; Denmark, literacy courses. Germany cites various examples, including a study made in Brandenburg on equal opportunities for women. Spain cites a service in Extremadura which provides information, guidance and training for women. Greece refers to measures to assist young parents in bringing up their children. The actions mentioned by France include a project on the activity of women in the tourist industry in the countryside. Ireland has undertaken, among other projects, an assessment of equal opportunities in agriculture and forestry. Italy mentions only a measure for women entrepreneurs, and Luxembourg a project to assist unemployed women seeking work. The Netherlands cites no specific equal opportunities project in the gender field. Austria cites three projects: Internet training, support for working women with young children and the development, jointly with Liechtenstein and Switzerland, of a network of women's assistance centres. Portugal mentions the RIME project (aid for micro-enterprises), which, it is claimed, between 1994 and 1999 led to the creation of 18 479 jobs, 9919 of them for women. Finland evokes an enterprise creation project in Lapland, and Sweden an enterprise creation project and a project for training women as sound technicians. The UK mentions a project to give women access to funding for enterprise investment in parts of western Scotland.

Verification of additionality

The need for rigorous implementation and monitoring in respect of this principle is still meeting with resistance in the majority of those Member States which rejected the Commission's proposal that compliance with additionality should be one of the criteria for classification as efficient.

The 11th Report states that for Objective 1 the Commission received up-to-date information from nine of the eleven eligible Member States (no information was forthcoming from France or Belgium). For Objective 2, Belgium and Denmark failed to supply data. For Objective 5b, up-to-date quantitative data were provided by Germany, Italy, the Netherlands, Austria, Sweden and the UK; for Objective 6, Sweden and Finland supplied up-to-date information. The Commission concludes that the verification of the principle of additionality for 1994-1999 should be considered as complete.

Evaluation and monitoring

1999 saw improvements in the Commission's monitoring of actions under the Structural Funds, notably as regards the ERDF.

Numbers of checks carried out by the Commission

	1994	1995	1996	1997	1998	1999
ERDF	24	20	26	43	22	36
ESF	69	73	84	86	65	60
EAGGF - Guidance	21	35	26	28	13	16
FIFG						8
Commission's Financial Control	74	86	75	62	48	54
UCLAF/OLAF		112	88	58	40	

Given that structural actions account for one-third of the EU budget, there is a pressing need for stronger measures in the area of financial control. Even though the new regulations make the Member States responsible for monitoring actions under the Structural Funds, more stringent intervention in this area by the Community remains essential.

12 June 2001

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Regional Policy, Transport and Tourism

on the report from the Commission on the 11th Annual Report on the Structural Funds (1999) (COM(2000) 698 – C5-0108/2001 – 2001/2057 (COS))

Draftsman: Giovanni Pittella

PROCEDURE

The Committee on Budgets appointed Giovanni Pittella draftsman at its meeting of 27 February 2001.

It considered the draft opinion at its meetings of 11 June 2001.

At this meeting it adopted the following conclusions unanimously with modifications.

The following were present for the vote: Terence Wynn, chairman; Giovanni Pittella, draftsman; Kathalijne Maria Buitenweg, Paulo Casaca, Carlos Costa Neves, Göran Färm, Salvador Garriga Polledo, Catherine Guy-Quint, Anne Elisabet Jensen, Juan Andrés Naranjo Escobar, Heide Rühle, Per Stenmarck, Kyösti Tapio Virrankoski and Ralf Walter.

CONCLUSIONS

The Committee on Budgets calls on the Committee on Regional Policy, Transport and Tourism, as the committee responsible, to incorporate the following points in its motion for a resolution:

- Acknowledges the efforts of the Commission, in the Annual Report for 1999, also to provide an overview of results for the whole 1993-1999 period; regrets that the Commission does not provide more extensive analysis of the budgetary performance over the period, but limits itself to a description of the actual out-turn;
- Notes that indirect reference is made to the backlog in outstanding commitments remaining to be paid at the end of period (*reste à liquider*) without either a complete quantitative description or detailed explanations being given; this is despite the fact that reducing that backlog and speeding up implementation have been recurrent objectives of each successive revision of the Structural Funds regulations, and a constant concern of the Budgetary Authority;
- Confirms for the record, a backlog of some EUR41 600 million at the end of 1999, of which some EUR21 860 million remained at the end of 2000 according to the accounts; recalls that payments can be made on outstanding commitments from the 1993-1999 period until the end of 2001;
- Notes the varying budgetary performance of the different objectives and different countries; suggests that, in the perspective of enlargement, and in light of the political choices facing the EU as outlined in the 2nd Report on cohesion (Com (2001) 24 of 31 January 2001), the quality of expenditure, the value-for-money of the different objectives and funds, as well as the performance of the different beneficiaries, will become key issues in determining the future shape of the Union's cohesion strategy and the redistributive function of its budget;
- Proposes that there be an improvement in the process introduced to simplify the Structural Funds, objectives and Community initiatives, in order to increasingly concentrate assistance in areas whose development is lagging behind and prevent further delays, of the kind observed to date, in the implementation of appropriations;
- Confirms the importance of verifying compliance with the additionality principle as the key principle for implementation of the Structural Funds;
- Underlines the key role which the European Parliament should play in that process, a role which has been neglected over the period covered by the Annual Report; believes that the Parliament should not just rubber-stamp the annual allocations when it comes to adopt the budget, but should be actively involved in the evaluation process, as a guarantor of the European interest alongside the Commission;
- Suggests that a review and strengthening of the role of Parliament's role is necessary, in particular to hold the Commission and the Member States to their obligations as

regards transparency in this sector, notably as expressed in the Code of Conduct on implementation of structural policies agreed with the Commission in 1999¹.

¹ Minutes of the sitting of 6 May 1999, Part I, Annex.

25 April 2001

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on Regional Policy, Transport and Tourism

on the report from the Commission: 11th Annual Report on the Structural Funds (1999) (COM(2000) 698 – C5-0108/2001 – 2001/2057 (COS))

Draftsman: María Antonia Avilés Perea

PROCEDURE

The Committee on Employment and Social Affairs appointed María Antonia Avilés Perea draftsman at its meeting of 5 December 2000.

It considered the draft opinion at its meetings of 21 March and 25 April 2001.

At the latter meeting it adopted the following conclusions by 36 votes, with 1 abstention.

The following were present for the vote: Michel Rocard, chairman; Winfried Menrad and José Ribeiro e Castro, vice-chairmen; María Antonia Avilés Perea, draftsman; Elspeth Attwooll (for Elizabeth Lynne), Philip Bushill-Matthews, Chantal Cauquil (for Arlette Laguiller), Alejandro Cercas, Luigi Cocilovo, Elisa Maria Damião, Proinsias De Rossa, Carlo Fatuzzo, Ilda Figueiredo, Hélène Flautre, Fiorella Ghilardotti, Marie-Hélène Gillig, Anne-Karin Glase, Ian Stewart Hudghton, Stephen Hughes, Karin Jöns, Ioannis Koukiadis, Jean Lambert, Thomas Mann, Mario Mantovani, Manuel Medina Ortega (for Harald Ettl), Claude Moraes, Mauro Nobilia, Manuel Pérez Álvarez, Bartho Pronk, Tokia Saïfi, Herman Schmid, Miet Smet, Ilkka Suominen, Helle Thorning-Schmidt, Ieke van den Burg, Anne E.M. Van Lancker and Barbara Weiler.

CONCLUSIONS

The Committee on Employment and Social Affairs calls on the Committee on Regional Policy, Transport and Tourism, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. Notes that, by the end of the programming period, 99 % of the total assistance allocated under Community support frameworks and single programming documents had been committed; points out that, despite this relatively good result, the target of 100 % utilisation of appropriations was once again not achieved;
2. Regrets in particular, in this connection, the fact that
 - 3 % of total appropriations for Objective 2 measures could not be committed and will therefore be refunded to the Member States;
 - despite reprogramming midway through the programming period and a large number of transfers of appropriations between the individual Community Initiatives, only 95 % of total assistance allocated for Community Initiatives was able to be committed;
3. Points out that the level of commitments does not properly reflect actual implementation of measures, especially as a significant proportion of commitments were not entered into until directly before the end of the programming period; expresses its concern, in particular, at the slow implementation of Community Initiatives, given that only just over half of appropriations available for the 1994-1999 programming period have been paid, making the programmes more difficult and costly to implement by those responsible for them, namely local authorities, NGOs, and the like;
4. Welcomes the fact that outstanding appropriations from previous programming periods were substantially reduced in 1999; regrets, however, the fact that there are still outstanding appropriations from the period prior to 1989, i.e. some 11 years after the end of the programming period;
5. Points out that the Commission committed funds of EUR 160 million at the end of 1999 for which there was no provision in the budget; takes the view that the Commission should have proposed transfers of appropriations or a supplementary budget in order to prevent this situation; considers it unacceptable that the Commission proposes to finance the commitments entered into through a sharp cut in funds for innovative measures and technical assistance;
6. Takes the view that the recent reform of the Structural Funds is likely to significantly improve programming, implementation and financial implementation of operations; calls on the Commission to assist the national authorities in adjusting to the new regulations by means of an active information policy;
7. Points out that the total allocation for the Structural Funds decided on by the European Council in Berlin is well below the amount in the original Commission proposal and that called for by Parliament; regrets, in particular, the fact that expenditure to promote

the European employment strategy has been reduced in real terms compared with the previous programming period, especially bearing in mind that all the Member States and the European institutions have promised to take resolute action in support of employment, as reflected first and foremost in the Lisbon conclusions;

8. Regrets the fact that the basic act was again adopted relatively late and that considerable delays in programming have already occurred, in particular with regard to Objective 2 and the Community Initiatives, which in all probability will have an adverse effect on the implementation of funds;
9. Welcomes the Commission's approach involving linking programming and evaluation more closely together; regrets, however, the fact that, when programming is being carried out, the final evaluation of previous programmes is generally not yet available;
10. Takes the view that coordination between Structural Fund operations and national action plans for employment needs to be improved, and regrets the fact that, in programming in respect of Objective 3, the results of ex-ante evaluation have not been adequately taken into account;
11. Welcomes the fact that, in the context of the European Social Fund, the Member States have decided to combine their employment programmes with measures to achieve equal opportunities;
12. Welcomes the Commission's decision to take steps in future to foster the principle of equal opportunities laid down in Articles 2 and 141 of the EC Treaty as amended by the Treaty of Amsterdam, incorporate the gender aspect into policy as a whole, and work at Community level for the adoption of horizontal affirmative action measures;
13. Is dismayed that the principle of additionality, one of the four basic principles underlying the Structural Funds, is evidently not being fully complied with by the Member States and the Commission; regrets the fact that no penalty can be imposed when Member States infringe the additionality principle; calls on the Commission, when carrying out ex-ante reviews in connection with programming, to place particular emphasis on compliance with the additionality principle; agrees, furthermore, with the recommendation of the Court of Auditors that, for the new programming period, procedures for verifying additionality should be drawn up that are more workable, that are integrated into the programming, monitoring and evaluation frameworks and that are suitable for use with the budgetary and statistical information available;

14. Notes that the irregularities and cases of fraud reported by the Member States in 1999 involved an amount of EUR 120.6 m, in other words 0.39 % of the total Structural Fund appropriations (EUR 30.6 bn); calls on the Commission to strengthen on-the-spot checks by the appropriate inspection bodies; requests the Commission to provide regular information on the steps taken to combat irregularities in European Structural Fund operations in the Member States, especially as regards:
- the Netherlands: Rijnmond-Drechtsteden and Gelderland;
 - Spain: Catalonia;
 - Denmark: Kolding (although it should be pointed out that the national authorities have referred the case to the fraud investigation office);
15. Notes the detailed rules laid down in Regulations (EC) Nos 438/2001 and 448/2001 for the purposes of implementing Regulation (EC) No 1260/1999; welcomes the improvements brought about in financial control regarding the Structural Funds; calls for the above Regulations to be applied comprehensively by the Member States and the Commission; calls on the Member States to improve the management and control systems designed to prevent, uncover, and remedy weak spots and systematic irregularities; calls on Member States which have not yet done so to give full powers to their national audit institutions to check the use made of EU resources at every level up to the final recipients.

30 May 2001

OPINION OF THE COMMITTEE ON FISHERIES

for the Committee on Regional Policy, Transport and Tourism

on the report from the Commission: 11th Annual Report on the Structural Funds (1999)
(COM(2000) 698 – C5-0108/2001 – 2001/2057(COS))

Draftsman: Daniel Varela Suanzes-Carpegna

PROCEDURE

The Committee on Fisheries appointed Daniel Varela Suanzes-Carpegna draftsman at its meeting of 23 January 2001.

It considered the draft opinion at its meetings of 5 March, 23 April and 29 May 2001.

At the last meeting it adopted the amendments by 15 votes to 1.

The following were present for the vote: Daniel Varela Suanzes-Carpegna, chairman and draftsman; Rosa Miguélez Ramos and Hugues Martin, vice-chairmen; Niels Busk, Arlindo Cunha, Carmen Fraga Estévez, Pat the Cope Gallagher, Michael John Holmes (for Nigel Paul Farage), Ian Stewart Hudghton, Salvador Jové Peres (for Mihail Papayannakis), Heinz Kindermann, Albert Jan Maat (for Brigitte Langenhagen), John Joseph McCartin (for James Nicholson), Fernando Pérez Royo (for Carlos Candal), Yves Piétrasanta (for Patricia McKenna) and Bernard Poignant.

SHORT JUSTIFICATION

1999 was a key year where the Structural Funds were concerned. Since it was also the final year of the 1994-1999 programming period, most of the activities undertaken were intended purely to complete measures begun previously, and virtually no new operations were launched.

1999 was the year of the Berlin European Council (24 and 25 March 1999), which reached agreement on Agenda 2000, thereby laying down the financial perspective for the Structural Funds and the Cohesion Fund for a new period covering the years 2000 to 2006.

The 11th Report, drawn up pursuant to Article 16 of the amended framework regulation on the Structural Funds (Regulation (EEC) No 2052/88), logically focuses more on past performance than on future projects and seeks to review the operations carried out under Structural Fund Objectives 1 to 6 and the Community Initiatives.

To confine ourselves to fisheries, the matter falling under our responsibility, the 11th Report follows what the Commission admits is the usual pattern and thus hardly helps to give an accurate insight into the management of the Structural Fund resources earmarked for fisheries sector operations. The figures are scanty and disjointed, and the Commission ought, therefore, to rethink its reporting method in the future.

The out-turn of appropriations speeded up in 1999. Commitment appropriations rose from 68 % committed in 1998 to 100 %, that is to say, the full amount allocated for the period from 1994 to 1999. Significant progress was also achieved as regards payment appropriations, which increased from 55 % on average in 1998 to 73 %, a figure in line with the average for the objectives as a whole.

Out-turn can be considered satisfactory in all the Member States, since out of the total of EUR 2.8 bn, the only funds to remain unused and hence to be returned were approximately EUR 40 million originally allocated to Denmark and the United Kingdom. In Italy and the Netherlands some EUR 28 million was reassigned from Objective 5(a) to Objective 1 operations.

It will not be possible to make a final assessment of the Structural Fund resources allocated to the fisheries sector until the year 2002, because 31 December 2001 is the payment deadline for operations dating back to the period from 1994 to 1999 and that will consequently be the right time for the Commission to submit a detailed study shedding light on the full range of Structural Fund assistance implemented under the common fisheries policy.

The Commission, through the Directorate-General for Fisheries, has greatly increased transparency and the amount of information about these operations, much of which is supplied on its web page. However, because they are not accessible to everyone, the use of new technologies to provide information cannot replace traditional methods of dissemination.

CONCLUSIONS

The Committee on Fisheries calls on the Committee on Regional Policy, Transport and Tourism, as the committee responsible, to incorporate the following points in its motion for a resolution:

The European Parliament,

...

Calls on the Commission to submit a detailed report to Parliament and the Council in 2002 on the operations financed under the Structural Funds implemented in the Union's fisheries sector in the period from 1994 to 1999, together with a study on the socio-economic situation in the Union's fishing regions.

30 May 2001

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND EQUAL OPPORTUNITIES

for the Committee on Regional Policy, Transport and Tourism

on the report from the Commission: 11th Annual Report on the Structural Funds (1999)
(COM(2000) 698 – C5-0108/2001 – 2001/2057 (COS))

Draftsperson: Rodi Kratsa-Tsagaropoulou

PROCEDURE

The Committee on Women's Rights and Equal Opportunities appointed Rodi Kratsa-Tsagaropoulou draftsperson at its meeting of 23 January 2001.

It considered the draft opinion at its meetings of 23 April 2001 and 28 May 2001.

At the latter meeting it adopted the following conclusions unanimously.

The following were present for the vote: Maj Britt Theorin, chairperson; Marianne Eriksson, vice-chairperson; Jillian Evans, vice-chairperson; Rodi Kratsa-Tsagaropoulou, draftsperson; María Antonia Avilés Perea, Fiorella Ghilardotti, Lissy Gröner, Anna Karamanou, Astrid Lulling, Thomas Mann, Christa Prets, Miet Smet and Patsy Sørensen.

CONCLUSIONS

The Committee on Women's Rights and Equal Opportunities calls on the Committee on Regional Policy, Transport and Tourism, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. Welcomes the Commission's initiative to present measures to promote equal opportunities for men and women as the special theme for its annual report for 1999; takes the view, however, that the report in question fails to provide specific details either on access for women to the Structural Funds or on the impact of assistance under the Community Initiatives, including the Now programme, on the situation of women on the labour market and the promotion of equal opportunities, details which, supported by figures, ought to make it possible to weigh up the effectiveness of the measures pursued in this regard;
2. Points out that the Commission's monitoring of the implementation of the budget should not be confined merely to noting that appropriations have been utilised to the fullest extent possible, but should also assess how Community funding has been put to use and to what effect;
3. Notes that, in accordance with the new regulations on the Structural Funds for 2000-2006, which establish the mainstreaming of equal opportunities for women and men in the Funds as a priority aim, Member States are obliged to conduct an *ex ante* evaluation of the plans to be drawn up, establish selection criteria for projects and use indicators in monitoring assistance from the point of view of gender equality; notes accordingly that the monitoring indicators and statistics ought to be broken down by gender;
4. Calls on the Commission, therefore, to see to it that equal opportunities as a Community priority are duly taken into account in the programming, monitoring and evaluation of assistance under the Structural Funds;
5. Calls on the Member States, furthermore, to inform the competent public and private bodies and all entitled beneficiaries of the importance and the possibilities of implementing equal opportunities in Structural Fund measures;
6. Calls on the Commission to ensure that henceforth its annual reports on the Structural Funds provide a breakdown by gender of data regarding the impact of assistance on the integration of women and men into the labour market, on education and vocational training, on the establishment of women in business and on the reconciliation of family and working life.