Structural Fund. 5th annual 1993 Report

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Mrs FRUTOS GAMA took the view that cohesion should provide the inspiration for all Community policies. She was critical of the often negative effect of structural policy when it came to reducing regional disparity and said that the effectiveness of structural policies lay in simplifying the way in which funds were managed. In referring to the budget, she said that while the financial envelope was sufficient the monitoring system was not, and this needed to be strengthened if the Funds were to be used properly. The rapporteur wanted Parliament to have a global report on cohesion that very year and also called for a special report from the European Court of Auditors on irregularities and fraud committed under the structural policy programme. Finally, Mrs Frutos Gama wanted to see job creation included alongside GDP as an indicator of convergence and also called for more productive coordination between the objectives of the structural policy programme and the principles of the Fifth Environmental Programme. Commissioner Wulf-Mathies said it was the Commission’s intention that combating unemployment would be given priority under the Structural Funds. As far as the implementation of the Funds was concerned, the rapporteur stated that the EU supplemented but did not replace the Member States’ own programmes; national economic and social systems therefore had to be taken into account. The Commission also wanted to see better financial management and with this in mind it intended to take steps to combat fraud. In addition, it wanted to improve the way in which the budget was used, since 80% of the appropriations were being implemented by the Member States. Finally, the Commissioner pointed out that he was drawing up a report on cohesion for 1996 with a view to a subsequent review of the Structural Funds.