Structural Funds. 6th annual 1994 Report

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OBJECTIVE: to present the activities of the Structural Funds and use of their budgetary resources during 1994. CONTENT: the Commission's sixth annual report on the Structural Funds is the first report on the new programming period (1994-1999). The main points of the report relate to the following aspects: * Implementation of appropriations in 1994: 90% of appropriations available for 1994 were committed for all objectives and 75% were paid. The only delay was in the implementation of appropriations for Community initiatives, due to the late distribution of appropriations by Member States. In total, ECU 19,254 billion were committed in 1994, of which ECU 12,776 billion were for Objective 1 (66.4% of the total committed). The distribution of the sums committed by Fund was as follows: ERDF: ECU 9,737 billion (50.5% of the total committed); ESF: ECU 5,781 billion (30%); EAGGF: ECU 3,310 billion (17.4%) and FIFG: ECU 145 million (2.1%). * Concentration: resources have been concentrated for this new programming period. In fact, between now and 1999, nearly 80% of the resources of the Structural Funds will be directed to regions whose development is lagging behind and on regions targeted for industrial reconversion. By contrast, the geographical concentration is weaker than in the past, with 52% of the population in the Community covered by the Structural Funds (compared with 43% in 1989-1994). * Programming: single programming documents (SPDs) have been used in order to simplify programming methods. Nearly 170 SPDs and only 14 Community Support Frameworks (CSF) will be used in order to implement programmes for all objectives. The new programmes have been drawn up in partnership with and on the basis of the plans proposed by the Member States, a form of preparation which has proven to be much more efficient. * Additionality: requirements to ensure compliance with the principle of additionality have been stepped up and all programming documents contain an initial ex ante evaluation of additionality. More importantly, precise monitoring methods and a description of administrative procedures which guarantee transparent financial flows towards eligible regions have been included in the programming documents. The only weak point in this initial evaluation is the dubious quality of the Member States' estimates and the difficulty in obtaining information on national public expenditure earmarked for the programming period as a whole. * Partnership: intensive contacts between the Commission services and the Member States have improved the general quality of regional development plans during the preparatory stage. However, several Member States are still reluctant to enter into full and open regional partnerships integrating the social partners. Although the existence of monitoring committees at regional level is now more or less standard practice, partnership still needs to be improved. * Evaluation and monitoring: important progress has been made with ex ante evaluations. Plans and SPDs have been systematically evaluated by the Commission services. In the case of Objective 1, progress has been made in quantifying development disparities and evaluating the expected macro-economic impact of interventions. In the case of Objective 2, the results are more modest. The role of the monitoring committees has also been strengthened and ex post evaluations continued to be carried out in 1994. * Impact and complementarity of other policies: integration between the Funds has been improved. As far as the ESF is concerned, human resource training and development actions and the other priorities of the CSF /SPDs have been dovetailed. Similarly, the EDRF will provide more support for investments in education and training equipment. Elsewhere, coordination has been strengthened with other Community financial instruments (especially the Cohesion Fund) and the EIB and ECSC loan instruments have been tied in with programming. Priorities for 1994-1999 focus on improving competitiveness and fighting unemployment. Similarly, the SME and RDT development sectors have been allocated more funds, as have the trans-European networks (8% of appropriations). Finally, Fund interventions have been controlled more rigorously as regards compliance with Community obligations and policies, paying particular attention to environmental protection and compliance with public procurement and competition rules.