Structural Funds. 9th annual report 1997

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PURPOSE : presentation of the 9th Annual Report of the Structural Funds (1997). CONTENT : Work during 1997 in the field of economic and social cohesion and the Structural Funds may be summed up under four main headings: 1) the full implementation of programming : virtually all the programmes are now under way, the exceptions being the Spanish programmes for Objective 2 (1997-99) and the Italian programmes for Objective 1, which should be adopted early in 1998. The last 13 Community Initiative programmes under the 1994 initial allocation were adopted. By the end of the year, assistance from the funds was being implemented through 1026 programmes (580 for the Objectives and 446 for the Community Initiatives). 2) intense financial activity : one of the main features of the year was retrieving the backlog in implementing appropriations at the beginning of the period. overall, the implementation of programmes now appears to be satisfactory. Implementation of CSFs and SPDs speeded up considerably during the year : by the end of the year, 62% of total assistance for the period had been committed and 46% paid. In 1997 alone, about 99% of appropriations under Objective 1, which accounts for 68% of the total available to the Funds in this period, was fully in line with initial forecasts. it should be noted that the Member States where rates of implementation were highestr were generally the least prosperous, and also the main beneficiaries, principally under Objective 1 : Spain, Portugal and Ireland. The position with regard to the Community Initiatives is quite different. By the end of 1997, 56% of the total assistance available for the 13 Community Initiatives in 1994-99 had been committed and only 31% paid. In 1997 alone, only 61% of available appropriations had been committed and 90% paid. To speed up the implementation of the Community Initiatives, the Commission discussed with the Member States how they could redistribute their financial resources, either between measures in the same programme or between the programmes under a single Initiative. These negotiations should be concluded in 1998 and could result in the reallocation of resources among Initiatives. 3) Further consideration of the priorities for finance : in 1997, the Commission sought to give a fresh boost to some of its measures and priorities. The absolute priority of maintaining and promoting employment was the yardstick for designing the new Objective 2 programmes for 1997-99. At the same time, implementation on the spot of the 89 territorial employment pacts will extend Community action for job creation at local level. Alongside these horizontal priorities, attention was paid to the development of certain thematic priorities : assistance from the Funds for the information society, the future of urban development, rural development, the interaction between regional policy and competition policy, and the links between the competitiveness of the European economy and RTD and innovation. 4) Lastly, this report focuses on ways in which assistance from the Structural Funds helps SMEs. In the period 1994-99, between 15% and 20% of the total resources of the Funds will be specifically earmarked for measures to stimulate small firms and improve their productive facilities and economic environment. The total amount involved is between 23 and 30 billion ECU. Finance from the Structural Funds for SMEs is provided througha wide variety of measures including aid for capital investment (venture capital or start-up capital, leasing, etc.), part-financing business start-up areas, training, measures to promote RTD. It can be seen that Structural Funds are gradually developing a priority for small firms which is reflected in the greater financial resources provided by the most recent programming documents.