Structural Funds. 10th annual report, 1998

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PURPOSE : Presentation of 10th Annual Report of the Structural Funds 1998. CONTENT : Structural fund activities in the field of economic and social cohesion can be summarised under four main headings: - Adoption of the remaining programmes: 25 new assistance packages were adopted during the year, the majority being global grants under Objective 1. 29 programmes were also adopted under the Community Initiatives, the most significant in financial terms being the Interreg II C programme to combat drought in Spain. The monetary value of these new programmes represents only a tiny share of the total spend of the Fund during 1994-1999. - Acceleration of financial execution: execution of CSFs/SPDs accelerated during the year. By the end of the year, 80% of the total assistance available over the period had been committed and 61% had been paid, in line with the financial perspective for1994-99 Objectives 1 and 3 have the highest implementation rates. The lowest rates were in Objectives 5 (a) and (b) and Objective 4 is considerably behind. As in 1997, The Member States with the best implementation rates in terms of appropriations were the least prosperous and the main beneficiaries of the Funds: Greece, Ireland, Spain and Portugal. The Community Initiatives also saw implementation speeding up. By the end of the year, 72% of assistance had been committed but only 45% of assistance had been paid out. In terms of appropriations, the situation was an improvement on 1997: 93% of commitment appropriations available were committed while 93% of payment appropriations were paid out. - Increased attention to priority themes: safeguarding and promoting employment received special support. The Structural Funds, particularly the ERDF and ESF, will take account of the national action plans put forward by Member States under the European Employment Strategy launched by the Luxembourg European Council. Promoting equality between men and women also received increased support and the Funds have been gradually incorporating this theme. Mid-term impact evaluations under Objectives 1 and 6 were conducted. The Mid-Term Review report adopted in January 1999 confirmed the positive impact of the Funds both in macro-economic terms and in terms of reducing disparities in the areas of transport, telecommunications infrastructure, environment and energy. The report's recommendations gave rise to some adjustments of funding allocations within the programmes and similar adjustments affected the Community Initiatives. The document lists a number of other thematic priorities that were given closer study during the year. - Preparations for the 2000-06 programming period: The General Regulation on Structural Funds, adopted by the Council on 21 June 1999, translates into legislation the policy options set out in Agenda 2000. These include reduction of priority Objectives to three; concentration of assistance to smaller populations and concurrent adoption of transitional support for regions which will cease to be eligible; reduction of the Community Initiatives to three, later widened to four; simplification of programming and clarification of monitoring and evaluation. The Commissionalso drew up guidelines designed to help the national and regional authorities in preparing their development plans under the new Objectives 1, 2 and 3. These are geared to three main goals: improving regional competitiveness; promoting employment; and integrating urban and rural development. In keeping with previous years, the report picks out a theme relevant to all four Structural Funds. For 1998, the theme is local development. The aim is to highlight the Commission's role in mobilising forces to encourage local development and improve the local employment situation.