Structural funds, implementation of the budget. special reports 6/1999, 7/1999, 3/2000, 7/2000, Court of Auditors

2000/2129(COS) - 13/12/1999 - Supplementary non-legislative basic document

PURPOSE : to present a special report 7/1999 by the Court of Auditors concerning the development of industrial sites. CONTENT : the European Regional Development Fund (ERDF) co-finances projects to set up or modernise infrastructures, including industrial or small business areas whose developed plots are generally sold vacant to undertakings. In some cases these areas are equipped with buildings, whether "nurseries" intended to house very recently established undertakings on a temporary basis by providing assistance. These areas and buildings are termed by the Court of Auditors "Industrial Sites". The Court's audit examines the legality and regularity of the co-financed projects and investigates the degree of integration of the development of industrial sites in to that of the regions recieving ERDF funding. Investigations were also carried out at Commission departments as well as in six Member States' regions. The main conclusions of this survey reveal that: - a lack of knowledge about ERDF resources that exist for the development of industrial sites in the Member States; - the lack of coordination exists between various operators in the creation of the industrial sites; - the lack of information exists concerning jobs created in the framework of "business nurseries". Consequently, the Court recommends that the Member States create analytic and monitoring tools to enable active management of the creation or conversion of industrial sites within the framework of a genuine regional development plan. A maximum length of stay should be imposed on companies so that the "business nurseries" can remain focused on their aim of helping in the creation of new operations and they should compile statistics on the undertakings' success rate and jobs created. Lastly, as regards the impact of ERDF aid, the Commission should examine the lack of transparency in the fixing of the prices for developed plots. In certain cases, the replacing of the grants by a loan should be envisaged.