

European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund, 2007-2013

2004/0163(AVC) - 24/05/2005

The committee adopted the report drawn up by Konstantinos HATZIDAKIS (EPP-ED, GR) under Rule 75(3) of Parliament's Rules of Procedure, which allows the committee to draw up an interim report setting out its priorities before a final decision on assent is taken by the full Parliament.

The key positions in this report were:

- rejection of any significant modification to the overall architecture of the Commission proposals, including attempts to renationalise all or part of EU regional policy;
- cohesion policy should be ring-fenced from negotiations on the financial perspective or attempts to make drastic cuts in EU spending;
- special compensation mechanisms should be established for those regions or Member States that face substantial financial losses, due to the disparities caused by the implementation of the Commission proposal regarding the allocation of financial resources;
- MEPs were broadly opposed to any attempt to classify expenditure not related to investment, such as housing costs, as eligible for Community co-financing. However, they believed that the costs of renovating social housing with a view to saving energy and protecting the environment should be eligible;
- the committee expressed strong support for the Commission proposal to impose financial penalties on firms which have received EU funding but then decide to relocate. It advocated monitoring systems to quantify the economic and social costs of any relocation so that penalties may be set accordingly. It also called for legal measures to ensure that firms receiving Community funding "do not relocate for a long and predetermined period";
- MEPs were opposed to any reduction in the ceilings for state aid to convergence regions, including those which are victims of the "statistical effect" of enlargement;
- on the question of transparency and the fight against corruption, the report noted that the Commission and the Member States had joint responsibility for the Structural Funds. It called on the Member States to make annual declarations of assurance that EU taxpayers' money has been spent in a regular, legal and transparent manner. MEPs wanted these declarations to be signed by the finance minister of each Member State .
- the committee strongly supported the special action of EUR 1.1 billion for the outermost regions;
- Malta and Cyprus should receive "adequate financial support", given the special problems they faced as islands on the periphery of the EU;
- the committee was opposed to the imposition of an arbitrary 150 km limit for defining maritime regions eligible for cross-border co-operation programmes.

