Basic information

1994/2113(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Community regions: social and economic situation and development. 5th ERDF Report **Subject** 4.70 Regional policy	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	REGI Regional Policy	MCCARTHY Arlene (PSE)	13/10/1994
Council of the European Union			

Key events

Date	Event	Reference	Summary
19/07/1994	Non-legislative basic document published	COM(1994)0322	Summary
16/12/1994	Committee referral announced in Parliament		
24/05/1995	Vote in committee		Summary
24/05/1995	Committee report tabled for plenary	A4-0125/1995	
28/06/1995	Debate in Parliament		
29/06/1995	End of procedure in Parliament		
17/07/1995	Final act published in Official Journal		

Technical information

Procedure reference	1994/2113(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	REGI/4/05883

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0125/1995 OJ C 166 03.07.1995, p. 0004	24/05/1995	
Text adopted by Parliament, single reading		T4-0329/1995 OJ C 183 17.07.1995, p. 0018-0033	29/06/1995	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1994)0322	19/07/1994	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0579/1995 OJ C 236 11.09.1995, p. 0024	31/05/1995	Summary

Community regions: social and economic situation and development. 5th ERDF Report

1994/2113(COS) - 19/07/1994 - Non-legislative basic document

The fifth Commission report on social and economic developments in the regions confirms that the policy of social and economic cohesion needs to be pursued because there are huge disparities between the regions, despite the reduction in differences between them in terms of per capita income. In addition, the economic recession has exacerbated differences in unemployment rates between the various regions since 1991. The Commission notes that a good many Objective 1 regions have converged with the more prosperous regions in the Community. This applies to Ireland, Spain and Portugal. By contrast, the situation in Greece, southern Italy and Northern Ireland is far less encouraging, in that the economic performance of these regions appears to be deteriorating. One reason for regional disparities identified by the Commission is that, compared with other parts of the Community, Greece, Spain, Ireland and Portugal have relatively few roads and motorways, but spend more money on improving road and rail networks than other European countries. However, investments in the telecommunications sector tripled between 1989 and 1993 (especially in Spain and Portugal) and good progress is being made digitalizing connections. One of the main difficulties in the weakest regions is still a lack of access to RDT activities and the lack of financial institutions willing to underwrite innovative projects, hence the need to create an appropriate system of technological transfer (transfers of qualified personnel, small-scale projects, measures for the benefit of SMEs). Finally, the Commission stresses that the creation of the single market has attracted investment to the weakest regions of the Community (mainly in Spain, Ireland and Portugal, less so in Greece). All the less prosperous Member States are net recipients of direct foreign investment flows, as are, for example, Belgium, Luxembourg and the United Kingdom. In the weakest Member States, most investment comes from Community partners, while the United Kingdom is the main recipient of direct foreign investment from third countries.

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1994/2113(COS) - 31/05/1995 - Economic and Social Committee: opinion, report

The Opinion set out general comments on the following aspects: the degree of convergence in per capita GDP at the level of the Member States and at regional level, the level of unemployment at EU and at regional level, and the impact of the reformed Structural Funds on cohesion. The ESC called on the Commission to present in future periodic reports a general commentary indicating the impact that national policies were having on economic and social cohesion. In its conclusions, the ESC called on the Commission to provide further explanations for the actual pattern of economic development in the Objective 1 and 2 regions themselves and to give greater attention to the development of the Structural Funds in the context of national

economic measures as well as external economic developments. The next periodic report should contain further analysis regarding the regional consequences of monetary union and enlargement, both internally and on their external partners. Similarly, the regional consequences of both the CAP reform and the trade liberalisation measures agreed upon at the Uruguay Round should be addressed in some detail.

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1994/2113(COS) - 29/06/1995 - Text adopted by Parliament, single reading

The report by Mrs Arlene McCarthy (PSE, UK), which was adopted by the European Parliament, noted that several of the recommendations put forward by the EP with regard to the Fourth Periodic Report had been taken over by the Commission in the Fifth Periodic Report. It emphasised that investment in education in the less-favoured regions was a vital requirement for the improvement of employment prospects and to boost competitiveness. As a result, a larger proportion of public budgets should be earmarked for human resources, to provide support for teaching, training and research, whilst incentives should be provided for SMEs. The report regretted that the positive moves towards nominal convergence at national level were not paralleled by real convergence at regional level, that important aspects (e.g. state subsidies and the informal economy) had still not been included in the report, that there were significant disparities in research and technological development, and that economic and social disparities between the richest and poorest regions remained wide. With regard to this last point, the EP called on the Commission and the Member States to coordinate macroeconomic and Community policies more effectively in order to tackle unemployment in the regions and called on the Commission to put forward proposals for policies to support regional convergence. In particular, the report called on the Commission to: - analyse in greater detail the factors which supported competitiveness in the less-favoured regions, with a view to better targeting of structural actions; - draw up a report assessing the job creation impact of structural fund actions; - undertake a comparative analysis of the performance rates of the regions in comparable situations; - involve both sides of industry and local and regional authorities in planning activities; - undertake an assessment of Member States' structural interventions in beneficiary regions and strengthen controls and penalties for the improper use of funds by Member States; - anticipate the future reform of the Structural Funds and undertake a study of the eligibility criteria of the Funds with a view to ensuring a higher degree of effectiveness and a noticeable concentration of funds; - examine the impact of a future enlargement of the Union on structural fund policies. Finally, the EP called on the Member States to prevent any misuse or misappropriation of Structural Funds.