Basic information

2000/2129(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Structural funds, implementation of the budget. special reports 6/1999, 7 /1999, 3/2000, 7/2000, Court of Auditors **Subject** 4.70.01 Structural funds, investment funds in general, programmes 8.40.05 Court of Auditors	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	DELL'ALBA Gianfranco (TDI)	19/04/2000

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	The committee decided not to give an opinion.	
ITRE Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	
RETT Regional Policy, Transport and Tourism	COLLINS Gerard (UEN)	21/06/2000

Council of the European Union

Key events

Date	Event	Reference	Summary
13/12/1999	Non-legislative basic document published	RCC0006/1999	Summary
13/06/2000	Committee referral announced in Parliament		
22/11/2000	Vote in committee		Summary
22/11/2000	Committee report tabled for plenary	A5-0359/2000	

16/01/2001	Decision by Parliament	T5-0010/2001	Summary
16/01/2001	Debate in Parliament		
16/01/2001	End of procedure in Parliament		
18/09/2001	Final act published in Official Journal		

Technical information	
Procedure reference	2000/2129(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	CONT/5/12517

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0359/2000 OJ C 232 17.08.2001, p. 0007	22/11/2000	
Text adopted by Parliament, single reading		T5-0010/2001 OJ C 262 18.09.2001, p. 0024-0065	16/01/2001	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Non-legislative basic document	RCC0006/1999 OJ C 068 09.03.2000, p. 0001	13/12/1999	Summary
CofA	Supplementary non-legislative basic document	RCC0007/1999 OJ C 068 09.03.2000, p. 0024	13/12/1999	Summary
CofA	Supplementary non-legislative basic document	RCC0003/2000 OJ C 100 07.04.2000, p. 0001	02/02/2000	Summary
CofA	Supplementary non-legislative basic document	RCC0007/2000 OJ C 146 25.05.2000, p. 0001	01/03/2000	Summary

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

2000/2129(COS) - 16/01/2001 - Text adopted by Parliament, single reading

The European Parliament has adopted the resolution drafted by Mr Gianfranco DELL'ALBA (TGI, I) and by doing so expressed its support for EU programmes to promote peace and reconciliation in Ireland. However, there are concerns about delays in the utilisation of funds and the overlap between the International Fund for Ireland. (Please refer to the previous documents).

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.

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

2000/2129(COS) - 02/02/2000 - Supplementary non-legislative basic document

PURPOSE : to present the Court of Auditor's special report 3/2000 concerning to measures to assist the employment of young persons. CONTENT : the purpose of this audit was to examine and assess the management by the Commission and selected Member States of measures under the European Social Fund (ESF) to assist young persons in preparation for and obtaining employment and of measures under the European Agriculture Guidance and Guarantee Fund, Guidance Section (EAGGF-Guidance), to assist young farmers setting up in business. The Youthstart strand of the Community Initiative (CI) has also been audited. The Court's audit highlighted a number of weaknesses. There were insufficient clear objectives including target groups and performance indicators. There is also a lack of synergy between the Funds and as well as between the national measures. In the Member States, there is no coordinated management of projects where a single project manager has projects under different objectives, therefore efficiency is reduced and the risk of double claims is increased. The Commission has not ensured sufficient integration of efforts between the directorates general reponsible for the Funds. The operational programmes stemming from the Community Support Framework 1989-1993 (CSF 1) have still not been closed. For the CSF 2 (1994-1999), there continue to be cases where national co-financing for ESF funded actions is delayed. Numerous other irregularites have been discovered such as errors in expense declarations, too high a level of general costs declared by the project managers, discrepencies in the application of the YouthStart Programme. In this regard, the Court points out the weak rate of achievement of projects. It is otherwise impossible to evaluate the efficiency of the transnationality (which is one of the main reasons for having a Community Initiative) of the programme. Consequently, the Court recommends that the Commission and the Member States improve the targeting of resources allocated to the ESF for young people, making proof of a greater efficiency in the final evaluation of projects and ensuring that the level of general costs declared by the project managers are justified. The Court requests yet again for the simplification of the applicable structures and administrative procedures.

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

2000/2129(COS) - 01/03/2000 - Supplementary non-legislative basic document

PURPOSE : to present the special report 7/2000 by the Court of Auditors concerning the International Fund for Ireland and the Special Support Programme for Peace and Reconciliation in Northern Ireland and in the border counties of Ireland. CONTENT : this report examines the European Union support for the activities of the International Fund for Ireland (IFI) up to December 1997 and the implementation of the Special Peace and Reconcilitation Programme (P&R) in the period 1995-1997. As a reminder, the IFI was created in 1986 under the Anglo-Irish Framework Agreement; its objective was to promote reconciliation between the divided communities in Northern Ireland. In 1995, the European Commission put in place a Community Initiative under the form of a special support programme favouring Northern Ireland with a view to reinforce progress towards a peaceful and stable society and to promote reconciliation by increasing economic development and employment and promoting urban and rural regeneration. The Court's audit covered the legality and the regularity of Community financing and examined the effectiveness of the measures relating to the payment of funds in the framework of the two actions. As far as the IFI is concerned, the Court highlights that the Commission's payment of aid in advance of need did not ensure the most efficient use of EU funding. The IFI procedures concerning staffing arrangements and delegations of power have not been set out in writing. The evaluation of project applications and the post-grant monitoring of projects has not ensured sound financial management in all cases and the inspections have been insufficient. With regard to P&R, the Court points out its positive role but signals also that the structure of the programme was complicated by the wide diversity of implementing bodies and by the differing needs of the two regions. The decision to entrust a large part of the management functions and decision-making to non-governmental organisations has led to difficulties in the selection of the implementing bodies. In certain cases, inadequate consideration was given by the implementing bodies to developing an effective methodology for

targeting community projects and social groups. Furthermore, the Court points out that the allocation of three years' funding to a five year project has caused difficulties in the planning and management of measures. Lastly, it is noted that a significant overlap between the P&R, the activities of the IFI and the Structural Funds which had led to inevitable duplication. Consequently, the Court recommends that the inspection and evaluation procedures be reinforced. As regards the IFI, the Court believes that there is scope for better evaluation of needs before proceeding to the payments and that responsibilities should be clarified. Moreover, the Court believes that the Commission should reinforce its project evaluation criteria as well as its evaluation measures. With regard to P&R programming, critics have already voiced an opinion on the reinforcement of the evaluation criteria, the Court believes that there is scope to reinforce the decision process of the programme by better justifying the NGOs responsibilities. Given the complexity of the programme andthe large number of organisations in charge of implementation, the monitoring Committee should in addition ensure that the appropriate control mechanisms be put in place in order to ensure the protection of the Community funds. The Commission needs to ensure sufficient publicity is given to implementation measures in the P&R framework in order to optimise the impact.

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 - Non-legislative basic document

PURPOSE : to present the Court of Auditor's special report 6/1999 concerning the principle of additionality in the Structural Funds. CONTENT : this special report from the Court of Auditors concerns the principle of additionality, which is one of the four main principles governing the Structural Funds, which aims to avoid loans being substituted for national structural expenditure. The first finding that the Court makes in the framework of its analysis is that the concept of additionality itself is ill- defined and allows for differing interpretations by the Member States. The Court's inspections are based on all of the structural funds' Objectives through the examination of Commission documents, of questionnaires addressed to the 15 Member States and on the spot checks in Spain, Germany, France, Italy and the United Kingdom. The main findings of the inspections are as follows: 1) the procedures for verifying the additionality principle are inadequate, difficult to use and not always observed; 2) the division of responsibilities at the Commission for monitoring and checking has not been laid down, no coordination between the Directorates-Generales (DGs). These failings have hampered the work on the verification of additionality; 3) the Commission checks on observing the principle of additionality 1989-1993 and 1994-1999 are uncertain; 4) it lacks budgetary and statistical data; 5) the work carried out in order to justify and verify the respect of additionality have little practical use. As a consequence, the Court recommends that, for the new programming period (2000-2006), the procedures verifying additionality should be simplier and more operational, better integrated into the programming framework and that the monitoring and the evaluation of budgetary data be improved.