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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 214/84

of 18 January 1984

amending Regulation (EEC) No 2615/80 instituting a specific Community measure contributing to the development of certain French and Italian regions in the context of Community enlargement

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 724/75 of 18 March 1975 establishing a European Regional Development Fund (1), as last amended by Regulation (EEC) No 3325/80 (2), and in particular Article 13 (3) thereof,

Having regard to the proposal from the Commission (3),

Having regard to the opinion of the European Parliament (4),

Having regard to the opinion of the Economic and Social Committee (5),

Whereas Article 13 of Regulation (EEC) No 724/75 (hereinafter referred to as 'the Fund Regulation') provides, independently of the national allocation of resources fixed by Article 2 (3) (a) of that Regulation, for participation by the Fund in financing specific Community regional development measures which are in particular linked with Community policies and with measures adopted by the Community, in order to take better account of their regional dimension or to reduce their regional consequences;

Whereas, pursuant to that Article, the Council adopted on 7 October 1980 an initial series of Regulations instituting specific Community regional development measures and in particular Regulation (EEC) No 2615/80 (6) instituting a specific Community regional development measure contributing to the development of certain French and Italian regions in the context of Community enlargement, this measure being hereinafter referred to as 'the specific measure';

Whereas, pursuant to that Regulation and in particular Article 3 thereof, the Commission has approved special programmes relating to the regions of Aquitaine, Languedoc-Roussillon and Midi-Pyrénées and of the Mezzogiorno, respectively, and has at the same time decided to allocate appropriations to those programmes;

Whereas the Member States concerned have provided the Commission with information on regional problems which might be the subject of a specific Community measure; whereas, as a result of the need to improve economic structures in these regions, the measures laid down in the specific measure in force should be strengthened and supplemented;

Whereas investment in small and medium-sized undertakings (hereinafter referred to as 'SMUs') should be encouraged by providing that investment aid already in existence may be reinforced by additional aid chargeable to the Community for a transitional period;

Whereas it is advisable to step up promotion and investment measures in favour of rural tourism, above all in disadvantaged agricultural areas, to the extent that the Member States concerned draw up appropriate intervention programmes;

Whereas economic promotion in the zones concerned should be further stimulated by especially active management of the public aids and services available, particularly those provided for under the

(1) OJ No L 73, 21. 3. 1975, p. 1.
(2) OJ No L 349, 23. 12. 1980, p. 10.
(3) OJ No C 15, 19. 1. 1983, p. 10.
(4) OJ No C 184, 10. 6. 1983, p. 163.
(5) OJ No C 124, 9. 5. 1983, p. 2.
(6) OJ No L 271, 15. 10. 1980, p. 1.

special programme; whereas, to this end, there is a need to establish or extend services responsible for informing existing or potential undertakings of the availability of such aids and services and to help those undertakings to take advantage of them;

Whereas, in order to accelerate the implementation of the special programmes, the rules laid down by Regulation (EEC) No 2615/80 concerning budgetary commitments, payment of aid from the Fund and advances made from the Fund should be amended;

Whereas, additional financial resources are required to implement the specific measure so strengthened;

Whereas each of the Member States concerned should submit to the Commission an amended special programme,

HAS ADOPTED THIS REGULATION:

SECTION 1

Article 1

Regulation (EEC) No 2615/80 is hereby amended in accordance with the following Articles.

Article 2

The following paragraph 2a is inserted in Article 3:

'2a. The preparation and implementation of the special programme shall be closely coordinated with national and Community policies and financial instruments, in particular the EAGGF Guidance Section, the Social Fund, the European Investment Bank and the new Community instrument.'

Article 3

The following paragraph 6a is inserted in Article 3:

'6a. When approving the special programme, the Commission shall satisfy itself that the programme is compatible with Article 20 of the Fund Regulation.'

Article 4

Article 3 (8) is replaced by the following:

'8. **Once it has been approved, the special programme shall be published for information by the Commission.**'

Article 5

Points (b) and (c) of Article 4 (1) are replaced by the following:

'(b) aids to investment in SMUs designed to create new undertakings or to assist in the adaptation of production to market potential by existing undertakings when justified by the analysis mentioned under point (a) or other satisfactory evidence. Such investments may also concern common services provided for a number of undertakings;

(c) creation or development of consultancy firms or other bodies for management or organization matters; setting up or development of economic promotion agencies.

The activities of such firms or bodies may include temporary assistance to undertakings for the implementation of their recommendations.

Economic promotion agencies shall be responsible for:

— opening up possibilities, through direct contacts at local level, for economic ventures by giving advice about access to available public aids and services, particularly those provided for under the special programme, and

— contributing to the success of these ventures by helping existing or potential undertakings to take advantage of such aids and services.'

Article 6

Article 5 (1) (a) (ii) is replaced by the following:

'(ii) operations relating to investment under Article 4 (1) (b): 50 % of the public expenditure resulting from the granting of aid to the investment. This aid may contain a supplementary element in relation to the most favourable existing regional arrangements. The supplementary aid, for which the Community shall be responsible for a period of four years, may be up to 10 % of the cost of the investment. The public aid may take the form of a capital grant or interest rebate.'

Article 7

Points (iii) and (iv) of Article 5 (1) (a) are replaced by the following:

'(iii) for the operations concerning the consultancy activities referred to in Article 4 (1) (c): aid covering a part of the expenditure of undertakings relating to services supplied by consultancy firms or bodies. Such aid shall be on a decreasing scale and be of three years' duration. It shall cover, in the first year, 70 % of the expenditure and shall not exceed 55 % of the total expenditure for the three-year period (indirect aid); the Member State may replace this system by an equivalent system of aid to consultancy firms or bodies (direct aid);

(iv) for the operations concerning economic promotion referred to in Article 4 (1) (c): aid covering a part of the operating costs incurred by the activities of promotion services. Such aid shall be on a decreasing scale and shall be of five years' duration. It shall cover for the first year, 60 % of the operating costs and shall not exceed 50 % of the total costs per promoter for the five-year period. These activities, which must be new and concern specifically the zones referred to in Article 2, may be entrusted by the Member State concerned to special bodies.'

Article 8

In Article 5 (1) (b) (ii), 'and limited to 50 000 EUA per study', is replaced by 'and limited to 120 000 ECU per study'.

Article 9

The following is added to Article 5 (1) (d) (i): 'nevertheless, until the necessary measures have been taken by the Member States concerned, during a transitional period ending not later than 16 October 1985, the investment aid shall be provided entirely by the Community; this aid shall be 50 % of the cost of the investment;'.

Article 10

Article 5 (5) is replaced by the following:

'5. Budgetary commitments relating to the financing of the special programme shall be implemented by annual tranches. The first tranche shall be committed at the time of the Commission's acceptance of the programme. The commitment of subsequent annual tranches shall be made according to budgetary availability and progress made on the programmes.'

Article 11

The introductory sentence to Article 6 (1) is replaced by the following:

'1. The amount of the Fund contribution in respect of the measures included in the special programme shall be paid to the Member States concerned or directly, and in accordance with the latter's instructions, to the bodies responsible for their implementation, according to the following rules:'.

Article 12

Article 6 (1) (c) is replaced by the following:

'(c) at the request of a Member State, advances of the amount of each annual tranche may be made according to progress made in operations and budgetary availability.

From the beginning of operations, an advance of 60 % of the Fund contribution concerning the first annual tranche may be paid by the Commission. When the Member State has certified that half of the first advance has been spent, a second advance, of 25 %, may be paid by the Commission.

From the beginning of the subsequent annual tranche, advances may be paid under the terms provided for in the foregoing subparagraphs.

The balance of each annual advance shall be paid at the request of the Member State when it has certified that the operations corresponding to the tranche in question may be considered as finished, and on presentation of the amount of public expenditure which had been committed.'

Article 13

Article 6 (5) is replaced by the following:

'5. When each special programme has been implemented, a report including information on the number and nature of the jobs created and maintained shall be presented by the Commission to the Regional Policy Committee and the European Parliament.'

Article 14

The following point 6 is added to the Annex:

'6. Description of measures planned under the programme for economic promotion.'

SECTION 2

Article 15

1. France and Italy shall amend the special programmes referred to in Article 3 of Regulation (EEC) No 2615/80 and approved by the Commission, in accordance with the amendments introduced by section 1 hereof.

2. The amended special programmes shall be approved by the Commission in accordance with Article 3 (6) of Regulation (EEC) No 2615/80.

3. Without prejudice to Article 5 (4) of Regulation (EEC) No 2615/80, the amount of the Fund's assistance to the amended special programmes may not exceed the amount fixed by the Commission at the time of approval of the programmes.

4. The duration of the amended special programmes shall be extended until the end of the fifth year starting from the 60th day after the date on which this Regulation enters into force.

5. Expenditure arising from the special programmes thus amended which is incurred from the date of entry into force of this Regulation shall be eligible.

Article 16

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 18 January 1984.

For the Council

The President

M. ROCARD