

Commission press release on the use of the Structural Funds in Portugal (28 October 1997)

Caption: On 28 October 1997, following the mid-term review of the implementation of the Structural Funds allocated to Portugal for the period 1994–1999, the European Commission emphasises in a press release the good results achieved, with particular regard to job creation.

Source: RAPID. The Press and Communication Service of the European Commission. [ON-LINE]. [Brussels]: European Commission, [15.10.2007]. IP/97/922. Disponible sur <http://europa.eu/rapid/setLanguage.do?language=en>.

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http://www.cvce.eu/obj/commission_press_release_on_the_use_of_the_structural_funds_in_portugal_28_october_1997-en-59071b5f-ec5b-45f3-9d95-1d223268b1d1.html

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Portugal takes full advantage of the Community's Structural Funds (Brussels, 28 October 1997)

The use of the European Union's Structural Funds in Portugal has been a success. This is clear from the mid-term assessment of the implementation of funding allocated to Portugal for the 1994-99 programming period. By the end of 1996, about ECU 6 billion, i.e. 40% of the Community assistance granted for the whole period (ECU 14.3 billion at 1997 prices) had already been spent. In addition, key indicators show that the results have often exceeded the initial forecasts. For example, 35 000 jobs have been created each year on average with support from the Structural Funds (i.e. 2.5% of total employment in Portugal), compared with forecasts of not more than 17.000 jobs. Construction of motorways and major roads has already met 74% of the target for 1999. In telecommunications, the average telephone connection rate in the Union as a whole (42 phones per 100 people) has already been reached; this figure had not been expected before 1999.

"Implementation of the Structural Funds in Portugal puts it among the Member States which have made best use of Community assistance. To make utilisation of the Funds even more effective in future, the challenge is to increase our efforts in education and training as well as to reduce the development disparities between regions on the coast and regions in the interior of the country," says Monika Wulf-Mathies, the Commissioner responsible for regional policy.

Basing themselves on an independent assessment, Commission staff and the Portuguese authorities have been taking stock of the implementation of Structural Funds resources allocated by the Union to Portugal at the half-way point ('mid-term review') and drawing useful lessons. It would appear that the assistance guidelines set out in 1994 remain valid overall.

The adjustments that have been decided on result from the importance to be attached in future to employment and to the best use of the funds allocated. Four major areas for concern are involved: encouraging job creation, strengthening assistance in the field of the environment, assisting the introduction of new technologies in Portugal, in particular in connection with the information society and small businesses, and supplementing some basic transport infrastructure.

In concrete terms, the main modifications are:

- reinforcing the education programme with ECU 23.6 million, in particular with a view to building 1 200 new classrooms in schools;
- reinforcing the vocational training and employment programme with ECU 35.7 million, including ECU 5.1 million for training in the field of tourism;
- reinforcing the industry subprogramme with ECU 46 million;
- an additional allocation of ECU 133 million for regional programmes, of which 44% will be assigned to environmental operations (treatment of waste water and of urban and industrial solid wastes);
- reinforcing the telecommunication subprogramme with ECU 9.4 million, including ECU 7.1 million for a new scheme concerning the information society. This scheme involves helping schools to connect to the Internet, developing electronic trading, and pilot projects to support information for citizens about the public services in some large towns and cities;
- reinforcing the transport subprogramme with ECU 34 million for the north-south railway link and for extending the Lisbon underground;
- providing an extra ECU 17.8 million for local employment initiatives under the programme for the promotion of regional development.

In addition, another ECU 9.3 million is to go to region of the Azores to cover priority needs in agriculture on the islands.

Since it there is no question of increasing the overall sum allocated to Portugal from the Structural Funds over the current programming period, cuts in various other programmes are necessary to enable the above reallocations. The main fields affected are energy (minus ECU 13.8 million), training in agriculture (minus ECU 30.5 million), commerce (minus ECU 50 million) and local development in agriculture (minus ECU 15 million).

The modifications are also being financed in part from reserve funds and additional money arising from indexing for inflation.

It will now be up to the Monitoring Committees to carry out the necessary financial reprogramming and to study in greater detail the qualitative improvements that could be made to the various programmes, in particular based on the results of the independent assessments done on each programme. Particular attention will be given to schemes involving equal opportunities and implementing operations to spread innovations among small businesses.