quota arrangements and far in excess of the statutory 10% laid down for operations of this nature.

4. At this stage, the Commission should either abide by all the stipulations contained in the abovementioned minutes, or, as it has done hitherto, it should allow Regulation (EEC) No 458/80 (the only instrument with legal validity) to take free effect. The Committee would, incidentally, indicate its preference for the latter option, and requests the Commission to modify its proposal accordingly.

Done at Brussels, 23 March 1983.

The Chairman
of the Economic and Social Committee
François CEYRAC

Opinion on the second series of specific Community regional development measures under Article 13 of the Fund Regulation (Quota Free Section)

The text referred to the Committee has been published in *Official Journal of the European Communities* No C 15 of 19 January 1983, pages 10 to 30.

A. LEGAL BASIS FOR THE OPINION

On 1 December 1982, the Council, acting under the optional consultation clause of the Treaty establishing the European Economic Community, decided to ask the Economic and Social Committee for an opinion on the abovementioned matter.

B. OPINION OF THE ECONOMIC AND SOCIAL COMMITTEE

The Economic and Social Committee prepared its opinion on the above matter at its 206th plenary session held in Brussels on 23 and 24 March 1983.

The full text of the opinion is as follows:

THE ECONOMIC AND SOCIAL COMMITTEE,

Having regard to the request made by the Council on 1 December 1982 for an opinion on the abovementioned proposal (1),

Having regard to the decision taken by its Bureau on 23 November 1982 instructing the Section for Regional Development to draw up an opinion on the matter,

Having regard to the opinion issued by the Section for Regional Development at its 52nd meeting held on 11 March 1983,

Having regard to the report presented by the rapporteur, Mr Pearson,

Having regard to the discussions on 23 March 1983 during the 206th plenary session held on 23 and 24 March 1983 (meeting of 23 March 1983),

Whereas these proposals concerning the use of the quota free section of the ERDF follow on from the first series of measures adopted in October 1980, on which the Committee has already given its views (2),

HAS ADOPTED THE FOLLOWING OPINION

by a unanimous vote:

1. Introductory remarks

1.1. The Committee reiterates its strong support, expressed on many occasions, for a strong quota-free section of the ERDF.

1.2. The Committee recalls the approval of the Committee (3) for the Commission proposal on ERDF reform and notably the increase in concentration of the quota section and in the size of the quota-free section. It deplores the failure of the Council to approve these proposals. It further criticizes the fact the public opinion has been insufficiently informed of the development of attitudes within the Council. The Committee approves

(1) OJ No C 15, 19. 1. 1983, pp. 10 to 30.

(2) OJ No C 83, 2. 4. 1980, p. 4.

(3) OJ No C 178, 15. 7. 1982, p. 38.

the fact that the Commission has made proposals for more than the 5 % authorized by the current Regulation but regrets that it has, at this stage, felt able to propose only 710 million ECUs (plus a further amount foreseen for Ireland and Northern Ireland) to be allocated to the second series of quota-free specific Community regional development measures.

1.3. The Committee considers that it has not been sufficiently informed of all the specific criteria used by the Commission to identify areas eligible for quota-free measures. The Committee is prepared to consider these criteria and draw up comments – for the attention of the Commission – on their relevance.

1.4. The Committee restates its conviction that the Community should be able to intervene quickly and efficiently and to have the discretion to employ a wide range of measures where regions are faced with a sudden rundown of their basic industries (1). This implies that a part of the quota-free section should be set aside for such emergency actions.

2. General comments

The Committee welcomes the proposed new measures and in particular:

2.1. The stated intent to introduce greater flexibility and simplification into the payments mechanisms.

2.2. The strengthening of multiannual programming.

2.3. The widening of the scope for new investment aids.

2.4. That the link between the quota-free section of the ERDF and other Community policies has been made explicit and direct.

2.5. That the Committee's request, in its 1979 opinion, for a specific action to tackle the consequences of loss of jobs in the textile industry, has now been acted upon by the Commission.

2.6. That two-thirds of the funds are to be devoted to the development of areas affected by significant industrial decline such as that of the steel, shipbuilding and textile industries.

2.7. The continuing attempts, to which the Committee attaches particular value, to provide information, advice and assistance, to small and medium-sized enterprises in the areas concerned and the proposed encouragement of local initiative for the regeneration of depressed regions.

3. Specific comments

3.1. The Committee notes that delays were encountered in the implementation of the first series of measures due to the necessity of introducing new national regulations in some Member States to take account of Article 13 requirements. Even if they are not yet working satisfactorily in some Member States, there should now be no justification for delays of this kind to occur with the implementation of this second series of measures. Improved coordination of the aims and resources of the Community, the Member States and the regions would certainly expedite implementation.

3.2. The Committee is of the opinion that in order to provide maximum scope for indigenous growth in the regions the provisions proposed for aid to the establishment of new information and advisory service are to be commended but that use should be made, where appropriate, of existing agencies.

3.3. The Committee considers that mechanisms to offset the special disadvantages of border areas including those adjoining non-member countries should be included in the reform of the ERDF.

3.4. The Committee is of the opinion that it should be quite clear that the proposed assistance to SMEs is not confined to those in the industrial sector but also includes those in the service sector, including tourism.

3.5. The Committee is concerned that the indicative breakdown by operation of the overall allocation for each programme has no mandatory force. While it accepts that the precise amounts cannot be finalized until the Commission receives the special programmes from the Member States, it nonetheless insists that no significant deviations from the allocations proposed should be allowed.

4. Proposed Regulation on certain zones adversely affected by the restructuring of the textiles and clothing industries

4.1. Although this measure is described, in the explanatory memorandum, as relating to 'the principal textile areas in Belgium, France, Ireland, Italy, the Netherlands and the United Kingdom where the Commission has been able to establish that there have been significant job losses to date' it should more correctly be described as relating to areas where the textile industry

(1) OJ No C 178, 15. 7. 1982 (cf. paragraph 5.1, page 41).

is important relative to other economic activities and/or which have been most seriously affected in an adverse fashion by Community policies which promote the restructuring of the textile industry. The Committee however feels that it is not in a position to express an opinion on the areas actually selected because it is not sufficiently informed of all the criteria which the Commission has applied throughout the Community.

Done at Brussels, 23 March 1983.

The Chairman
of the Economic and Social Committee
François CEYRAC

5. **Proposed amending Regulation on certain zones adversely affected by the restructuring of (a) the shipbuilding industry and (b) the steel industry**

5.1. The Committee considers that there are some areas other than those identified in the proposals which should qualify for inclusion in the special measure.

Opinion on the review of the European Social Fund

The text referred to the Committee has been published in *Official Journal of the European Communities* No C 308 of 25 November 1982, pages 4 to 10: Proposal for I. Council Decision 82/0000/EEC on the tasks of the European Social Fund. II. a Council Regulation concerning the implementation of Council Decision 82/0000/EEC on the tasks of the European Social Fund; III. a Council Decision on the rules of the Commitee of the European Social Fund.

A. LEGAL BASIS FOR THE OPINION

On 11 November 1982 the Council referred the abovementioned matter to the Economic and Social Committee in accordance with Articles 126 and 127 of the Treaty establishing the European Economic Community.

B. OPINION OF THE ECONOMIC AND SOCIAL COMMITTEE

The Economic and Social Committee prepared its opinion on the above matter at its 206th plenary session held in Brussels on 23 and 24 March 1983.

The full text of the opinion is as follows:

THE ECONOMIC AND SOCIAL COMMITTEE

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 126 and 127 thereof,

Having regard to the request made by the Council of the European Communities on 11 November 1982 for an opinion on the review of the European Social Fund.

Having regard to the decision taken by the chairman, confirmed by the Bureau, instructing the Section for Social Questions to draw up an opinion and a report on the matter (decision of 28 July 1982),

Having regard to the opinion drawn up by the aforementioned Section on 10 March 1983,

Having regard to the report submitted by the rapporteur, Mr Beretta,

Having regard to the discussions on 23 March 1983 at its 206th plenary session held on 23 and 24 March 1983,

Whereas the progressive deterioration of the international economic situation has had a dramatic effect on the social situation, and more especially on the labour market,

Whereas Community social policy has proved inadequate, due both to its limited scope and to the problems faced by Member States,

Whereas the rise in unemployment is particularly alarming and coincides (a) with the introduction of