THE EUROPEAN SOCIAL FUND IN SPAIN 2000-2006

Most relevant aspects of the Community Support Frameworks

Objective nº 1 Objective nº 3

Administrative Unit of the European Social Fund

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INTRODUCTION: THE PROGRAMME OF THE EUROPEAN SOCIAL FUND

The new Regulations of the European Social Fund establish a series of priority areas of action. Among these, active policies related to the labour market, vocational training and the improvement of the labour situation of women are the most important. These strategies correspond to, and are totally coherent with, those included in the programme known as the European Employment Strategy (EES) and in the National Plan for Employment Action (NPEA) of our country.

The European Social Fund can act in the areas included in the three objectives towards which the action and budgetary resources of the Structural Funds for the term 2000-2006 are aimed by financing those measures directed toward fighting unemployment and encouraging the development of human resources.

Objective 1 is aimed at stimulating the development and the structural adjustment of the regions which are less developed, those whose GDP per capita is under 75% of the community average.

The goal of Objective 2 is to support the economic and social conversion of those areas with structural difficulties, be it industrial areas, areas depending on service industries, declining rural areas, urban areas in a difficult situation or areas dependent on fishing and in a situation of crisis.

Objective 3 pursues the adaptation and modernisation of the educational, training and employment policies and systems, with only the support of the ESF. This Objective is designed to act financially in regions outside those included in Objective 1.

The plans for each of the three Objectives that cover the whole Programmed Period 2000-2006 will be presented previously

to the scheduling of the actions that the EEC and each Member State will develop jointly.

The plan of Objective 3 has a double nature. It frames the actions of the ESF in those regions outside Objective 1 and establishes, for all the National territory, the Political Reference Framework for the Development of Human Resources. This is the National strategic guideline applicable to all the measures to be taken in relation to employment and the labour market.

In this way, the plans are used as an instrument to set the foundations to apply the general and final objectives of the actions taken to the specific situation of each country.

The Community Support Frameworks (CSF) are the documents approved by the Commission once the plans presented by the interested Member State are analysed. The CSFs include the Member State's strategy and priorities of action, its specific objectives and its participation of the Funds and other financial resources. These documents are divided in priority points, and it is applied through one or more Operational Programmes.

An Operational Programme is the document approved by the European Commission to develop a CSF. It is constituted by a coherent set of priority points consisting of multiannual measures, for the accomplishment of which one or more funds could be accessible, as well as one or more financial tools and the European Investment Bank (EIB). The financing of an integrated Operational Programme comes from various Funds.

In Spain, there is a CSF available for the regions included in Objective 1, and another one for those regions ascribed to Objective 3. Objective 2 is described through 7 Single Programming Documents (SPD), one for each region not included in Objective 1. The SPD is the only document approved by the Commission that groups the elements that are contained in a CSF and an OP.

After the approval of the Operational Programmes and the SPD, the Programme Complement of each one is designed. It is the

document through which the strategy and the priorities of intervention are applied. It contains a detailed account of the measures to be taken. It is approved by the Monitoring Committee, and submitted to the Commission for Information purposes.

This essay summarizes the contents of the Community Support Frameworks approved by the Commission. In an oncoming essay the contents of the Operational Programmes and Single Programming Document will be analysed.

Objective 1

INTRODUCTION

The Community Support Framework (CSF) for Objective 1 is the document approved by the Commission through a resolution of October 18, 2000 after having analysed the Regional Development Plan submitted by Spain in October 1999.

This document describes the strategy and priorities to be followed in the activities that are co-financed by the Structural Fund, as well as their specific objectives, the participation of each one of its Funds, and the other financial tools which are to be applied in 12 Regional Operational Programmes and 14 Multi-Regional Operational Programmes. The activities foreseen in this CSF will be co-financed by all of the structural funds. These funds are: The European Fund For Regional Development (EFFRD), The European Social Fund (ESF), The Instrument For Financing Fishing Operations (IFFO), and The European Orientation And Agricultural Guarantee Fund (EOAGF).

This CSF is intended to promote development and structural adjustments in the regions included in objective 1 for the period 2000-2006. These include those whose gross domestic product per capita is lower than 75% of the community average. The regions that meet this criterion are: Andalucia, Asturias, Canarias, Castilla-La Mancha, Castilla y Leon, Comunidad Valencia, Extremadura, Galicia, Murcia, Ceuta and Melilla. In addition, under Objective 1, Cantabria will recieve temporary assistence for having exceeded the community average in the previous period (1994-1999).

CHAPTER 1. DESCRIPTION OF THE CURRENT SITUATION

1.1. GENERAL DESCRIPTION

The Spanish regions included in Objective 1 have a surface that represents 76.1% of the total of the Nation, but just 58.5% of the population actually lives in them. The density of population is very low and inferior to the Community average, except for the Autonomous Regions of Valencia, The Canary Islands and the autonomous cities of Ceuta and Melilla. These communities had 60.4 inhabitants per square kilometre in 1996, as opposed to the 136.6 inhabitants/km² in those regions of Spain not included in this Objective and 116.8 inhabitants/km² of average density in the European Community.

All the regions of Objective 1 experimented during the period from 1994 to 1997 a process of real convergence with Community standards in terms of the GDP per inhabitant. Taken as a whole, their GDP per inhabitant in equality of purchasing power went from representing 66% of the average of the UE-15 in 1994 to 68% in 1997. Anyhow, the process of convergence has not been homogeneous. Whereas in 1997 the GDP per inhabitant of some of these regions—Asturias, the Canary Islands, Cantabria, Castilla y León and the Autonomous Regions of Valencia—was already over 75% of the community average, the rest of them experimented a positive reaction that was a little less evident.

The comparative situation of the labour market in these regions, in relation to the average community situation and even the Spanish one, continues to be unfavourable. In fact, both the rates of activity and those of occupation are slightly inferior to the average levels existing in the European Union, and yet, in 1998, the rate of unemployment of the Spanish regions Objective 1 is strongly related to the productive specialisation of these economies and to

the weakness of their business network. The basic characteristics of the specialisation of these regions can be summarized in the following points:

- Strong relative weight of the primary sector.
- Considerable specialisation regarding industrial activities of a low added value and scarce technological content.
- · Lack of advanced services.

As far as the productive public capital is concerned, there have been considerable efforts in the last ten years, especially regarding transport infrastructures. This has made it possible for the regions Objective 1 to succeed in lessening their comparative deficits considerably to be around the Spanish and Community average levels. Nevertheless, the regions Objective 1 continue to show important structural deficits in this field.

The regions Objective 1 also show considerable deficiencies in technological capital. This situation is mainly conditioned by the lagging of Spain, and especially of the regions Objective 1, in the investments in research and technological development. As an example, the amount invested in research and development does not go beyond 0.53% of the GDP, and the investment is even smaller when the research and technological development is carried out by the private sector. What is more, the public systems of technological transference do not seem to be rendering the expected results.

As far as access to the Information society is concerned, it is considered as one of the most important boosters for business activity and the improvement in the quality of life in the following years, but the introduction of computer systems and the access and usage of the computer network has been very scarce compared to the other regions in Spain.

1.2. IDENTIFICATION OF THE WEAK AND STRONG POINTS

Summary of the weak and strong points for the implementation of measures regarding human resources:

WEAK POINTS

- Low rates of employment and high rates of unemployment.
- Marked grouping of the labour market according to age and gender.
- Low level of education for a high percentage of the working population.
- Insufficient capacity of involvement in the processes of application of technological innovation.
- Insufficient levels of business education.
- Lack of balance between the qualifications and labour demand.
- Scarce incorporation to the Information society.

STRONG POINTS

- Young population and high rates of schooling in secondary and university education.
- Considerable advances and medium-term in the qualification of the workforce.
- Growing incorporation of women to the economic activity.

- Considerable growth of the staff employed in research and technological development activities.
- Rising tendency to a better business qualification.
- Strong motivation for the incorporation to the Information society.

1.3. MACROECONOMIC CONTEXT

The process of convergence of the Spanish economy with that of the Community did not evolved as expected during the 1990s due to the situation that Spain went through in 1992-93, which was harder for it than for other national economies of the European Union. However, the tendency to divergence registered in the first half of the decade reversed after 1994, when the rhythm of actual growth of the GDP grew to the Community average.

According to the forecasts of the Commission services, positive differential of actual growth of the GDP, approximately 1.3% in relation to the average of the UE-15 from 1996 to 1999, could be decreased to 0.4% in the 2000, due to a better performance of the whole of the Community economy.

The situation of the labour market has undergone its worst moment within the EU during the first half of the 1990s. Nevertheless, the loss of employment until 1994, when unemployment reached 24.1%, has reversed into a considerable growth of employment from 1995 onwards, as a result of which unemployment has been reduced below 15%. The rhythm of growth of the employment rate, expected to be moving around an annual 3%, could lead to a fall of the unemployment rate below 11% from 2002 onwards.

The situation of public finance has improved considerably during the process of integration into the Economic and Monetary Union (EMU). The decrease of the public deficit from 6.9% of the GDP in 1995 to 1.1% of the GDP in 1999 is remarkable. Financial

consolidation has been reached mainly thanks to the reduction of interests payments, due to the decrease of interest rates and the national debt. However, there has also been a slight fall in public investments, which have been reduced approximately from 4% to 3% of the GDP.

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CHAPTER 2. DESCRIPTION OF THE STRATEGY AND THE PRIORITIES

2.1. DESCRIPTION OF THE STRATEGY

The basic priorities of the strategy of development described in the CSF 2000-2006 are those related to acting on the main factors which influence the competitive ability of the autonomous regions. These factors are modulated not only by the results already obtained in previous CSFs, but also because background elements recommend accelerating the transition of the strategy of development from a model of economic promotion, based on the improvement of the regional endowment of basic elements of competitiveness, to another one envisaged around the business network, investment and innovation.

These priorities go along with those consisting in guaranteeing that the economic growth of these regions involves a rate of employment creation that permits maintaining the rhythm of reduction that the unemployment rate has been showing in the previous years, and in the same way, that this growth is compatible with the requirements involved in a sustainable development from the environmental perspective.

Strategically and financially, the CSF rests on five basic priorities linked to the decisive factors for the improvement of competitiveness and the creation of employment, and it rests also on a sixth priority directed at granting the sustainable development. These priorities are listed below:

 Improvement of the competitiveness of the productive network through its diversification and productive, organisational and technological modernisation.

- Promotion of a society of knowledge through the increase of the technological capacity and the display of the Information society.
- Appraisal and qualification of the Human Resources.
- Development and adaptation of the communication and energy supply infrastructures.
- Use of the potential of endogenous growth of the regions from local and urban development.
- Granting of a sustainable development, by means of the integration of the environment in the development processes. This is not a horizontal priority, but it should be taken into account and incorporated into the application of the other strategic priorities.

2.2. DEVELOPMENT OF THE PRIORITIES OF DEVELOPMENT

The strategy of development is applied though nine priorities:

Priority 1: Improvement of the competitiveness and development of the productive network.

This priority is aimed at the strengthening of productivity and competitiveness of the economies of the regions Objective 1 through the modernisation and reorientation of their productive network. This entails the transformation of the existing activities and

the creation of new companies oriented to those sectors that seem to have better perspectives of development on a long-term basis. The aim pursued with these actions would be to make it possible to face an increasing external global competitiveness, in a context of globalisation and fast technological evolution. The actions aimed at small and middle-sized businesses and the fostering of the Information society will be given priority within the Spanish productive network.

In this priority the CSF will finance the strengthening of the business capacity, particularly focused on small and middle-sized business, self-employment and the improvement of the social economy.

Priority 2: Society of Knowledge (Innovation, Research and Development, Information society).

This priority puts into practice a strategy of action based on several measures encouraging investment in human resources in the field of research, in science and technology, in different projects of innovation and technological development, in scientific and technological equipment and technological transference, in the promotion of electronic commerce and of the development of tools and multimedia contents, and in supporting the growth of the Information society and its culture, encouraging in this way the use of Internet in the workplace and the household and stimulating the creation of research and development networks.

In this priority, the CSF will finance actions strengthening human potential in research, science and technology, particularly focused on the transference of technology towards the productive sector.

Priority 3: Natural Environment and Water Resources.

This priority is structured around two areas of action:

- Natural Environment, divided as well in three areas of action: drinking water supply, drainage and purification of sewage and treatment of wastes.
- Water Resources, planning their integrated management as basin and sub-basin, and the realisation of functionally complex systems that will be included in the National Water Plan.

Priority 4: Development of human resources, entrance in the labour market and equality of opportunities.

This priority, financed almost totally by the ESF, includes 6 types of different actions to be taken:

Insertion and reinsertion of the unemployed into the labour market.

This line of action is aimed at offering new opportunities not only of insertion but also of reinsertion into the labour market to the unemployed population, including those who are no longer part of the active population because of a lack of opportunities for promotion.

Therefore, it has several goals to reach. The first one is to offer possibilities of insertion into the labour market to the unemployed, from a preventive perspective. Another one would be to fight against lengthy unemployment through actions of reinsertion into the labour market of the long-term unemployed population. A third one consists in offering, from a preventive perspective, ways of insertion into the labour market for young people. And last but not least, to facilitate the incorporation of those who are outside the labour market.

• Strengthening of the stability and the adaptability to the working situation.

This line of action also has different goals. The first one is to keep the level of competence of workers up-to-date through continuous training. The second one is the consolidation of the already existing job opportunities. The third one is to stimulate processes of modernisation of public and private institutions that favour the creation and stability of the employment, and the last one consists in stimulating the permanence of middle-aged people in the labour market. Priority will be given to the actions directed to the small and middle-sized business and to the promotion of the Information society within the Spanish productive network.

• Strengthening of technical and professional training.

There are several goals pursued with this line of action. One is to encourage the access to base and specific vocational training. Another one is to develop new options regarding vocational training. It also pursues the promotion of mechanisms of research around the subsystems of vocational training. And to finish, it is also aimed at offering educational alternatives directed to the improvement of the access into the labour market for those who have not studied beyond compulsory education.

At a national scale, the consolidation of the National System of Qualifications will be encouraged, and, at a regional scale, the introduction of the new technologies and of the Information society will be promoted in the regulated vocational training.

• Participation of women in the labour market.

The objectives of this line of action are: to improve the possibilities of entry of women in the labour market, to encourage women to participate in business activities and to fight against gender segregation as well as against salary discrimination, and to favour the reconcilement of family and professional life.

 Integration into the labour market for those with special difficulties.

This line of action is applied through the support to the insertion of handicapped people into the labour market and through

the proposal of opportunities of integration for those groups of people already excluded or about to be excluded from the labour market

 Construction, re-education and equipment of educational and training centres.

The goal of this measure is to increase the quantity of infrastructures of education and training in response to the existing needs of modern society.

Priority 5. Local and urban development.

This priority aims to encourage prosperity and employment in urban areas, at supporting social integration, and at preserving and improving the urban environment together with favouring the synergies between urban and rural settings.

Priority will be given to the projects that might be interesting for the municipalities or commonwealths that integrate those projects into the multi-faceted and integrated framework of the affected area.

The CSF will finance in the line of this priority those local initiatives aimed at the creation of employment.

Priority 6. Transport and energy networks.

The actions within this priority will be focused on the improvement of inter and intra-regional transport, with special attention to the completion of Transeuropean Networks (TEN), to the adequate connection of these networks with the regional ones and to the modernisation of rail or ship transport together with the creation of new airport infrastructures and the modernisation of the existing ones, responding in this way to the intensification of air traffic.

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As far as energy is concerned, the envisaged priorities are aimed at the completion of interconnections, at the investment in new sources of renewable energy and the promotion of a more conscious usage of energy and energy saving.

Priority 7. Agriculture and rural development.

The objectives of this priority are:

- To improve of the usage of land and water.
- To increase of the efficacy of farms.
- To stimulate the acquisition and practice of agricultural techniques that are compatible with the natural environment and its preservation.
- To create new jobs and keep the existing ones, mainly among rural women.
- To develop the economic diversification of the rural world as an alternative for the creation of employment and the absorption of the overpopulation in the agricultural sector.

Priority 8. Fishing structures and development of water resources.

The goals to be reached are:

- To plan a selective reduction of the capacity of certain groups within the Spanish fishing fleet.
- To prevent any possible problem that could come up in relation to the fishing activity of the Spanish fleet in the waters of other countries.
- To increase the profitability of sea fishing in Spain by renewing and repairing the existing fleet.

• To create new capacities for the development of sustainable water resources and to improve the existing ones regarding sustainability.

- To diversify the economy of those areas which are almost totally dependent from the fishing industry.
- To contribute as much as possible with the material and immaterial investments that might be required to the gradual incorporation of the small and middlesized fishing businesses into the new Information society, into the centralisation of common services, into the world of financial operations, etc.
- To incorporate to this line of action the environmental considerations pertinent to harbour installations in the fishing and conversion industries.

Priority 9. Technical Assistance.

This priority facilitates the necessary conditions for the effective application of the envisaged strategy of development.

2.3. QUANTIFICATION OF THE SPECIFIC OBJECTIVES.

The monitoring and evaluation of the CSF will be carried out through a series of socio-economic indicators, designed in relation to the priorities by the Member State and the Commission. They quantify the specific objectives expected to be reached by the year 2006.

Each priority comes along with a group of indicators divided in two types: those that, because of their nature, allow a quantification of the pursued objective, and those that are called "reference indicators". For the latter, there is no availability of previously quantified objectives, but it is not so with the actual values of the variables and the pursued objective qualitatively defined, which are present in these indicators. The monitoring and, above all, the intermediate evaluation will allow the quantification of the results that have been reached.

2.4. EVALUATION OF THE EXPECTED IMPACT.

The effects of the total public expenditure, programmed within the CSF around macroeconomic variables previously analysed, indicate that the GDP shows a rising tendency until the year 2006. It also shows that the effects of this fact on employment are clearly positive, with an average of 122,000 people employed per year.

2.5. PRELIMINARY EVALUATION.

Besides the evaluation of the macroeconomic impact and the quantification of its specific objectives, the CSF has gone through an analysis of global coherence and an evaluation of its effects, both on the environment and on the equality of opportunities. On the other hand, its coherence with the priorities of the Commission was analysed, together with its adequacy to the national policy for employment.

Regarding global coherence, the evaluation shows that the strategic priorities of the CSF respond totally to the strategic recommendations risen after the diagnose. Such adjustment can be verified both for the whole of priorities and for each of them in particular. The conclusion that can be reached from this fact is that there is a remarkable degree of global coherence in the Community Support Framework 2000-2006.

As far as the environmental impact is concerned, it can be affirmed that the strategy of development envisaged around the

Natural Environment seems to be compatible with a sustainable development, provided that prevention and adjustment measures can be incorporated at all times into the project and construction phases.

The impact of the strategy of development, consolidated with specific actions to reach equality between men and women is very difficult to quantify, even more so when the plans of action are not yet completely defined. However, the qualitative appreciation allows to expect considerable advances in this area, especially generating a normalisation of the participation of women in the labour market. This action should lead to the reduction of the rate of feminine unemployment together with an increase in the activity rate.

As far as coherence with the priorities of the Commission is concerned, it should be noted that:

- The two horizontal principles, Sustainable Development and Equality of Opportunities, are integrated in the strategy of development of the CSF.
- Regarding investments in transport, they are particularly focused on the road and rail networks that form part of the Transeuropean Networks.
- Those actions directed to the small and middle-sized businesses have a particular interest on the CSF. The recommendations indicated in the guidelines, related to packages of measures supporting small and middle-sized businesses and the need of a deeper integration of the actions taken by the European Regional Development Fund (ERDF) and the CSF, are described in the priority 1.
- Regarding the Information society, the strategy in this area and the actions to be carried out are fully described in the priority 2.

Finally, the CSF is included in the programmes known as Political Reference Frameworks for the development of human

resources, described in the Plan for Objective 3 and completed with the agreement of the European Commission in the CSF of Objective 3. These PRFs allow the establishment of a link between the multiannual interventions of the CSFs and the National Plans of Employment Action, which are renewed annually following closely the needs of the Spanish labour market, together with the European Employment Strategy. This close link exposes the need to turn the Community Structural Funds, and particularly the CSF, into privileged tools for financing the National Employment Plans.

CHAPTER 3. SUMMARY OF THE OPERATIONAL PROGRAMMES.

The strategy of development described in the CSF is applied through 23 Operational Programmes, being 12 regional and 11 multiregional. All of them will be put into practice within the period 2000-2006.

3.1. Regional Programmes.

Each of the 12 regional programmes is structured around the nine priorities described in the previous chapter and regulated according to the particularities and regional strategies that constitute the global strategy of the whole of the regions Objective 1. These programmes are the following:

- Operational Programme for Andalusia.
- Operational Programme for the Principality of Asturias.
- Operational Programme for the Canary Islands.
- Operational Programme for Castilla-La Mancha.
- Operational Programme for Castilla y León.
- Operational Programme for Ceuta.
- Operational Programme for Extremadura.
- Operational Programme for Galicia.
- Operational Programme for Melilla.
- Operational Programme for Murcia.
- Operational Programme for the Autonomous Regions of Valencia.
- Operational Programme for Cantabria, conditioned by transitory aids.

3.2. Multiregional Programmes.

3.2.1. Operational Programme for the improvement of Competitiveness and Development of the Productive Network (ERDF)

This Programme is aimed at the modernisation and reorientation of the productive network of the regions Objective 1 through the transformation of the existing economic activities and the creation of new businesses, orientated as much as possible to those sectors that have better perspectives on a long-term basis. Granting economic incentives to the companies is still a priority within this programme, mainly directed to small and middle-sized businesses, but also to big businesses when their setting in a given region contributes to the creation of new jobs and to the creation of external economies.

3.2.2. Local Operational Programme (ERDF)

This Programme has a double area of implementation, bearing in mind the size of the municipalities that benefit from it:

In the case of big and middle-sized municipalities, the Programme will stress the following objectives:

- To promote the social integration of the population living in municipalities or neighbourhoods economically depressed.
- To contribute to the rehabilitation of impoverished urban settings and to develop basic infrastructures for the development of the community.
- To increase the quality of the urban natural environment and stress and combat those factors that provoke its degradation.

In the case of small municipalities, the Programme will stress the following points:

- Improvement of the economic base, of the environment, of the basic infrastructures of urban services and of social endowments and equipment.
- Improvement of the territorial links through the development of connections of the internal networks at a regional and local level.
- Improvement of the quality of the urban environment and of its conditions of management.

3.2.3. Operational Programme ERDF-ESF for Research, Development and Innovation

The actions within this Operational Programme search to strengthen and encourage the application of the capacities for Research, Development and Innovation to the socio-economic systems in the Spanish regions Objective 1. The period 2000-2006 will allow the completion of the programme of actions, initiated in previous frameworks, through the encouragement of activities related to R+D+I, both in the public and in the private sector, in a co-ordinated way to obtain the greatest benefit and synergy of these interventions.

The interventions of the ESF will be focused on the exhaustive training of researchers and technicians, on the support to the integration of scientific personnel in research and productive centres, on the support to the mobility of researchers and technicians in order to contribute to the spreading and exchange of knowledge and on actions aimed at the anticipation of the technological requirements of the productive network.

3.2.4. Operational Programme Information Society (ERDF)

The implementation of the measures described in this programme will make it possible to considerably advance in reaching the main objectives established in the Extraordinary European Council, celebrated in Lisbon on March 23 and 24, 2000. Among the conclusions reached in the aforementioned Summit, it has been acknowledged that one of the essential priorities is to guarantee the access of all citizens and companies to the advantages of the Information society.

A series of measures are envisaged to reach these objectives, orientated in three directions: stimulating demand, favouring the sector of industry and technologies of Information and communications, and promoting technical research in this area.

3.2.5. Operational Programme for Stimulating Employment (ESF)

It consists of a specific intervention of active policies of employment to reach the following priorities:

- The insertion and reinsertion of the unemployed into the labour market, through informing and orientating them in their search for employment, and through actions related to vocational training and the programmes of Workshops.
- The integration into the labour market of those with special difficulties, granting subsidies to the companies that hire handicapped people.
- The encouragement and support to those initiatives of local development, through agreements with local corporations, Research + Employment actions also in

local corporations and the work of employment and local development agents. In this line, a global subsidy will be created to finance innovative projects in big local corporations.

3.2.6. Operational Programme System of Vocational Training (CSF)

This Operational Programme was envisaged to carry out a series of actions aimed at:

- Increasing the quality of vocational training, and promoting curricular innovation, together with innovations in methodology and didactic materials.
- Updating the arrangement of vocational training, with special attention to the National System of Qualifications, the Catalogue of Professional Diplomas and the Index of Certifications of Professionalism.
- To collaborate in the spreading, monitoring and evaluation of the Vocational Training System.
- To stimulate education in those professional specialities that are less chosen within the labour market.
- To promote the creation of integrated institutions and the training of teachers.

3.2.7. Operational Programme Business Initiative and Permanent Training (ESF)

This programme regards as its priority, on the one hand, to strengthen business capacity, so that new activities are carried out, which would entail the creation of new jobs, especially in the case of the small and middle-sized businesses, of self-employment and of social economy. On the other hand, it will also act for the improvement of the adaptability of workers, through continuous training of workers and through the improvement of the stability of newly created jobs, with the goal of also improving the quality of the different jobs and business competitiveness.

3.2.8. Operational Programme Fighting against Discrimination (ESF-ERDF)

The situation of certain groups of people within the labour market is marked by an intense racial discrimination, so taking specific measures is necessary to obtain their integration into the labour world. Within this framework, the objectives of the Programme are:

- To encourage the participation of women in the labour market.
- To promote the entry of handicapped people into the labour market.
- To promote the integration into the labour world to those in risk of exclusion.

3.2.9. Multirregional Operational Programme of the Financial Fisheries Orientation Instrument (FFOI)

The general objectives of this programme are:

- To reach balance in the operation of fisheries.
- To increase competitiveness of the companies involved in the sector.
- To improve the supply to the market and the quality of the products.
- To avoid problems of socio-economic decline due to restructuring.

3.2.10. Operational Programme for the Improvement of Structures and Systems of Agricultural Production in the Regions Objective 1 (EOAGF)

This Operational Programme aims at a fundamental objective, which is the increase of competitiveness in the agricultural sector through the following actions:

- Improving the management of agricultural water resources.
- Supporting the investments in farming.
- Facilitating the settlement of young people working in this sector.

3.2.11. European Regional Development Fund – European Social Fund – European Orientation and Agricultural Guarantee Fund (EOAGF) Programme for Technical Assistance.

The Plurifund Programme for Technical Assistance pursues the implementation of some of the actions that the Priority 9 includes. Some among them should be highlighted: the planning of the interventions, their accompaniment, the management, the control, the organisation of the Monitoring Committees and specific tasks, which are included in the responsibilities of the structure that has assumed the global follow-up of the CSF, and particularly its evaluation.

CHAPTER 4. FINANCING AND ADDITIONALITY PLANS.

4.1. Financing Plan.

The economic framework indicative of the CSF for the regions Objective 1 (including the region of Cantabria, beneficiary of transitory aid), in accordance with the order of the Regulations (EC) 1260/1999 and with the decisions adopted by the European Council of Berlin of March 23-24, 1999.

The financial resources of the Structural Funds for the period 2000-2006 have been established (according to current prices), in 39,186 million Euros for the Spanish regions Objective 1 and in 362 million Euros for the region of Cantabria, which benefits from transitory aid.

On the other hand, the Commission fixed the amount assigned for the Efficacy Reserve, that will be attributed in view of the criteria fixed in the Art. 44 of the Regulations (EC) 1260/1999, around 4% of the total endowment, i.e., 1,701 million Euros for the regions Objective 1 and 16 million Euros for the region that benefits from transitory aid.

These financial resources are completed with the financial resources attributed to the Cohesion Fund, fixed in 6,528.4 million Euros for the period 2000-2006.

An additional support is envisaged for the strategy of development, regarding the loans granted by the EIB, which amount to 7,716.3 million Euros. It is estimated that the application of the CSF for the regions Objective 1 in Spain during the period 2000-2006 will put into movement an amount that adds up to 80,383 million Euros, and to 1,037.5 million Euros for the region of Cantabria that benefits from transitory aid. The Public participation indicated in the following chart is indicative (see fig. 1).

4.2. Participation Rates.

The participation rates of the Structural Funds will be administered in accordance with the Art. 29 of the Regulations (EC) 1260/1999. The participation from these funds will never go beyond 75% of the total subventionable cost and, at a general level, a minimum of 50% of the total subventionable expenditure. Besides, in the case of the State aids, the participation from the Funds will respect the established limits regarding intensity and accumulation of aids.

The operations co-financed by the Structural Funds in the Autonomous Regions of The Canary Islands, Andalusia, Extremadura, Galicia, Castilla-La Mancha and in the Autonomous Cities of Ceuta and Melilla will have the possibility of reaching a bigger rate of participation from the aforementioned Funds, in accordance with what is established in point a) section 3 of the Art. 29 of the Regulations (EC) 1260/1999.

Bearing all this in mind, the operations that are included in the interventions constituting the CSF will be applied, when pertinent, the principle of "the one who pollutes, pays". On the other hand, the Community participation will eventually be increased in view of the proposal called "Community Support Aids for the Protection of the Environment", in those actions that revert in an improvement of the environment.

4.3. Principle of Additionality.

In accordance with Art. 11 of the Regulations (EC) 1260/99, the credits of the Structural Funds cannot substitute the public structural expenditure of the member state. The CSF includes the expenditure level that Spain is committed to keep in all the regions Objective 1 during the period 2000-2006, above the level reached in the previous period 1994-1999.

								CS	F SPA	IN 20	00-20	06 OB	JECT	IVE 1	
Priority		Total Public Expendit.	Public Participation											Cohesion	
			Community					Domestic				Investme nt	Fund	EIB	
			Total	ERDF	CSF	EOAGF	FFOI	Total	Central	Regional	Local	Others			
	1=2+13	2=3+8	3	4	5	6	7	8=9a12	9	10	11	12	13	14	15
1. Improvement of competitiveness and development of the productive network	20.991.400.000	7.121.600.000	4.983.000.000	3.392.400.000	460.100.000	895.800.000	234.700.000	2.138.600.000	1.181.400.000	887.100.000		70.100.000	13.869.800.000		1.375400.000
Society of Information (Innovation, R+D, Society of Information)	9.043.700.000	4.433.900.000	3.117.700.000	2.691.900.000	425.800.000			1.316.200.000	908.800.000	385.900.000		21.500.000	4.609.800.000		579.000.000
Natural Environment and Water Resources.	10.200.700.000	9.042.400.000	6.378.600.000	5.356.800.000		1.021.800.000		2.663.800.000	1.895.300.000	733.000.000	35.500.000		1.158.300.000	3.264.200.000	
4. Development of Human Resources, Employment and Equality of Opportunities.	10.960.000.000	10.922.900.000	7.395.400.000	813.100.000	6.582.300.000			3.527.500.000	1.915.700.000	1.594.000.000		17.800.000	37.100.000		
5. Local and Urban Development.	7.492.000.000	5.743.400.000	4.012.500.000	2.710.900.000	1.301.600.000			1.730.900.000	837.600.000	502.100.000	390.400.000	800.000	1.748.600.000		579.900.000
6. Transport and Energy Networks.	16.154.400.000	14.802.200.000	9.079.200.000	9.079.200.000				5.723.000.000	4.446.900.000	1.268.900.000		7.200.000	1.352.200.000	3.264.200.000	5.182.000.000
7. Agriculture and Rural Development	7.252.300.000	4.859.400.000	3.143.200.000	73.600.000		3.069.600.000		1.716.200.000	1.257.300.000	458.900.000			2.392.900.000		
8. Fisheries and Aquiculture.	2.406.100.000	1.599.400.000	1.245.300.000				1.245.300.000	354.100.000	241.000.000	110.000.000		3.100.000	806.700.000		
9. Technical Assistance	253.200.000	251.200.000	193.100.000	60.800.000	73.700.000	34.000.000	24.600.000	58.100.000	25.600.000	29.900.000	1.600.000	1.000.000	2.000.000		
Total ERDF	54.682.232.000	36.333.800.000	24.178.700.000	24.178.700.000				12.155.100.000	8.127.600.000	3.481.600.000	427.500.000	118.400.000	18.348.432.000		
Total CSF	12.947.320.000	12.902.600.000	8.843.500.000		8.843.500.000			4.059.100.000	2.641.900.000	1.417.200.000	0	0	44.720.000		
Total EOAGF	13.985.688.000	7.544.400.000	5.021.200.000			5.021.200.000		2.523.200.000	1.630.200.000	893.000.000	0	0	6.441.288.000		
Total IFFO	3.138.560.000	1.995.600.000	1.504.200.000				1.504.600.000	491.000.000	30.900.000	178.000.000	0	3.100.000	1.142.960.000		
2000	11.992.300.000	8.311.300.000	5.586.000.000	3.413.300.000	1.249.200.000	710.800.000	212.700.000	2.725.300.000	1.794.300.000	853.300.000	60.600.000	17.100.000	3.681.000.000	917.300.000	1.084.200.000
2001	12.194.400.000	8.453.500.000	5.684.000.000	3.473.900.000	1.271.100.000	722.700.000	216.300.000	2.769.500.000	1.826.200.000	864.300.000	61.600.000	17.400.000	3.740.900.000	935.300.000	1.105.500.000
2002	12.397.800.000	8.596.700.000	5.783.000.000	3.535.200.000	1.293.200.000	743.600.000	223.900.000	2.813.700.000	1.858.300.000	875.100.000	62.600.000	17.700.000	3.801.100.000	953.600.000	1.127.100.000
2003	12.608.500.000	8.744.900.000	5.885.000.000	3.598.200.000	1.316.100.000	746.800.000	223.900.000	2.859.900.000	1.891.500.000	886.700.000	63.600.000	18.100.000	3.863.600.000	972.300.000	1.149.200.000
2004	113613.900.000	8.057.300.000	5.425.000.000	3.317.800.000	1.213.000.000	687.900.000	206.300.000	2.632.300.000	1.744.000.000	813.100.000	58.500.000	16.700.000	3.556.600.000	898.300.000	1.061.800.000
2005	11.845.400.000	8.127.800.000	5.533.000.000	3.383.900.000	1.237.100.000	701.600.000	210.400.000	2.684.800.000	1.778.700.000	829.400.000	59.700.000	17.000.000	3.627.600.000	916.100.000	1.082.800.000
2006	12.101.500.000	8.394.900.000	5.652.000.000	3.456.400.000	1.263.800.000	716.800.000	215.000.000	2.742.900.000	1.816.600.000	847.900.000	60.900.000	17.500.000	3.706.600.000	935.500.000	1.105.700.000
Regions Obj. 1 and Permanent Aids	83.715.300.000	58.122.100.000	39.186.000.000	23.980.500.000	8.760.300.000	4.956.200.000	1.489.000.000	18.936.100.000	12.604.100.000	5.789.700.000	420.800.000	121.500.000	25.593.200.000	6.528.400.000	7.716.300.000
Transitory Aid	1.038.500.000	654.300.000	362.000.000	198.200.000	83.200.000	65.000.000	15.600.000	292.300.000	105.500.000	180.100.000	6.700.000		384.200.000		
TOTAL	84.753.800.000	58.776.400.000	39.548.000.000	24.178.700.000	8.843.500.000	5.021.200.000	1.054.600.000	19.228.400.000	12.709.600.000	5.969.800.000	427.500.000	121.500.000	25.977.400.000	6.528.400.000	7.716.300.000

Community Support Frameworks

CHAPTER 5. CONDITIONS OF APPLICATION OF THE CSF

5.1. Coordination of the interventions of the Structural Funds.

Spain appoints the Ministry of Finance, and within in, State Office for the Community Funds and Territorial Financing as the management authority of the CSF Spain Objective 1 2000-06. It will be responsible for the efficacy and regulation of the management and implementation of the CSF.

The management authority of the interventions will be, in the case of the Integrated Regional Operational Programmes, the State Office for Community Funds and Territorial Development. It will carry out its functions in collaboration with the rest of Administrative Units of the Structural Funds of the General Administration of the State, in a context of cooperation and co-responsibility with the Administrations of the Autonomous Regions, which permits the effective participation of the latter in the accomplishment of the functions attributed to the management authority, in accordance with Art. 34 of the Regulations (EC) 1260/1999.

The management authority of the Multiregional and Plurifund Operational Programmes will be the Administrative Unit of the Structural Fund that contributes with a larger amount of money. In the case of Monofund Programmes, the management authority will be the Administrative Unit of the Structural Fund competent in each programme.

The management authority of each Operational Programme will be responsible for the efficiency and regulation of the management and the implementation of the intervention for which it has been appointed, without interfering with the powers of the Commission, particularly regarding the implementation of the General Budget for the Regions.

The coordination of the application of the resources of each particular Fund falls on:

- European Regional Development Fund: The responsibility of its coordination falls on the management authority for the CSF, directly or through the Subdepartment of Administration of the ERDF.
- European Social Fund; Ministry of Labour and Social Affairs (Administrative Unit of the ESF).
- European Orientation and Agricultural Gurarntee Fund: Orientation: Ministry of Agriculture.
- Financial Fisheries Orientation Instrument: Ministry of Agriculture.

The Autonomous Regions will appoint a unit that will be in contact with the authorities of management and payment. It will guarantee the adequate coordination of the whole of the regional institutions that take part in co-financed actions.

Moreover, the Spanish Network of Environmental Authorities, which aims at the integration of the environment into the actions of the Structural Funds, will encourage the collaboration among the institutions involved in it.

5.2. Participation of the economic and social negotiators.

The economic and social negotiators have been associated to the successive phases of negotiation, particularly in the programming of the actions for the development of human resources. In the implementation phase, this activity of cooperation will be developed within the scope of the Monitoring Committee of the CSF and of the Operational Programmes, in which the economic and social negotiators will be represented.

5.3. Arrangement and Transparency of the Financial Flows.

The resources of the Structural Funds will be managed according to the principles of cooperation and subsidiarity. The Financial flows must be organised in such a way that the improvement of their efficacy is a permanent goal. For this reason, the appropriate authorities will watch for the simplification of the procedures at all levels, which will facilitate transfers to final beneficiaries as soon as possible.

The functions of the paying authority, described in the Art. 32 of the Regulations (EC) 1260/1999, will be conducted by each of the four Administrative Units of the Structural Funds of the Ministries of Finance, Labour and Social Affairs and Agriculture. These paying authorities will have a computer system available for monitoring the financial flows of each Operational Programme.

The Operational Programmes must indicate the financial circuit, the characteristics of the accounting systems used and the actions carried out or envisaged for a proper financial management. The management authority of each Operational Programme is responsible for the adequacy of the correspondent accounting system to the requirements to which it is applicable. The financial flows with the European Union and with the final beneficiaries will be carried out through the Treasury accounts of non-budgetary creditors corresponding to each Structural Fund.

5.4. Mechanisms of management, monitoring, evaluation and control.

Management:

The management authorities of the CSF and of the Operational Programmes are responsible for the efficacy and regulation of the management and of the implementation of the CSF

and the programmes, respectively, in accordance with the Art. 34 of the Regulations (EC) 1260/1999. The management authorities will guarantee the establishment of an operational system of management and monitoring, with a structure and endowment of the adequate means to reach the objectives.

Monitoring:

The monitoring system will guarantee the identification of the actions that have been co-financed, strengthening the principle of programming and providing the measure of the added value for the co-financing contributed by each Fund to the usual actions of the promoters. It will also allow to bear in mind the specific characteristics of their interventions. This should facilitate, among other things, the monitoring of the participants of the ESF in the implementation of the National Plans for Employment Action.

With the purpose of securing the correct development of the CSF and of accomplishing the Art. 35 of the Regulations (EC) 1260/1999, a Monitoring Committee will be set up for the CSF. This committee will be presided by the management authorities of the CSF. It will be constituted, as permanent members, by the representatives of the Ministries of Finance, Agriculture and Labour and Social Affairs, representatives of the Autonomous regions, of the Spanish Federation of Municipalities and Provinces, of the national authorities of the Environmental Authorities Network, of the competent economic and social negotiators and a representation of the Commission managed by the State Office for Coordination. The representation of the Commission and, when appropriate, of the European Investment Bank (EIB), will take part, for consulting purposes, in the procedures of the committee.

The representatives of all the institutions involved in the management of the CSF will be allowed to participate as guests. In the same way, external consultants who collaborate in the tasks of

monitoring and evaluation can be invited to participate in the Monitoring Committee. Eventually, Community observers as well as extra-Community observers could also be invited.

The Monitoring Committee will accomplish, among others, the following functions:

- To coordinate the different ways of intervention as the aims are reached.
- To establish the procedures of operational monitoring that will guarantee the efficient implementation of the CSF.
- To analyse the resulting advances relying on the examination of the intermediate evaluation together with the financial implementation and the context indexes established in the CSF. It will also verify the time to adopt those actions described in co-operation with the management authorities of the Operational Programmes, in order to secure an efficient and complete usage of the resources available, even through re-programming.
- To study and approve the proposals for the modification of the CSF.

Several work teams will be constituted within the Monitoring Committee of the CSF as instruments of coordination and forums for the analysis of sectorial or specific matters. They will be presided by the management authority of the CSF or by the Administration appointed by the Monitoring Committee, at the proposal of the aforementioned management authority.

The teams will work around the following issues: equality of opportunities, Human Resources and employment, Information society, Natural Environment and Water resources, Transport, and Evaluation. Work teams could be created to deal with specific issues that are pertinent to consider.

This Committee, together with its set responsibilities, will serve as a forum of exchange of experiences about the management of the programmes, with special consideration to the diversity of the situation of each region. Among the tasks that have been previously described, special attention will be paid to the monitoring of the complementary nature of the actions envisaged within the CSF and of these ones with the projects that have been financed by the Cohesion Fund.

Each way of intervention will have its own Monitoring Committee.

Evaluation:

In accordance with the Art. 40 of the Regulations (EC) 1260/1999 of June 21, the actions carried out using the Structural Funds will undergo a preliminary, an intermediate and a final evaluation, in order to better appreciate their impact on the development and structural adjustment of the regions where they are applied.

The intermediate evaluation will be arranged by the management authority, in collaboration with the Commission and the Member State. The management authority of the CSF will establish a system of coordination of the evaluation tasks of each programme, including firstly the selection of a team of independent evaluators. The intermediate evaluation will be carried out by an independent evaluator, and it will be sent to the Commission within the three years following to the date of approval of the CSF. It will be subsequently updated before December 31, 2005.

In order to establish the necessary collaboration between the Commission and the Member State, a Technical Team of Evaluation of the CSF will be constituted.

Control:

In accordance with the Art. 38 of the Regulations (EC) 1260/1999, and without detriment to the controls that the Commission carries out, it is the Member State, through its own representatives and officials, the one concerned with carrying out those actions that secure the correct usage of the Community funds. This is done in accordance with the national legal, regulative and administrative dispositions, within a context of co-operation with the Commission, to co-ordinate the different programmes, the methodology and the implementation of the controls in order to maximise its utility.

The management authorities of the Operational Programmes, according to the system of co-responsibility previously mentioned, are responsible, in accordance with the Art. 34 of the Regulations (EC) 1260/1999, for the regulation of those operations financed within the context of intervention and fulfilment of measures of internal control compatible with the principles of a correct financial management.

The General Intervention of the Administration of the State (GIAS) will be the institution that will establish, in accordance with the prevailing Community and National Regulations, the necessary co-ordination of controls, maintaining just for these purposes, the links that are required with the corresponding institutions of the European Union, of the territorial entities and of the Administration of the State.

5.5. General Efficacy Reserve.

The distribution of the Efficacy Reserve, described in the Art. 44 of the Regulations (EC) 1260/1999, will be carried out as one of the ways of intervention of the CSF, bearing in mind the situation of beneficiary of transitory aid of the Autonomous Region of Cantabria. This Article establishes that the general efficacy of each intervention must be evaluated "relying on a limited series of follow-up indicators which will show the efficacy, management and financial

implementation, and which will measure the intermediate results in relation to the initial specific objectives".

The allowance of the reserve of the Operational Programmes that are globally efficient will be assigned half way through of the programming period, and no later than March 31, 2004.

5.6. Observance of the Community Regulations.

In accordance with the Art. 12 of the Regulations (EC) 1260/1999, the operations that are financed by the Structural Funds must adjust to the dispositions of the Treaties and of the adopted acts, together with the Community policies.

The management authority for the intervention is responsible for the observance of the Community regulations and of the compatibility of the Community policies. It will inform the corresponding Monitoring Committee, at least once a year, of the situation around the observance to the aforementioned regulations, that will be checked during the verification of the financing applications and also during the implementation of the measures.

The verification of the observance of the Community regulations will be carried out as a priority, but not exclusively, with respect to:

- Norms of Competence.
- Awarding of contracts.
- Protection of the Environment.
- Promotion of the small and middle-sized businesses.
- Equality of opportunities.
- Employment Policies.

Objective 3

INTRODUCTION

The Community Support Framework (CSF) for Objective 3 was approved by the Commission through a resolution of September 27, 2000, and as a consequence of the Plan that Spain presented of Objective 3 for the period 2000-2006 in October 1999.

With this CSF, the coherence of the whole of the actions developed to favour human resources is guaranteed in all the National territory through the programmes known as Political Reference Frameworks for the development of Human Resources. It was presented in the Plan and adapted in cooperation with the European Commission within this framework.

Besides, the financing procedures for the achievement of the objectives are defined. The European Social Fund (ESF), which is the only Structural Fund to intervene in the regions not included in Objective 1, will take part in them. These regions are: Aragón, The Balearic Islands, Catalonia, Madrid, Navarra, The Basque Country and La Rioja.

The intervention of the ESF will be carried out through the implementation of four Multiregional Operational Programmes, seven Regional Operational Programmes and an Operational Programme of Technical Assistance of the management authority.

CHAPTER 1. MACROECONOMIC CONTEXT AND LABOUR MARKET IN SPAIN.

The evolution of the Spanish economy during the period 1994-1999 is characterised by a sustainable growth of the GDP with a rate between 2.2% in 1994 and 3.8% in 1999. The creation of new jobs increased between 2.4% in 1994 and 3.5% in 1999. From 1996 onwards, labour reforms have been put forward to promote and adapt employment. Structural reforms of the labour market and of the capital market are still envisaged, together with measures that stimulate the competitiveness in certain sectors.

The regions Objective 3 have a better average situation than that of the regions Objective 1 in terms of employment, unemployment and salaries with respect to the national average, but there are considerable regional disparities.

Unemployment in Spain has a strong structural nature, as is indicated by the fact that there is a high rate of long-term unemployment.

The rate of female unemployment rose from 49.5% to 59.5% in the area Objective 3, as a consequence of the greater growth of the active female population and the lesser impact on their obtaining a job. The female unemployment rate doubles that of men.

The unemployment rate for young people is 34%, and they represent a third of the unemployed. The young unemployment rate in the area Objective 3 is 28.1%.

In general, the active population in Spain has a low level of qualification. 30% of them have not arrived to secondary education, the 46% have until the secondary education and 24% have a superior level of education. The level of education of the inactive population is inferior to that of active population.

The structure of employment by sectors reflects a lesser importance of the service industries in relation to the Community average. Within service industries, services with a medium level of

qualification, such as distribution, hotel trade, restaurants and communal services have a greater relevance.

Community Support Frameworks

CHAPTER 2. LEGAL AND FUNCTIONAL FRAMEWORK OF HUMAN RESOURCES POLICIES.

In previous years there has been a transference of powers and management to the regions, which is leading to transeducations, most of all in Education, in the management of the Active Policies of Employment, particularly in vocational training, and in the mediation tasks related to the labour market. The transference of power carried out in these areas determine the management capacity of the State and of the Autonomous Regions from the year 2000 onwards. The transference of power is not of the same nature in all fields.

The Active Policy for Employment in Spain is structured around three lines of action:

• Mediation within the labour market:

Mediation within the labour market has gone through a series of changes characterised by a greater complexity in management, a decentralisation and an approach to the users and an enlargement of the number of agents and institutions involved. Mediation is carried out by the regional public services of employment, the collaborating entities and temporary employment agencies.

• Vocational training, with three subsystems:

Three systems of vocational training coexist in Spain. They are defined according to the appropriate groups and Administrations:

 Initial/Regulated Vocational Training, concerning the Educational Administration: this field is still undergoing the process of decentralisation, and it is being gradually assumed by the governments of the Autonomous Regions.

- 2. Occupational Vocational Training, of concern for the Labour Administration: it is regulated by national regulations, but its management is transferred to the Autonomous Regions.
- Continuous training, of concern for the Labour Administration: it is managed in a joint manner by the Administration, the Unions and the most important employers' organisations.

• Fostering of Employment:

The actions regarding the fostering of employment are envisaged in two groups: in the first one, incentives for the hiring of workers are included; the second includes those employment programmes carried out or financed by the Public Administration.

Community Support Frameworks

CHAPTER 3. RESULTS OF THE PRECEDING PERIOD.

In the preceding period 1994-1999, the current Objective 3 was divided into two objectives: Objective 3, which aimed at fighting long-term unemployment and facilitate the professional insertion of the young people and those exposed to exclusion from the labour market, and Objective 4, designed to facilitate the adaptation of workers to the industrial changes and to the evolution of the production systems.

Main results:

- Three necessary conditions for the actual integration of the different actions aiming at insertion were identified: the encouragement of orientation, the coordination among the different promoters, and a bigger attention to the local setting.
- A growing interest is appreciated for the orientation tasks in all fields, even if the programmes had not been focused on the integrated insertion itineraries.
- The criteria for the redistribution of the financial resources focused more on the best levels of implementation of certain promoters than on more qualitative criteria based on shares and priority groups. The impact of the actions taken on the national, autonomous and local structures and systems of management has been deeper than the impact on the beneficiaries and on the actual insertion in the job market.
- The interest on the implementation of the principle of equality of opportunities between men and women

- has shown to be insufficient both in its horizontal implementation and in specific actions.
- The degree of satisfaction of the participants in activities of continuous education proved to be very high. Nevertheless, it has been remarked that the percentage of participants from the priority groups people older than 45, women and workers of small and middle-sized businesses—has been smaller in relation to the total of the working population within that group.
- More and more frequently, the companies create their own plans of training according to their actual needs. Some of them even create multiannual strategic training plans. Such a positive aspect will still have to spread to the small and middle-size business. The evaluation supports, in that sense, the strengthening of parallel measures of training in the future.

Main Recommendations:

These results support the implementation of the following common directions adopted by the Commission and the Member State:

- To improve the definition of the groups that benefit from the measures and the concentration of actions directed to them.
- To improve the coordination of the different kinds of actions.
- To improve the instruments for planning, management, monitoring and evaluation, and especially the coordination of the different administrations.

- To foster integrated packages of orientation and training for employment.
- To re-orientate the intervention of the ESF regarding the co-financing of the educational system.
- To encourage the creation of personalised services of orientation.
- To design new contents for the programmes of aid for employment.
- To consolidate and spread the parallel actions to continuous education.
- To increase transversality between accompanying and training actions.
- To increase the quality of continuous education.
- To improve the perspectives of the actions ESF.

Community Support Frameworks

CHAPTER 4. POLITICAL REFERENCE FRAMEWORK FOR THE DEVELOPMENT OF HUMAN RESOURCES IN SPAIN: STRATEGY FOR THE SUPPORT OF THE STRUCTURAL FUNDS.

The Political Reference Framework for the Development of Human Resources included in the Plan for Objective 3 describes the interventions to be carried out during the period 2000-2006 regarding employment policies in the whole of the Spanish territory. According to this document, the Commission and the Member State have agreed on the main strategic lines of action for all the structural funds in the field of policies for human resources in Spain.

This concentration framework serves as a link between the multiannual actions, designed in the Plans for the Objectives 1, 2 and 3, and in the National Plans for Employment Action. These are annually renewed, closely following the evolution of the needs of the Spanish labour market. This close link reflects the need of turn the Community Structural Funds, and particularly the ESF, into a privileged instrument for financing the National Employment plans.

The Spanish policy within the framework of the European Strategy of Employment follows a line of intensification of active versus passive policies for fighting against unemployment. However, the high and persistent rate of population out of the Spanish labour market—social problem and productive weakness—determines a dual focus prevention/correction that was reflected in the Plan for Employment of 1998 and 1999, and is still the base for the plan of 2000.

Therefore, three strategies of development of human resources are envisaged to fight against imbalances and inequalities regarding the access to the labour market, and to stimulate the improvement of the qualification of the workers as one of the essential factors for the increase of productivity.

- To stimulate measures for the creation of new jobs, contributing to the decrease of the unemployment rates and the increase of the activity rate.
- To fight against all forms of discrimination as far as the access to the labour market is concerned, with the goal of reducing the imbalance existing among the active population.
- To stimulate the apreciation of human resources, contributing with an adequate qualification and improving their adaptability to the requirements of the labour market.

As a result of the strategic plan, in accordance with the main guidelines included in this National Plan for Employment of 1999, and as an answer to the reglamentary definition within the priority areas of action of the ESF for the period 2000-2006, the actions in favour of the development of human resources in Spain are included around the following eight priorities:

- 1. Insertion and reinsertion of the unemployed.
- 2. Strengthening of the business capacity.
- 3. Strengthening of stability and adaptability.
- 4. Strengthening of vocational and professional training.
- 5. Strengthening of human potential regarding research, science and technology.
- 6. Participation of women in the labour market.
- 7. Integration of people with special difficulties into the labour market.
- 8. Encouragement and support to local development initiatives.

CHAPTER 5. STRATEGY AND PRIORITIES.

The structure in priorities is also followed for the programming of those actions that are co-financed by the European Social Fund in all the national territory, and in any case of the interventions included within this Community Support Framework, adding also a supplementary priority of Technical Assistance. This homogeneousness in the presentation of the programmes will facilitate a horizontal monitoring of the fulfilment of the envisaged strategies.

In accordance with the priorities identified in the labour market analysis included in the Plan for Objective 3 and in this Community Support Framework, and with the recommendations from the evaluation of the co-financed actions within the period 1994-1999, the ways of intervention co-financed by the ESF will show a special consideration for the defined horizontal and strategic priorities.

In order to obtain a stronger impact in the intervention, the co-financing from the European Social Fund will be focused on a series of particular actions that will be based on the following objective criteria:

- To look for an increase in the efficacy of the actions through a complete definition of their goals and a better coordination of the offer.
- To help those people and companies that go through bigger difficulties to benefit from the actions taken for the development of human resources.
- To stimulate the development of those actions that the evaluation tests have identified as the most efficient for the promotion of employment and creation of new jobs.

The monitoring of these criteria and of the priorities that are explained below will be verified in all cases by the quantitative and

qualitative importance that they will be given in the Operational Programmes.

5.1. Horizontal Priorities.

Equality of Opportunities

The participation of women in the labour market will be a priority of all the actions and will be the focus of a detailed monitoring at all levels. Each of the co-financed actions will have to respect this principle, establishing the importance of female participation in accordance with the gender imbalance that the labour market shows, in a way that the results aimed favour the comparison between women and men at all levels.

Information society

The optimal use of the opportunities of a new economy based on information requires a particular strengthening of this aspect. Its impact should be particularly visible in training activities and in actions for the strengthening of the business capacity.

Local development

The way in which all the actions taken contribute to the local development will be deeply valued, bearing in mind that it is in the local setting where the problems related to insertion and adaptation to the labour market can be faced with some guarantee of success.

Environment

In all fields of action, the impact on the environment will be strongly appraised, securing its compatibility with the horizontal

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objective of a sustainable development. Particular attention will be paid to the potential of employment within the environmental sector, developing new activities and services in this area.

5.2. Strategic Priorities.

Preventive focus

According to the European Employment Strategy, the actions taken in favour of the unemployed will have a significant and growing preventive focus, in a way that each person is offered an opportunity. In that way, long-term unemployment would be avoided.

Integration of actions—itineraries of insertion

In view of the results obtained in the previous programming period, and in order to obtain a bigger efficacy in the usage of public resources, the Operational Programmes will increase the integration of its actions progressively with the purpose of obtaining, when adequate, an individualised approach to insertion or adaptation to the requirements of the labour market.

People with special difficulties

Besides the specific actions aimed at these people, the whole of the programmes will contribute to eliminate the recurrence of any factor that presupposes a limitation in their integration into the functioning of the labour market. In this aspect, the situation of the immigrant population will be taken in special consideration to

secure their participation in the general active policies related to the labour market.

People over 45

Provided that the nature of the activity recommends it, the co-financed actions will have a special consideration of the permanence of those people who are in the risk of losing their job for reasons of age.

Young people

The Operational Programmes that envisage those actions aimed at young people before their insertion into the job market will concentrate their resources mainly in securing an adequate transition of the school background to the work background, through the adequate orientation of the students, and facilitating their access to internships in companies.

Service Industries

The approach of the distribution by sectors of the active population in Spain to the of the rest of countries of the EU will encourage the creation of stable employment. With this aim, the Operational Programmes will establish, in the most appropriate way in each case, how the available resources are focused on the expansion of the service industries.

Small and middle-sized business

In all the actions, particularly in those that aim at the growth of business activity and of adaptability, a deep attention will be put on the promotion of small and middle-sized businesses, and to the improvement of their access to those services offered to different companies.

5.3. Complementary nature of the actions.

The planning of the complementary nature of the actions designed by the General Administration of the State and that of the Autonomous regions will be the object of a particular attention in the mechanisms that are established for the initial identification of those actions that form part of the programming. An effective complementary nature will be guaranteed in the following way:

- When the factor of competence is perfectly defined and separated, through the intervention of the different administrations in actions mainly coordinated by the National Plan for Employment Action and their equivalent in this Community Support Framework.
- When the management of the different actions falls on the same administration, that of the Autonomous region, it is this the one which optimises the usage of the two sources of financing, adding up to the contribution coming from the national programme according to its priorities. The programming of these actions will allow to an initial verification of the accomplishment of the complementary nature within each priority in all the programmes.
- When competence in a given field is concurrent or shared, resulting in the existence of more that on manager, the complementarity will be demonstrated through the specialisation of the activities, considering the group to which the activity is directed, the economic sector it intervenes on, or the activities presented by both administrations.

The complementary nature of the lines of action designed within the different ways of intervention co-financed by the European Social Fund will be studied during the period through the already described mechanisms of monitoring.

5.4. Priorities.

Priority 1: Insertion and reinsertion of the unemployed into the labour market.

The aim of this priority is to offer new opportunities not only of insertion but also of reinsertion into the labour market to the unemployed population, including those who are no longer part of the active population because of a lack of opportunities of promotion.

In order to reach this objective, different actions are aimed mainly at the unemployed before they spend 12 months unemployed, 6 months for young people. These actions will range from those of professional orientation and vocational training to aids for employment.

Combined programmes of training and employment and initiatives for information and advice to obtain labour insertion will be encouraged for the long-term unemployed and the young people. In order to support the re-incorporation to an active work life of those out of the labour market, integrated itineraries of insertion will be pursued, especially for women.

In any case, those measures offered within an efficient and integrated system will be financed. The measures that are cofinanced will have to be approved through a preliminary evaluation as the most adequate for the beneficiary, according to his/her needs. Those actions that integrate theoretical education with internships will be given preference.

Priority 2: Strengthening of business capacity

This priority aims at the encouragement of business capacity, including activities for promotion, support and assessment to autonomous employment, to small companies and to the different forms of social economy. The projects that develop new sources of employment will be fostered, particularly those related to the environment and the new technologies.

Priority 3: Strengthening of stability and adaptability

The aim of this priority is mainly to improve the qualification of workers in order to increase their capacity of adaptation to the evolution of the needs required by the productive system. It also aims at favouring the stability of employment for those groups which are more exposed to inadequate employment, and also at stimulating new modalities of employment that facilitate labour continuity.

As far as continuous education of the workers is concerned, the aid of the European Social Fund will focus on the following priorities:

- Measures of anticipation that allow to foresee the evolution of the qualifications demanded by the productive system.
- Training of the workers of the small and middlesized business, who represent the biggest part of the employment in Spain, including the complementary actions to ease their access to the educational offer.
- Training in the new technologies and the Information society, in order to improve the

capacity of workers to face the different technological changes.

The activities that strengthen the co-ordination and the collaboration of the regional services of employment with the national one, will be developed within the framework of the current process of decentralisation of the management of the active policies of employment.

Priority 4: Strengthening of the technical and professional education.

The main goal of this priority is to improve the quality of Vocational Training, particularly of the regulated one, in order to offer a training that is adequate to the needs of the labour market. The action of the European Social Fund will be focused acting globally over the systems on a national scale, with the aim to establish an adequate system of professional diplomas and certificates, developing a national system of qualifications. On a regional scale, the introduction of the new technologies and of the Information society will be specially supported within the Regulated Vocational Training, particularly through the training of teachers and the implementation of new curricula. Besides, in order to facilitate the transition to the labour market, the links between the school and the business will be strengthened, particularly through the development of internships in a work setting.

On the other hand, those programmes aimed at the prevention of absence from school on the part of young people without any qualification will be supported. Programmes of Social Guarantee will be fostered in order to provide the students who have not gone beyond basic education with a training certificate.

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Priority 5: Strengthening of human potential in research, science and technology.

This priority aims at encouraging the investments in human resources regarding research, development and innovation, benefiting from the potential of growth that scientific and technological development generates. Within the group of actions in favour of research and development in Spain, the European Social Fund will particularly promote the transference of the results of the research into the productive system, with a special attention to the small and middle-sized business. In this way, they will be made familiar to methods of sustainable production. For this reason, those actions carried out by research centres and companies will be supported, promoting the development of applied research projects that are relevant for the business sector.

The actions that stimulate the contact of the small and middle-sized business with the world of research, and particularly with the results of this research, will be financed. In this line, there will be support for those activities that entail exchanges of experience or staff between small and middle-sized companies and research centres.

Priority 6: Participation of women in the labour market.

Besides the horizontal treatment of the principle of equality of opportunities in all the priorities of the programming, specific actions must be carried out in favour of women where and when necessary. The aim of this priority is to support specific actions, and particularly those that have as a purpose:

- To promote the hiring of women.
- To promote the business capacity of women.

- To fight against labour and salary segregation.
- To improve the compatibility of their work and professional life.

This priority will be focused on the promotion of the real approach of women to the labour market through orientation, business assessment, practical training and aids for employment. Besides, all the services that facilitate the insertion of women into the labour market will be supported. As an example, several can be cited: kindergarten services, or services to handicapped people.

Priority 7: Integration into the labour market of people with special difficulties.

The aim of this priority is to promote the integration of the handicapped and of the people who are on a situation or on the risk of exclusion into the labour market, offering them possibilities of insertion through integrated itineraries and opportunities of employment.

In relation to the group of handicapped people, integrated actions will be supported, giving special importance to those related to training and stimulating of employment. In this line, the studies that allow a correct diagnose of the number and situation of the handicapped in Spain will be encouraged.

For those who find problems of integration for other reasons than their physical of psychic handicaps, systems of detection, attention and help will be strengthened, in order to improve their efficacy and their capacity of making proposals for the most adequate actions. Particular emphasis will be put on the actions aimed at improving the structures of attention, together with the development of surveys that improve the knowledge of the magnitude of labour exclusion in Spain and its determining factors. Within the framework of the actions carried out by the specialised

institutions of the General Administration of the State, the implementation of the previously mentioned principles will be supported, in the line of its national plans of action. Particular attention will be put on the problems of integration of immigrants and prison population.

Priority 8: Encouragement and support of the initiatives of local development.

The aim of this priority is the encouragement of those local initiatives that develop new activities that respond to the local needs and that favour the generation of employment. The European Social Fund will support all the interventions which show enough guarantees of viability, and especially those which are inscribed within the framework of integrated plans derived from a diagnose of the regional potential.

Priority 9: Technical Assistance.

Through this priority, the necessary tasks for a proper management of the programmes will be carried out, particularly the monitoring, evaluation and the activities of Information and advertisement.

5.5. Ways of intervention.

The strategy for the intervention of the European Social Fund during the period 2000-2006 will be carried out through the implementation of four multiregional operational programmes, seven regional operational programmes and one of technical assistance of the management authority. All of them will have a duration that coincides with the totality of the period, from January 1, 2000 to December 31, 2006.

Goals of the Operational Programmes on a national scale:

O.P. ENCOURAGEMENT OF EMPLOYMENT:

- To promote the insertion and reinsertion of the unemployed from a personalised and integral perspective, particularly through the orientation, Vocational Training and workshops.
- To support the stability of employment, particularly of the most disadvantaged people.
- To foster local development of employment, through agreements with local corporations, research and employment actions in local corporations and the actions of agents of employment and local development. In this line, a global subsidy will be granted to finance innovative projects of big local corporations.

O.P. SYSTEM OF VOCATIONAL TRAINING:

- To stimulate quality in vocational training and to encourage the innovation of curriculum, methodology and didactic materials.
- To update the arrangement of vocational training, with special attention to the National System of Qualifications, the Catalogue of Professional

Diplomas and the Index of Certifications of Professionalism.

- To collaborate in the spreading, monitoring and evaluation of the Vocational Training System.
- To stimulate education in those professional specialities that are less chosen within the labour market.
- To stimulate the creation of integrated institutions and the training of teachers.

O.P. BUSINESS INICIATIVE AND CONTINUOUS TRAINING.

- To stimulate business activity, particularly in small and middle-sized businesses, of self-employment and of social economy.
- To strengthen the stability of the employment, through the continuous training and bonuses for part-time hiring.
- To support the adaptability of the workers and of the companies, particularly in priority groups and sectors.

O.P. FIGHT AGAINST DISCRIMINATION.

- To stimulate the participation of women in the labour market.
- To promote the insertion of the handicapped into the labour market.
- To promote the integration into the labour market of those in a situation or on the risk of exclusion.

O.P. OF TECHNICAL ASSISTANCE.

This operational programme includes those measures that facilitate the tasks that the management of the CSF and of the Operational Programmes must carry out, particularly for the monitoring, evaluation and spreading of the intervention.

Goals of the Operational Programmes on a regional scale:

O.P. ARAGÓN

- To increase the levels of activity and of employment.
- To fight against any form of discrimination within the labour market, particularly regarding women.
- To foster the creation of stable employment and the adaptability of the workers and the companies.
- To support technological innovation and local development.

O.P. BALEARIC ISLANDS.

- To encourage the integration of the people with special difficulties of insertion into the labour market.
- To encourage the creation of stable employment and the equality of opportunities.
- To improve the adaptability of the workers and the companies.

Objective 3

• To support technological innovation and local development.

O.P. CATALONIA.

- To increase the levels of activity and employment.
- To encourage the integration of the people with special difficulties of insertion into the labour market.
- To strengthen technical and professional education.
- To favour the creation of stable employment and the adaptability of the workers.
- To support technological innovation.
- To increase the participation of women in the labour market.

O.P. MADRID.

- To increase the participation of women into the labour market.
- To reduce unemployment.
- To support technological innovation.
- To strengthen technical and professional education.
- To encourage the integration of people with special difficulties of insertion into the labour market.
- To support the adaptability of workers and companies and local development.

O.P. NAVARRA

- To strengthen technical and professional education.
- To foster the creation of stable employment and the adaptability of the workers and the companies.

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- To encourage the integration of the people with special difficulties of insertion into the labour market.
- To support business initiative.
- To fight against unemployment, to support technological innovation and to foster the equality of opportunities.

O.P. BASQUE COUNTRY

- To support the creation and duration of stable employment.
- To favour the integration of the people with special difficulties of insertion into the labour market.
- To support business initiative and technological innovation.
- To increase the participation of women into the labour market.
- To stimulate local development.
- To improve the quality of technical and professional education.

O.P. LA RIOJA

- To favour the creation of stable employment and the adaptability of workers and companies.
- To fight against unemployment, particularly of the people with special difficulties of insertion into the labour market.

- To increase the participation of women in the labour market.
- To support technological innovation.To encourage local development.

CHAPTER 6. FINANCING AND ADDITIONALITY PLANS.

The total amount of the aid assigned to the European Social Fund for the period 2000-2006 for the whole of Objective 3 in Spain is of 2,140 million Euros (prices in 1999) (356,066 millions of pesetas).

In accordance with the Art. 44 of the Regulations of the Structural Funds, it has been retained from the total amount assigned as a "reserve of efficacy", a percentage of 4% of the total, i.e., 85.600,000 euros, which will be distributed no later than March 31, 2004, according to the criteria of distribution fixed by the CSF.

The indicative financing plan is reflected in the 9 priorities in which the Community Support Framework is divided, covering the totality of the operational programmes. In the following chart (see fig. 2) there is a description of this plan in which it is defined, for each priority, the amount of the envisaged financing, and the amount of the correspondent subventionable public and private financing. The amounts for public and private financing are indicative. The final amounts corresponding to the financing will be specified in the corresponding Complements of the Programmes of each Operational Programme.

The aid ESF included in this Community Support Framework is divided between the Programmes managed by the Regions (38.07%) and those managed by the General Administration of the State (61.93%).

The Additionality principle is verified in Objective 3 through an agreement between the Commission and Spain regarding the annual average level of expenditure in active policies of employment in the labour market in the State during the period 1994-1999 and the annual average level that must be kept during the programming period covered by this CSF.

CHART OI	F INDICATIVE F	INANCING BY	PRIORITY AND	YEAR FOR THI	CSF OF OBJE	CTIVE 3 IN MI	LLIONS OF EL	JROS		
			PUBLIC							
	ELIGIBLE PUBLIC		Community Participation		National Public Participation					
PRIORITY/YEAR	TOTAL COST	TOTAL COST	ESF	%ESF	TOTAL	CENTRAL	REGIONAL	LOCAL	OTHERS	PRIVATE
	1=2+9-10	2=3+4	3	3/1	4	5	6	7	8	9
Insertion and Reinsertion of the Unemployed into the Labour Market	1.909,9058	1.909,9058	763,9623	40,00	1.145,9435	935,7720	210,1715			0,0000
2. Strengthening of Business Capacity	188,6460	185,9538	84,8907	45,00	101,0631	43,2511	57,5420			2,6922
3. Strengthening of Job Stability and Adaptability	1.319,3544	1.276,5671	593,7095	45,00	682,8576	535,3300	147,5276			42,7873
4. Strengthening of technical-professional Training	410,6662	410,6662	184,7998	45,00	225,8664	46,3152	179,5512			0,0000
5. Strengthening of human potential in Research, Science and Technology	192,6873	189,9350	86,7093	45,00	103,2257	0,0000	103,2257			2,7523
6. Participation of Women in the Labour Market	248,8072	248,4339	124,4036	50,00	124,0303	8,2451	115,7852			0,3733
7. Integration of Handicapped people into the Labour Market	512,7784	505,7567	230,7503	45,00	275,0064	106,7246	168,2818			7,0271
8. Encouragement and support to the initiatives for local development	295,0514	295,0514	132,7731	45,00	162,2783	132,2595	30,0188			0,0000
9. Technical Assistance	39,6224	39,1123	19,8112	50,00	19,3011	8,3610	10,9401			0,5101
TOTAL	5.117,5191	5.061,3822	2.221,8098	43,42	2.839,5724	1.816,5285	1.023,0439	0,0000	0,0000	56,1369
Distribution by year:										
2000	718,3580	710,3595	311,8286		398,5309	254,9748	143,5831	0	0	7,9985
2001	732,6114	724,5666	318,0651		406,5015	260,0467	146,4548	0	0	8,0448
2002	747,2835	739,0580	324,4264		414,6316	265,2477	149,3839	0	0	8,2255
2003	762,2497	753,8390	330,9149		422,9241	270,5526	152,3715	0	0	8,4107
2004	704,7662	697,1505	306,0302		391,1203	250,2071	140,9132	0	0	7,6157
2005	718,8882	711,0932	312,1507		398,9425	255,2111	143,7314	0	0	7,7950
2006	733,3621	725,3154	318,3939		406,9215	260,3155	146,6060	0	0	8,0467

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CHAPTER 7. ARRANGEMENTS FOR THE IMPLEMENTATION OF THE CSF.

7.1. Management, monitoring, evaluation and control devices.

Management Authority

The authority that manages the different ways of intervention constituting this CSF is the Administrative Unit of the European Social Fund (AUESF) of the Ministry of Labour and Social Affairs, within a context of co-responsibility and cooperation with the Administrations of the Autonomous Regions that permits their effective participation in the implementation of the functions attributed to the management authority. The AUESF will also assume the function of paying authority of the different ways of intervention.

The management authority will also assume the following responsibilities:

- To verify the observance of the criteria of eligibility of the actions proposed for co-financing within the framework of national and Community regulations.
- To establish the pertinent mechanisms that help to guarantee the adequate complementary nature of the actions of the different promoters of the interventions.
- To mediate in a system of monitoring and evaluation of the interventions that the totality of the actions of the European Social Fund, within the whole of the National territory, has to undergo.

Monitoring Committees

For the monitoring of the interventions within this CSF, a Monitoring Committee of the CSF will be constituted by its management authority. This committee will be formed, as members of full right, the Autonomous Regions where an Operational Programme is being implemented, together with the National institutions considered according to their strategic importance in the development of a CSF, a representative of the National institution responsible for the policy of equality of opportunities and the most representative social negotiators.

A Monitoring Committee will also be constituted for each of the Operational Programmes of the Autonomous Regions, presided by the Management Authority, which, apart from its regular functions, will pay a special attention to the results of the Programmes carried out by national authorities in the region, carrying out an adequate monitoring of the complementary nature of the actions.

In the same way, a Monitoring Committee will be constituted for the whole of the interventions depending on the State, presided by the management authority. There the institutions involved in these interventions are represented, as well as the most representative social negotiators.

The Monitoring Committees will carry out, among others, the following actions:

- To approve the Complement of the Programme and its modifications.
- To establish the procedures of operational monitoring that permit the efficient implementation of the measures of intervention.
- To study and approve the criteria of selection of the financed operations.
- To revise and verify the achievement of the specific objectives of the interventions.

- To study the results of the intermediate evaluation.
- To study and approve the proposals of modification for the O.P.
- To study and approve the annual reports and the end of implementation.

Apart from their regular meetings, the Committees will be able to celebrate other meetings or to create work groups for the study of the horizontal priorities of the programming of any issue of national interest.

Monitoring System

The Administrative Unit of the European Social Fund, according to its powers as management authority of the CSF, will establish a monitoring system that aims at the channelling of the Information flows about the co-financed actions of the ESF and to carry out the financial and qualitative monitoring of its interventions. All those that benefit from the measures of intervention co-financed by the European Social Fund are involved in this system.

Firstly, this system must guarantee the correct administration of the different financial flows with the European Union and with each of the final beneficiaries of the action.

Secondly, the monitoring system must guarantee the identification of those actions that are co-financed, strengthening the principle of programming and facilitating the measurement of the added value to the co-financing contributed by the ESF to the regular actions of the final beneficiaries, together with their participation in the National Plans for Employment Action.

Thirdly, the monitoring system will supply with qualitative Information about the contents and the results of the interventions, facilitating the identification of the impacts of the actions on the priority groups or sectors. The system will examine yearly all the indicators of natural and financial implementation that are the common minimum for the whole of the CSF. This information will make it possible for a more homogeneous evaluation of the ways of intervention, establishing common parameters of validation according to the typology of the co-financed operations.

The monitoring system established by the AUESF was born with the goal of spreading to all the interventions co-financed by the ESF in the National territory. For each programming level, the corresponding monitoring indicators will be established. These indicators will be homogeneously and coherently defined in all the ways of intervention of the CSF. Each operator will be responsible for the supply of Information for each action according to the kind of operation that frames it. In those actions directed to natural people, these indicators will make it possible to stop segregation for reasons of gender, age, labour situation and for belonging to groups with special difficulties of insertion. These indicators will permit at least the distribution of the size of companies when the former act on the latter.

The pertinent indicators will be developed in the complements of the programmes, specifically for each measure, to reflect the implementation, the results and the final impact. The complements of the programmes will identify a selection of the most representative measures for a follow-up and an evaluation in depth.

Evaluation:

The preliminary evaluation of the Operational Programmes reflects the coherence of the lines of action envisaged with the objectives of the CSF, going from the priorities indicated in the Plan for Objective 3 and, particularly, in the Political Reference Framework for the development of human resources.

An evaluation team constituted by independent experts will guarantee the coherence in the evaluations carried out in each Operational Programme. Their efforts will be reflected in evaluation reports finished by 2003 and in 2005. A technical group formed by the management authority and the Commission will regulate this process.

The evaluation system will have the goal of covering the whole of the interventions included in the different Community Support Frameworks and financed by the ESF in all the National territory. It will also have to guarantee, in any case, the evaluation of the contribution of the Structural Funds to the National Plan for Employment Action and to the European Employment Strategy.

With a final evaluation, focused on the reasons of the success or failure of the actions, together with their implementation and results, and carried out by independent evaluators, the usage of the resources, the efficacy and efficiency of the interventions will be examined, together with their impact.

Control:

Apart from the responsibilities of control of the Commission and of the Economic Court of the European Union, the management authority of the Operational Programmes assumes all responsibility of the regularisation of the operation financed within the context of the intervention and implementation of internal control measures compatible with the principles of a correct financial management, in collaboration with the Operational Programmes.

The Administration of the State has an institution of internal control: the Economic Court, and two instruments of internal control: the General Intervention of the Administration of the State (GIAS)

and the same Administrative Unit of the European Social Fund (AUESF).

As far as the Autonomous regions are concerned, they also have a Economic Court of the Autonomous Region and of the Intervention of the Administration of the State and the management units of the structural funds.

7.2. Partnership.

The collaboration among the different Spanish institutions regarding the elaboration of the CSF and the setting of the Plan has been carried out in three levels:

- With representatives of the Autonomous Regions involved in the programming.
- With different institutions of the General Administration of the State responsible for the definition of the policies of development of human resources.
- With the representatives of the social negotiators.

This close collaboration will be kept during all the phases of programming, particularly in the context of the monitoring committees.

7.3. Observance of Community Policies:

In accordance with the Art. 12 of the regulations of the Council 1260/99, the measures that are financed by the Structural Funds will bear in mind the dispositions of the Treaties, the Community legislation based on the Treaties and the Community policies.

This compatibility will be tested when the interventions are examined and when the measures are implemented. The following principles will be particularly regarded:

- Sustainable economic growth.
- European Employment Strategy.
- Promotion of small and middle-sized businesses.
- Environment.
- Competence regulations and aids from the State.
- Granting of contracts.

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