What reasons led the Commission to allocate Portugal only 40 billion escudos per year for rural development, even though it knew that Portugal is the country most affected by the increasing liberalisation of agricultural markets and that Portuguese farmers' incomes are in constant decline?

**Answer given by Mr Fischler on behalf of the Commission**

(10 November 1999)

On 8 September 1999 the Commission decided on an indicative allocation by Member State of the allocations under the European Agricultural Guidance and Guarantee Fund Guarantee Section for rural development measures for the period 2000 to 2006. The criteria for this allocation include the number of agricultural holdings, the area covered by farming, the rural population and the share of farming in employment. Portugal’s allocation amounts to EUR 200 million a year.

This allocation, which is 46.5% up on the average annual financing for the same measures in the previous period (1994-1999), is intended to contribute to expenditure under four schemes only: early retirement, agri-environmental measures, afforestation and aid for less-favoured areas; all other rural development measures are financed by the EAGGF Guidance Section from the overall Structural Fund financing allotted to Portugal.

It is also worth bearing in mind that these allocations are quite flexible. First, the Commission is willing, within the limits of available resources, to adjust decisions on Member States’ allocations in the first three years, in accordance with Article 46(3) of Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development by the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (1). Secondly, under the detailed rules adopted by the Commission in July 1999 for the application of rural development programmes, resources made available in view of initial expenditure forecasts but not used by a Member State in the course of the year may (beyond a certain percentage) be reallocated to Member States that have overrun their forecast expenditure. It should be possible, with this flexibility, to cope with unforeseen situations, even though over the period as a whole the Member States must work within the allocation fixed in the Commission Decision.

Moreover, Article 4 of Council Regulation (EC) No 1259/1999 of 17 May 1999 establishing common rules for direct support schemes under the common agricultural policy (2) provides for ‘modulation’ of payments under common market organisations, so as to provide additional support for the four above-mentioned rural development schemes.

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(2000/C 225 E/018) **WRITTEN QUESTION E-1759/99**

by Wolfgang Kreissl-Dörfler (Verts/ALE) to the Commission

(1 October 1999)

Subject: Commission policy (DG VIII) on combating poverty in developing countries

In his written answers to the EP questionnaire, the Commission Member responsible for development, Mr Nielson, asserted that overcoming poverty had to be at the centre of our efforts.

Can the Commission provide more detailed information on current and future strategies to combat poverty in developing countries, covering the following aspects in particular:

1. What operational areas are covered by DG VIII policy on combating poverty (e.g. basic education, training, health, infrastructures, in particular water supply, sewerage and roads, social security systems, food supply, etc)?
2. Is a distinction being made between direct and indirect operations to combat poverty (macroeconomic measures, institutional consultation, policy consultation, etc)?

3. What departments within DG VIII are responsible for organising operations to combat poverty, and how is the organising unit staffed?

4. What was the amount of the appropriations made available to DG VIII over the last five years for financing operations to combat poverty?

5. Can the Commission specify how many of those living in poverty can be shown to have benefited from direct operations to combat poverty in the last five years (under what programmes or projects, and in which countries)?

6. Do the claims made in the March 1999 DAC 'Scoping Study of Donor Poverty Reduction Policies and Practices', to the effect that both the definition of efforts to combat poverty and the policies and practices implemented in doing so ought to be completely overhauled, also apply to DG VIII?

7. Have any impact studies been conducted to determine the success of direct operations to combat poverty, and how were such operations assessed by people living in poverty themselves?

Answer given by Mr Nielson on behalf of the Commission

(16 November 1999)

1. The Community approach to poverty reduction was set out in the communication of 1993 (1), and this was reviewed in a working paper presented to Council in May 1998 (2). Poverty reduction is the goal of all operations. Up to the present poverty reduction has been directly approached through support to basic social services, including through the use of counterpart funds arising from structural adjustment support. However, this strategy has to be developed further, by systematically mainstreaming poverty reduction into all sectors. An action plan is presently being considered that will set out guidelines and performance indicators, taking account of the results of a development assistance committee (DAC) working group on this issue. A new policy document on food security and poverty reduction is under preparation. In the health sector, a recent expert meeting agreed to set up a working group on the issue of health and poverty reduction. Further work is also taking place on rural development, environment, and education to bring policies more clearly into line with the objective of poverty reduction.

2. Since no formal distinction has been made up to the present, there are planned changes to the identification sheet for programmes which should make it possible to differentiate direct poverty reduction approaches from indirect approaches.

3. All staff in the Directorate general for development are responsible for reaching this objective. However the Directorate for sustainable development strategies is formally charged with ensuring that the aim is systematically addressed at all levels. This directorate has five units. One unit (Social, human and cultural development; and gender) has been particularly concerned. However, means to strengthen the capacity in this area is being considered, with, among other innovations, focal points in other units, a help desk to support operations directly.

4. A recent staff estimate is that spending on basic health and education services for African, Caribbean and Pacific (ACP) countries is about 20 %, in line with the commitment of Copenhagen in 1995. In 1997, payments in the European development fund (EDF) on all social infrastructures and services, including government and civil society were € 196 million (16 %), and structural adjustment support, mainly for social services, was € 222 million (18 %). Other programmes in water supplies, finance, rural development, food security and transport also contributed to poverty reduction, but it is difficult to estimate the proportion that directly contributed to poverty reduction without a detailed investigation.
5. No donor agency can give an estimate on the impact their operations have on poverty reduction. Therefore the Commission is presently contributing to a working group within the DAC to resolve this problem, having suggested a possible methodology for a better grasp of the impact of operations on the reduction of poverty. This methodology tries to capture both qualitative and quantitative data on poverty and link this to the actual operations being undertaken. It will be discussed in a DAC evaluation working group in Edinburgh on 13-14 October 1999, after which it will be decided how to develop this methodology.

6. The study found that the 1993 policy on poverty reduction remained valid, but that more effort was needed on implementation. This reflected the Commission's own working paper of 1998. The Commission is now actively participating in the DAC working group that is overhauling its approach, with the intention of producing guidelines by June 2000.

7. This is the intention of the methodology being developed, as it brings together poor people's own assessments with data from other sources. A pilot test was undertaken in Burkina Faso that confirmed the validity of the methodology. The test, however, was not intended as a full impact study of operations in Burkina Faso since there were several technical issues to resolve — the weight to be given to indirect and direct operations, the links between qualitative and quantitative data, and attribution of the results to operations or other external factors among others.

(1) COM(93) 518 final.
(2) Doc. 8541/98, 12.5.1998.

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(2000/C 225 E/019)

WRITTEN QUESTION E-1771/99

by Horst Schnellhardt (PPE-DE) to the Commission

(11 October 1999)

Subject: Structural Fund programme approvals made subject to area notifications pursuant to the Flora, Fauna and Habitats (FFH) and Bird Protection Directive

By letter of 23 June 1999 to the Permanent Representatives of the Federal Republic of Germany in the European Union, Commission Members Mrs Monika Wulf-Mathies and Mrs Ritt Bjerregaard pointed out that, in application of Article 12 of the Structural Fund Framework Regulation, it might well be impossible for German Structural Fund programmes for the 2000 to 2006 assistance period to be approved by the European Commission.

Does the Commission consider it lawful and reasonable in this connection for the approval of Structural Fund programmes and projects submitted by Germany to be made subject to whether or not area notifications pursuant to the Flora, Fauna and Habitats (FFH) and Bird Protection Directive have been submitted in their entirety?

Answer given by Mr Barnier on behalf of the Commission

(18 November 1999)

As the Honourable Member will be aware, the finalisation of the list of sites of Community importance (Natura 2000), including areas related to both Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (1) and Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds (2) was supposed to be complete by June 1998, but has been delayed because several Member States have so far failed to provide their corresponding proposals (deadline was June 1995). The lack of identification of respective sites affected by structural funds operations has resulted in problems and delays in the implementation of the current programmes. Moreover, at this time there are several Court proceedings pending against several Member States, as regards insufficient transmission of proposed protected sites.