

Finally as regards the policy of de-flagging of posts, the answer given above tends to show that there is no particular problem in this respect.

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(2000/C 374 E/247)

**WRITTEN QUESTION P-1190/00**

**by Timothy Kirkhope (PPE-DE) to the Commission**

(10 April 2000)

*Subject:* European Social Funds

Under the current system of payment for the European Social Fund (ESF), voluntary and community sector projects receive a 50 % advance payment, followed by a further 30 % advance payment (when half of the first advance has been spent). The remaining 20 % is paid after submission of the final claim.

The new system proposed by the Department for Education and Employment will see an advance payment of only 10 % and then projects will have to submit claims in arrears (probably quarterly) to receive further payment. A balance of 20 % will still be withheld for remittance following the final claim.

Can the Commission clarify if it has the right and authority to intervene in the payment of European Social Funds at a national level if the Commission believes the funds are not being allocated in the most effective manner so as to benefit those organisations who deserve and require this funding to survive. It is estimated that at least 90-95 % of the organisations that at present receive ESF will, under the new system of payments, be closed due to lack of funds to support their programmes.

Would it be possible for the Commission to support the alternative payment system that is being put forward by the organisations involved?

They are proposing the 'Scottish Model' whereby:

- Quarter 1: 30 % in advance;
- Quarter 2: 25 % in advance, subject to satisfactory Quarter 1 returns;
- Quarter 3: 25 % in advance, subject to satisfactory Quarter 2 returns;
- Quarter 4: 20 % final payment in arrears, subject to satisfactory audit of all Quarters.

**Answer given by Mrs Diamantopoulou on behalf of the Commission**

(3 May 2000)

The responsibility for fixing the detailed rules for the implementation of the European social fund (ESF) within a Member State lies with the managing authority of the programme. The programming documents adopted by the Commission will not contain information on, for example, the amounts to be paid by way of advances to project organisers. In these circumstances, the Commission cannot intervene in this matter.

However, the Department for Education and Employment has recently decided, following discussions within the United Kingdom, to increase the advance payment from 10 % to 30 % of the first year costs of the project for all organisations. The Commission welcomed this decision.

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