

NOTICE TO THE MEMBER STATES

laying down guidelines for the initiative concerning the modernization of the Portuguese textile and clothing industry

(94/C 180/04)

1. At its meeting on 15 June 1994, the Commission of the European Communities decided to establish a Community initiative forming part of a general regional development framework and concerning the modernization of the Portuguese textile and clothing industry, within the meaning of Article 11 of Council Regulation (EEC) No 4253/88, as amended by Regulation (EEC) No 2082/93⁽¹⁾, and Article 3 of Regulation (EEC) No 4254/88, as amended by Council Regulation (EEC) No 2083/93⁽²⁾.

I. OBJECTIVES

2. The reason for the initiative is to promote the modernization of textile and clothing undertakings in Portugal to facilitate their adaptation to increasing international competition.

The grant of Community aid under this initiative is subject to approval by the Commission of a strategy of adaptation for the textile and clothing industry for the period 1994-1999 to be submitted by the Portuguese authorities. The strategy will also define rules governing aid for undertakings, in particular as regards compliance with the requirement that there is to be no overall increase in Portuguese production capacity in the textile and clothing industry in terms of volume.

II. ELIGIBLE MEASURES

3. The measures cover undertakings in the textile and clothing sector at present situated on Portuguese territory. The programme submitted by the Portuguese authorities should comprise a balanced set of measures consistent with the general framework of regional development in Portugal and the overall strategy for the adaptation of the textile and clothing sector, centring on the preparation and implementation of individual modernization plans for the undertakings in the sector, the development of cooperation between undertakings, and an improvement in their environment in terms of services.

Eligible measures may cover:

- a) Aid for the financing of external expert reports intended to assist undertakings in preparing their modernization plans and improving their know-how, for example in the fields of design, quality policy, computer-assisted design and production, marketing, internal business organization and employee health and safety;
- b) Vocational training measures linked to the preparation and implementation of modernization plans and retraining for personnel threatened by unemployment or already unemployed;
- c) In the case of SMEs which already have a modernization plan drawn up with the aid of external experts, a temporary contribution towards the financing of the salaries of engineers, technicians or management personnel employed to assist in the implementation of those plans;
- d) The financing of business modernization plans to cover non-material investments, improvements in know-how or material investments, including equipment intended directly for production.

Investments in production equipment will be promoted only by means of providing access for undertakings to risk capital, by means of loans from the EIB or other financial bodies with interest subsidies and by means of guarantee funds;

⁽¹⁾ OJ No L 193, 31. 7. 1993, p. 24.

⁽²⁾ OJ No L 193, 31. 7. 1993, p. 36.

- e) The setting up of promotion and advisory teams for the textile and clothing sector responsible for making businesses more aware of the need to improve their know-how, and helping them to develop cooperation amongst themselves and with their suppliers and clients;
- f) Aid for the adaptation of textile and clothing undertakings, in particular to Community environmental requirements, intended to reduce pollution by textile and clothing undertakings by facilitating the treatment and recycling of liquid effluents and industrial waste, and by providing technical assistance for the development of less polluting production or maintenance processes.

III. CONDITIONS FOR GRANTING COMMUNITY ASSISTANCE

4. When each decision on the financing of business modernization plans is taken, the Portuguese authorities, who are responsible for laying down rules governing the aid, must verify that the plans are consistent with the overall adaptation strategy agreed with the Commission. They must make the grant of aid conditional upon subsequent compliance with the agreed plan. The necessary provisions governing the examination of aid applications, monitoring the implementation of the adaptation plans and the penalties to be applied in the event of failure to comply with the conditions for aid, shall be determined by joint agreement between the Portuguese authorities and the Commission of the European Communities.

Investment projects financed under this initiative are part of the framework of existing horizontal aid schemes in Portugal. Thus, the projects must meet the eligibility criteria laid down for those schemes. Therefore, no specific aid scheme will be established for the textile and clothing sector.

Undertakings receiving aid will have to prove that they comply with national legislation on working conditions.

IV. THE COMMUNITY'S CONTRIBUTION TO THE FINANCING OF THE INITIATIVE

5. The Portuguese textile operational programme is to be joint-financed by the Member State and the Community. The total Structural Fund contribution to this initiative for the period 1994-1999 is ECU 400 million. There may also be loans from the European Investment Bank. In order to facilitate this type of financing, Portuguese undertakings will qualify for interest subsidies to be financed, up to ECU 100 million, from the exceptional allocation provided for this initiative.

V. IMPLEMENTATION

6. Portugal must submit a detailed proposal for the operational programme within four months of the date of publication of this notice in the Official Journal of the European Communities. Proposals for operational programmes received after this date need not be taken into consideration by the Commission.

Every six months the Commission and the Portuguese authorities will check for compliance with the overall strategy agreed with the Commission, within the appropriate monitoring committee, on the basis of reports on the progress of programme implementation and, where appropriate, independent assessments.

The regional and local authorities and the social partners must be involved in the most appropriate manner in the preparation and implementation of the operational programme.

The proposals must include an appreciation of the situation indicating the objectives to be attained and should include a timetable, criteria and procedures for implementation, monitoring and assessment. During and at the end of the planning period the Commission shall evaluate, in partnership with the Member States, the results of the programmes submitted. The European Parliament, the Management Committee on the Community initiatives and the monitoring committees shall be informed of the results of such evaluations and the action taken in response to them.

7. All correspondence relating to this notice should be addressed to:

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Director-General,
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Rue de la Loi, 200,
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NOTICE TO THE MEMBER STATES

laying down guidelines for the Retex initiative ⁽¹⁾

(94/C 180/05)

1. At its meeting on 15 June 1994, the Commission of the European Community clarified certain details for the continued application of the Retex initiative, the guidelines for which were published in the Official Journal of the European Communities on 4 June 1992.
2. The fifth subparagraph of paragraph 4 of the guidelines states that, from 1 January 1994 onwards, zones heavily dependent on the textile and clothing sector within the five East German Länder, and other zones heavily dependent on the textile and clothing sector which have become eligible under Objectives 1, 2 or 5(b), are eligible to Retex. However, with the exception of those selected as eligible under Retex in 1993, areas which are not eligible for Community assistance under Objectives 1, 2 and 5(b) are not eligible to Retex either.
3. With regard to measure (c) in the Retex programme, the Commission expects that the programmes to be presented for new areas will pay particular attention to the specific vocational training needs of women.
4. The amount required for the implementation of Retex over the period 1994-1997 is estimated at ECU 500 million.
5. Member States wishing to propose new areas qualifying under the criteria set out in paragraph 6 of the guidelines for Retex, and which, from the beginning of 1994, become eligible for Community assistance under Objectives 1, 2 or 5(b), should forward to the Commission a list of those areas and the statistics of employment relating thereto within one month of the date of publication of this notice in the Official Journal of the European Communities.
6. Member States wishing to benefit from Retex in this form are invited to present operational programmes within four months of the date of publication of this notice in the Official Journal of the European Communities. Proposals for operational programmes received after this date need not be taken into consideration by the Commission.

The proposals must include an appreciation of the situation indicating the objectives to be attained and should include a timetable, criteria and procedures for implementation, monitoring and assessment. During and at the end of the planning period the Commission shall evaluate, in partnership with the Member States, the results of the programmes submitted. The European Parliament, the Management Committee on the Community initiatives and the monitoring committees shall be informed of the results of such evaluations and the action taken in response to them.

⁽¹⁾ OJ No C 142, 4. 6. 1992, p. 5.