

## II

(Acts whose publication is not obligatory)

## COUNCIL

## COUNCIL DECISION

of 20 December 1977

amending Decision 71/66/EEC on the reform of the European Social Fund

(77/801/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the opinion of the Commission,

Having regard to the opinion of the European Parliament <sup>(1)</sup>,

Having regard to the opinion of the Economic and Social Committee <sup>(2)</sup>,

Whereas Council Decision 71/66/EEC of 1 February 1971 on the reform of the European Social Fund <sup>(3)</sup> may, in accordance with Article 11 thereof, be amended on the basis of a further opinion of the Commission based on Article 126 of the Treaty;

Whereas in order to respond more effectively to the requirements of the employment situation, self-employed persons should be eligible for assistance from the Fund;

Whereas the respective fields in which the Fund may intervene should be redefined in view of trends on the labour market and of experience gained since the reform of the Fund;

Whereas Fund intervention should be concentrated to a greater extent on the most acute problems at Community level, and particularly in regions where

there is an especially serious and prolonged imbalance in employment;

Whereas activities of the Fund in supplying the assistance provided for in Article 125 of the Treaty came to an end on 31 December 1976;

Whereas Decision 71/66/EEC, in its new version, should be reviewed not later than 31 December 1982,

HAS DECIDED AS FOLLOWS:

*Article 1*

Decision 71/66/EEC shall be amended as follows:

1. Article 1 shall be replaced by the following:

*'Article 1*

The assistance provided for in Article 125 of the Treaty shall no longer be granted.'

2. Article 3 shall be replaced by the following:

*'Article 3*

The Fund may grant assistance for members of the labour force who, having benefited from a measure taken within the scope of the Fund, are to pursue activities as employed or self-employed persons.'

<sup>(1)</sup> OJ No C 133, 6. 6. 1977, p. 39.

<sup>(2)</sup> OJ No C 126, 28. 5. 1977, p. 2.

<sup>(3)</sup> OJ No L 28, 4. 2. 1971, p. 15.

3. Article 4 (2), second subparagraph, (c) is hereby deleted.

4. Article 5 (1) shall be replaced by the following:

'1. The Fund can also take action to assist operations which are carried out in the Member States as part of their employment policy and which:

- (a) are aimed at solving the problems which arise in those regions which, because they are less developed or there is a decline in their main activities, suffer a serious and prolonged imbalance in employment; or
- (b) are aimed at facilitating the adaptation to the requirements of technical progress of those branches of economic activity in which such progress gives rise to substantial changes in manpower and vocational knowledge and skill; or
- (c) are undertaken because of substantial changes in the conditions of production or in the distribution of products in groups of undertakings carrying on the same or connected activities which are thus forced to cease, reduce or transform their activities permanently; or
- (d) concern the entry or re-entry of the handicapped into economic activity.

Assistance from the Fund shall be granted having regard to the magnitude of the employment problems and to the economic capacity of the regions in which the operations are carried out.'

5. Chapter II, Section C, shall be replaced by the following:

**'C. Submission by Member States of applications for assistance and approval by the Commission**

*Article 6*

The Member State or States concerned shall submit to the Commission applications for assistance to respond to the situations referred to in Article 4 or 5.

*Article 7*

The Commission shall submit the applications referred to in Article 6 for consideration by the European Social Fund Committee as provided for in Article 124 of the Treaty, and shall approve them up to the amount of the appropriations available if they comply with the conditions laid down in the relevant Regulations and Decisions.'

6. Article 8:

(a) Paragraph 2:

The phrase '(or, in Member States where this concept is unknown, by equivalent entities)' shall be inserted after the words '... entities governed by private law'.

(b) The following paragraph shall be added after paragraph 2:

'3. When operations are carried out in regions where there is an especially serious and prolonged imbalance in employment, such regions to be defined by the Council on the basis of a proposal from the Commission, the amount of assistance from the Fund calculated in accordance with paragraph 1 or 2 of this Article shall be increased by 10 %.'

7. Article 9:

(a) The words 'two-year' shall be deleted in paragraph 1, second subparagraph.

(b) Paragraph 2, second subparagraph, first sentence, shall be replaced by the following:

'Appropriations for interventions in respect of operations under Article 5 (1) which are carried out in regions referred to in Article 5 (1) (a) shall not, in any year, be less than 50 % of the total appropriations available.'

8. Article 10 (2) is hereby deleted.

9. Article 11, first sentence, shall be replaced by the following:

'The Council shall review this Decision not later than 31 December 1982.'

*Article 2*

Decision 71/66/EEC, in the version in force before the date of entry into force of this Decision, shall continue to apply to operations the scheme of or application for which is submitted before 1 January 1978 and which receives the approval of the Commission before 1 April 1978.

*Article 3*

This Decision shall be published in the *Official Journal of the European Communities* and shall enter into force on 1 January 1978.

Done at Brussels, 20 December 1977.

*For the Council*  
The President  
H. SIMONET