



**Resolution 544 (1973)<sup>1</sup>**

## **Repercussions of economic and monetary union on regional development**

Parliamentary Assembly

The Assembly,

1. Noting that, despite the efforts of the governments concerned, the gap in living standards between the most prosperous and least prosperous regions of Western Europe remains unacceptably wide ;
2. Recognising that present trends in manufacturing employment are likely to produce an acute crisis in the poorer regions of Western Europe ;
3. Considering that a sustained attack on regional inequality is a precondition of further economic integration in Europe ;
4. Believing that although private enterprise has a necessary part to play in the development of the backward regions, recent experience has demonstrated that the forces which produce regional inequality cannot be offset without continuous State intervention,
5. Welcomes the declaration of the Heads of Governments of the European Economic Community (EEC) at the Paris Summit in October 1972, and in particular welcomes the decision to set up a Community Fund for regional development ;
6. Calls upon those member States of the Council of Europe which belong to EEC to ensure :
  - a. that the proposed regional development Fund is of a sufficient size to make possible a significant transfer of resources from the more prosperous regions of the Community to the least prosperous ;
  - b. that objective criteria, taking account of the many diverse dimensions of regional inequality, should be laid down to determine how the Fund's resources should be allocated ;
  - c. that employment subsidies play an appropriate part in any future Community strategy for regional development ;
  - d. that the activities of the public sector in the various member States of the Community are coordinated, and that a study is made of the possibility of setting up a Community holding company, with special responsibilities for regional development, modelled on the Italian State holding company, the IRI ;
  - e. that urgent consideration is given to the environmental aspects of regional development, and in particular to the need to develop more effective decongestion policies in the most prosperous regions of the Community ;
  - f. that all aspects of policy, both at the national and at the Community level, form part of a coordinated strategy for regional development ;
7. Calls upon all member States of the Council of Europe to ensure by all appropriate means that the regional development policies of EEC and of its Members are properly coordinated with those of the member States of the Council of Europe which do not belong to EEC.

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1. Assembly debate on 17 May 1973 (7th Sitting) (see [Doc. 3282](#), report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 17 May 1973 (7th Sitting).

