

Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1996/2176(COS)	Procedure completed
Cohesion Fund. Annual 1995 Report		
Subject 4.70.02 Cohesion policy, Cohesion Fund (CF)		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	REGI Regional Policy		23/09/1996
		GUE/NGL NOVO Honório	
	Committee for opinion	Rapporteur for opinion	Appointed
	AGRI Agriculture and Rural Development		
	BUDG Budgets		26/02/1997
		UPE KAKLAMANIS Nikitas	
	ECON Economic and Monetary Affairs, Industrial Policy	The committee decided not to give an opinion.	
	TRAN Transport and Tourism	The committee decided not to give an opinion.	
	ENVI Environment, Public Health and Consumer Protection		22/01/1997
	ELDR EISMA Doeke		
CONT Budgetary Control	The committee decided not to give an opinion.		
PECH Fisheries	The committee decided not to give an opinion.		
Council of the European Union			

Key events			
04/09/1996	Non-legislative basic document published	COM(1996)0388	Summary
21/10/1996	Committee referral announced in Parliament		
22/04/1997	Vote in committee		Summary
22/04/1997	Committee report tabled for plenary	A4-0167/1997	
25/06/1997	Debate in Parliament		
26/06/1997	Decision by Parliament	T4-0358/1997	Summary

26/06/1997	End of procedure in Parliament		
21/07/1997	Final act published in Official Journal		

Technical information

Procedure reference	1996/2176(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	REGI/4/08214

Documentation gateway

Non-legislative basic document	COM(1996)0388	04/09/1996	EC	Summary
Economic and Social Committee: opinion, report	CES0321/1997 OJ C 158 26.05.1997, p. 0005	19/03/1997	ESC	Summary
Committee report tabled for plenary, single reading	A4-0167/1997 OJ C 167 02.06.1997, p. 0003	22/04/1997	EP	
Text adopted by Parliament, single reading	T4-0358/1997 OJ C 222 21.07.1997, p. 0015-0055	26/06/1997	EP	Summary

Cohesion Fund. Annual 1995 Report

OBJECTIVE: : Presentation of the Annual Report of the Cohesion Fund 1995. SUBSTANCE : The Commission report points out that during 1995, the first full year of Cohesion Fund activities, the financing strategy of the Fund was further developed in full compatibility with the provisions of its Regulation. The balance between the two areas of assistance - transport infrastructure and environment - advanced further towards a 50/50 split and, within the transport sector, more emphasis was placed on the increase of rail facilities than on roads. - The Fund continues to finance exclusively those transport infrastructure projects which form part of, or provide direct access to, the Trans-European Transport Network (TEN-transport). The completion of priority sections of the Network therefore remains the main funding strategy in this area. - In the field of the environment, the priorities followed reflect the European Directives on drinking water supply, waste water treatment, and urban waste. Other environmental measures have also received finance, e.g. reforestation, habitat protection, and nature conservation. The Commission takes the view that, in spite of a less than favourable economic context, the Cohesion Fund is now a fully operational and efficient instrument. Budgetary implementation for the year was 100% for commitment appropriations and almost 100% for payment appropriations. It also points out that the operation of the Fund has improved considerably, the main reasons being: - an increase in the prior appraisal of projects, in both economic and technical terms; - the introduction of a system for the effective monitoring of projects; - the implementation of financial management procedures which ensure a close link between payments and implementation on the ground. However, some difficulties have persisted as a result of the late notification of environment projects, the notification of projects below the threshold of ECU 10 million, and delays caused by public procurement difficulties. No case of fraud has been found in the first three years of operation of the Cohesion Fund. ?

Cohesion Fund. Annual 1995 Report

Although the Committee welcomes the fact that several of the recommendations which it made in its previous opinion were taken into consideration, it draws the Commission's attention to a number of specific points. In particular, it regrets the late submission of the report and the omission, in certain cases, of adequate, comparable project data. ?

Cohesion Fund. Annual 1995 Report

The Committee has adopted the report by Honorio NOVO (EUL/NGL, P) on the Commission's annual report on the 1995 Cohesion Fund. Members warmly welcomed the excellent level of budgetary implementation of the Cohesion Fund. Virtually all the available commitment appropriations were implemented as were the majority of the payment appropriations. Mr NOVO highlighted the complete absence of fraud either in 1995 or in any of the preceding budgetary years. His conclusion was: "Europe would be in an eminently satisfactory position if the whole Community budget were used as efficiently and correctly as the Cohesion Fund". Also welcomed was the balance achieved between

the Fund's two areas of assistance, environment and the TENs, with the exception of Portugal and Greece. The Committee regretted the excessive weight given to road funding within the TENs and therefore called on the Commission and the Member States to pay greater heed to increase the funding of railways and ports. ?

Cohesion Fund. Annual 1995 Report

In its adoption of the report by Mr Honório NOVO (GUE/NGL, P) on the Commission's annual report on the Cohesion Fund for 1995, Parliament considers the budgetary implementation of the Fund to have been satisfactory, and welcomes the degree of balance achieved between the Fund's two areas of assistance, the environment and the trans-European transport networks (except in Portugal and Greece). It nonetheless regrets the excessive weight given to road projects within the trans-European transport networks sector, and calls on the Commission and the Member States to increase the funding earmarked for railways, ports and airports. Parliament reiterates its support for the Commission's strategy of boosting the concentration of aid in the environment sector to reflect the Community directives on drinking water supply, waste water treatment and waste; it believes that more effort must be made to fund projects reflecting this strategy in Spain, but acknowledges that other environmental projects might be accepted - for example, to combat erosion and desertification and support reforestation, nature conservation and habitat protection, areas to which it feels insufficient attention is being paid. Parliament stresses the need to place greater emphasis on sewage treatment measures. Parliament also calls for support for projects implementing the habitats directive and the Nature 2000 network, and for further projects to prevent pollution from industrial sources and develop modern waste disposal, treatment and management systems in regions where these are currently inadequate. Endorsing the Commission's decision to practise greater flexibility in approving certain projects involving sums of under ECU 10 m, (especially for less-developed and ultra-peripheral regions), Parliament wishes to see the Commission cease to favour a few big projects over a large number of small ones. Parliament believes that: - small projects are easier for the public to recognize; - by their very nature, environmental projects are often on a small scale; - such projects tend to have a favourable cost/benefit ratio. Noting the increase in regional disparities within Europe, Parliament believes the impact on these disparities of the way in which the Cohesion Fund is implemented should be investigated; it stresses, however, that the Cohesion Fund is not a regional fund. Parliament calls on the Commission and Council to guarantee that a Cohesion Fund will continue after 1999, and recalls the need for a more active policy on publicizing the Fund. In particular, it recommends that the Commission should consider involving the private sector in the Fund. Finally, Parliament calls for the Fund to include the objectives of sustainable development and for efforts to be made over the submission and acceptance of requests for assistance, in view of the delays which have occurred in some cases. ?