


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1997/2147(COS)	Procedure completed
Cohesion Fund. Annual 1996 Report		
Subject 4.70.02 Cohesion policy, Cohesion Fund (CF)		

Key players			
European Parliament	Committee responsible		Rapporteur
	REGI Regional Policy		Appointed 18/11/1997
			PPE ARIAS CAÑETE Miguel
	Committee for opinion		Rapporteur for opinion
	TRAN Transport and Tourism		Appointed 29/10/1997
			PPE SISÓ CRUELLAS Joaquín
Council of the European Union	ENVI Environment, Public Health and Consumer Protection		12/01/1998
			GUE/NGL GONZÁLEZ ÁLVAREZ Laura

Key events			
23/06/1997	Non-legislative basic document published	COM(1997)0302	Summary
02/10/1997	Committee referral announced in Parliament		
22/04/1998	Vote in committee		Summary
22/04/1998	Committee report tabled for plenary	A4-0159/1998	
28/05/1998	Debate in Parliament		
28/05/1998	Decision by Parliament	T4-0323/1998	Summary
28/05/1998	End of procedure in Parliament		
22/06/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1997/2147(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/4/09057

Documentation gateway

Non-legislative basic document		COM(1997)0302	23/06/1997	EC	Summary
Economic and Social Committee: opinion, report		CES1382/1997 OJ C 073 09.03.1998, p. 0032	10/12/1997	ESC	Summary
Committee report tabled for plenary, single reading		A4-0159/1998 OJ C 167 01.06.1998, p. 0004	22/04/1998	EP	
Text adopted by Parliament, single reading		T4-0323/1998 OJ C 195 22.06.1998, p. 0014-0052	28/05/1998	EP	Summary

Cohesion Fund. Annual 1996 Report

OBJECTIVE: presentation of the annual report on the Cohesion Fund, 1996. SUBSTANCE: in presenting its annual report, the European Commission emphasises the fact that 1996 was a key year for the Cohesion Fund. Experience gained since 1993 provided the basis for the first assessments of the effects of completed projects. 1996 also saw the mid-term review of Member State eligibility, based on the GNP criterion. All four Member States were found to be still eligible. Finally, 1996 was the first year in which the Commission undertook an examination of Member States' compliance with their economic convergence programmes in the field of public deficits. In June and November the conditionality principle was applied through Commission Decisions concerning Spain, Portugal and Greece. On each occasion the three Member States were considered to have a budgetary performance within the targets recommended by the Council. The annual report also stresses the following points: - implementation of the 1996 budget was close to 100%, and no cases of fraud were reported with regard to Cohesion Fund projects; - the financing strategy of the Fund was further consolidated in 1996. An almost perfect balance was achieved between the two areas of assistance (transport infrastructure and environment) and the efforts to allocate a higher proportion of finance to rail transport continued; - the projects financed in the most remote regions received special attention; - in the field of the environment, in addition to the usual priority measures, new activities were accepted under the Fund. They include projects relating to coastal protection, reafforestation and desertification, habitat protection and nature conservation; - the polluter-pays principle is applied wherever a project is part-financed (every project is the subject of dual consultation with the responsible Commission departments). The Commission, together with external consultants, also carried out a study on the application of the polluter-pays principle in the four beneficiary Member States. The main results of this study are presented in the report; - closer attention was paid to estimating the short-term and long-term effects of projects on employment. The report estimates that 243 000 jobs have been created through Cohesion Fund assistance since 1993; - finally, information and publicity measures have been consolidated: every part-financed project must be the subject of an appropriate information and publicity campaign. ?

Cohesion Fund. Annual 1996 Report

With specific regard to the Cohesion Fund's interventions, the Committee mainly recommended for the future: - that the Commission make the Member States more aware of the need for better regional distribution of resources, with particular attention to the least advantaged inland rural and urban areas; - greater diversification and a better balance in the distribution of resources between the various types of transport infrastructure, giving priority to those modes of transport, i.e. rail and maritime, which were most environment-friendly; - greater focus, in the environmental sector, on the protection and conservation of natural resources, landscapes of particular ecological value and quality of life; - greater support for completion of environmental and transport infrastructures in the most remote regions; - greater involvement of the social and economic interest groups in the monitoring committees and the use of cross-border committees wherever actions covering more than one Member State were involved. As regards the continuation of the Cohesion Fund beyond 1999, the Committee supported the Commission's proposal in this respect in its 'Agenda 2000' document. The Committee also highlighted the need to increase complementarity and coordination between the structural policies associated with the various funds in order to bring them closer into line with each other and increase their combined effect, ensuring more harmonious economic and social development.

Cohesion Fund. Annual 1996 Report

The committee adopted unopposed, with 3 abstentions, the motion for a resolution concerning the Commission's annual report on the Cohesion Fund for 1996. The chairman and rapporteur, Mr Miguel ARIAS CANETE (PPE,E), expressed himself satisfied with the budgetary implementation of the Fund, and particularly the balance secured in its management between the two intervention sectors, namely the environment and trans-European networks. However, as regards road transport, the motion for a resolution expressed concern that the excessive concentration of aid on this field might contradict the environmental dimension of Community transport policy; Parliament regretted that the Commission had not increased aid for railway construction and had reduced the aid intended for ports and airports. The text adopted

called on the Commission to submit to Parliament the study it had commissioned on the overall socio-economic impact of the Fund to enable a broad debate to take place on the subject. The rapporteur supported the retention of the Fund, and called for its period of application to be extended beyond 1999 even if a beneficiary state achieved the conditions required to join EMU. Despite a certain slowness of implementation in the case of projects presented by regions or local authorities, the motion for a resolution encouraged participation by local and regional authorities, which would be able to contribute better to the future of the Fund on the basis of their regional development plans. The rapporteur welcomed the fact that no instance of fraud had been detected in Cohesion Fund projects in 1996. As the Fund had helped to create jobs in the beneficiary states, the resolution called for priority to be given to financing measures which would create long-term jobs; the rapporteur therefore proposed a more active policy to show public opinion the very positive impact of the Cohesion Fund. ?

Cohesion Fund. Annual 1996 Report

In adopting by 175 votes to 166 with 111 abstentions the report by Mr Miguel ARIAS CAÑETE (PPE,E), the European Parliament observes that the cohesion fund has not yet brought about real convergence among all Member States and that while some countries in receipt of cohesion fund existence have achieved national convergence making them eligible to join the monetary union, they will have to remain beneficiaries of the cohesion fund until the final date (31 December 1999) contained in the regulation. It calls on the Commission and Council to extend the period of application of the cohesion fund beyond 1999 (but only for those Member States not belonging to the EMU) so as to achieve a major reduction in regional imbalances and create a larger number of jobs in particular for young people, women and the long-term unemployed. Parliament considers that budgetary implementation for 1996 was satisfactory and welcomes the fact that no instances of fraud was detected in 1996. It also welcomes progress in achieving a balance between the funds to intervention sectors, the environment and trans-European transport networks. It also welcomes efforts to concentrate investment in the environment sector by implementing Community directives on the supply and treatment of water and treatment of waste. It calls for an objective environmental impact assessment regarding the projects financed by the fund. In the field of transport while welcoming improvements in road infrastructure carried out with aid from the cohesion fund it takes the view that the concentration aid on road transport is excessive and contradicts the aim of incorporating the environmental dimension in Community transport policy. After drawing attention to the cohesion fund's important contribution to creating jobs (over 57 000 direct jobs and over 17 100 indirect jobs created in 1996) and calling for priority to be given to measures creating long-term jobs Parliament calls for greater attention to be paid to those regions of the Member States where the most serious imbalances exist Finally, Parliament stresses the need to strengthen cooperation with the regional and local authorities and the social partners and to introduce a more vigorous public relations policy to highlight the very positive effects of cohesion fund action in the beneficiary states.?