


# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	<a href="#">2001/2058(COS)</a>	Procedure completed
Cohesion Fund. Annual report 1999		
Subject 4.70.02 Cohesion policy, Cohesion Fund (CF)		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>RETT</b> Regional Policy, Transport and Tourism		24/01/2001
		PPE-DE <a href="#">MARQUES Sérgio</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
Council of the European Union European Commission	<b>BUDG</b> Budgets		27/02/2001
		PSE <a href="#">PITTELLA Gianni</a>	
	<b>ITRE</b> Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
	Commission DG <a href="#">Regional and Urban Policy</a>	Commissioner	

Key events			
11/01/2001	Non-legislative basic document published	COM(2000)0822	Summary
15/03/2001	Committee referral announced in Parliament		
20/06/2001	Vote in committee		Summary
20/06/2001	Committee report tabled for plenary	<a href="#">A5-0248/2001</a>	
19/09/2001	Debate in Parliament		
20/09/2001	Decision by Parliament	<a href="#">T5-0473/2001</a>	Summary
20/09/2001	End of procedure in Parliament		
28/03/2002	Final act published in Official Journal		

Technical information	
Procedure reference	2001/2058(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	RETT/5/14551

#### Documentation gateway

Non-legislative basic document		COM(2000)0822	11/01/2001	EC	Summary
Committee report tabled for plenary, single reading		<a href="#">A5-0248/2001</a>	20/06/2001	EP	
Economic and Social Committee: opinion, report		<a href="#">CES0928/2001</a> <a href="#">OJ C 260 17.09.2001, p. 0051</a>	11/07/2001	ESC	
Text adopted by Parliament, single reading		<a href="#">T5-0473/2001</a> OJ C 077 28.03.2002, p. 0021-0115 E	20/09/2001	EP	Summary
Committee of the Regions: opinion		<a href="#">CDR0183/2001</a> <a href="#">OJ C 107 03.05.2002, p. 0056</a>	15/11/2001	CofR	

## Cohesion Fund. Annual report 1999

**PURPOSE:** to present the Annual Report of the Commission on the Cohesion Fund 1999. **CONTENT:** During the period 1993-1999, the Cohesion Fund enabled the four beneficiary countries (Spain, Greece, Ireland and Portugal) to sustain a substantial level of public investment in the areas of the environment and transport, while complying with the goals of reducing expected budget deficit through the convergence programmes drawn up in preparation for economic and monetary union. With regard to budgetary compliance, two goals were achieved at the end of the period 1993-1999: - compliance with the aims of allocating financial resources among countries (in accordance with the percentage ranges specified in the Regulation); - balance between the two areas of assistance (transport and the environment). With regard to the environment, the Cohesion Fund committed a total of MEUR 1523.5 to transport projects. Total assistance committed since 1993 to transport TENs projects by the Cohesion Fund and its predecessor, the financial instrument, amounts to MEUR 8325.7. The European Parliament had hoped that the Cohesion Fund would be able to provide greater assistance to rail transport. This was achieved in 1999, when investment in rail grew substantially in Greece, Spain and, to a lesser degree, Portugal. With regard to the environment, the Commission tightened the environment protection requirements under the two Directives which affect Cohesion projects: Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment (the 'EIA' Directive) and Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora (the 'Habitats' Directive). Following the report made by the Parliament when it was considering the previous report, investment in the area of solid waste was stepped up in 1999 (Greece and particularly Portugal). With regard to information and publicity, in addition to meetings between the Member States and the Commission, a short guide was drawn up to help the Member States cope with the new Cohesion Fund Regulation. With regard to evaluation, so far 71 projects have been evaluated, 40 in the transport sector and 31 in the environmental field. With regard to sound financial management, no case of fraud was discovered and reported by the member States to the Commission's anti-fraud unit (UCLAF). Finally, the report also contains a detailed sectoral breakdown of Cohesion Fund investment in the four beneficiary Member States.?

## Cohesion Fund. Annual report 1999

The committee adopted the report by Sérgio MARQUES (EPP-ED, P) on the Commission's annual report on the Cohesion Fund (1999). It criticised the "unacceptable" delay in publishing the 1999 report (in January 2001) and also regretted that the Commission did not provide more extensive analysis of the budgetary performance over the whole 1994-1999 period but instead limited itself to a description of the actual out-turn. The committee was also critical of the lack of figures - or explanations - in the report relating to the backlog of outstanding commitments remaining to be paid at the end of the period. As regards the actual activities of the Cohesion Fund, the committee was upbeat in its assessment, welcoming the fact that a balance had been struck between transport and environment projects and applauding the increase in rail transport investment in three of the countries. It felt that the Cohesion Fund had been effective and that its creation had been fully justified. The committee nevertheless warned that real convergence among all the Member States had not yet been achieved and that enlargement might exacerbate the existing economic disparities. It stressed the need for continued solidarity towards the cohesion countries as well as efficient preparations for enlargement. On the financial management side, the committee emphasised the need to observe the key principle of additionality. It also called on the Commission to step up on-the-spot checks by the appropriate inspection bodies, and felt that there should be a review of Parliament's role, enabling it to be more actively involved in the evaluation and control process as a guarantor of the European interest alongside the Commission. Lastly, the Commission was urged to improve project assessment, looking not just at the achievement of short-term objectives but also at the projects' contribution to the ultimate aim of cohesion policy, i.e. reducing the development gap and backwardness of certain regions. ?

## Cohesion Fund. Annual report 1999

The European Parliament believes that, overall, the Cohesion Fund has been effective over the period 1993-1999, and that its creation by the Masstricht Treaty has been fully justified as a fundamental support instrument for the countries with the greatest structural problems. The Parliament emphasises the political and economic importance of diminishing economic disparities between the current Member States and their regions, even after enlargement, since they may even worsen as a result of the the impact and dynamics of enlargement. The House considers that the forthcoming enlargement is a huge challenge for solidarity in the European Union and it reminds the Commission of the crucial importance of efficient preparations for the forthcoming enlargement. It considers that the Structural Instrument for Pre-Accession (ISPA) is an excellent tool for preparing the administration at all levels for the requirements of enlargement in the structural policy field. The Parliament confirms the importance of observing the additionality principle as a key principle in the implementation of the Structural Funds. With regard to the monitoring, evaluation and control, the Commission is called upon to devote more resources to on-the-spot checks in order to detect weaknesses in management systems. The Parliament also calls on the Commission to apply the utmost rigour when assessing the environmental impact of projects financed by means of the Cohesion Fund.?