

Agenda 2000: pre-accession, coordinating aid to the applicant countries

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This is the seventh report on activities financed by the three pre-accession instruments: Phare, ISPA and SAPARD and covers the year 2006. The report focuses on coordination between the three instruments as specified in the Council Regulation on the co-ordination of pre-accession assistance; typically referred to as the “Coordination Regulation”. In line with the positive accession negotiations in Copenhagen, an increased emphasis has been put on creating the administrative capacity required for a successful implementation of the *acquis* and participation in present or future European Community programmes.

In summary, the main findings of the report are as follows:

PHARE: under the Phare structure a joint monitoring committee (JMC) has been set up in each country that is supported by Sectoral Monitoring Sub-Committees (SMSC). These meet twice a year. In 2006, DG Enlargement generated 24 individual country, sectoral ad-hoc or thematic reports on Phare support to Bulgaria and Romania. The key message derived from the Bulgaria and Romania evaluations is as follows:

- On the whole, the performance of Phare has improved with time though some results are mixed.
- Implementation of Phare remains a challenge with widespread contracting delays.
- Outputs have been delivered adequately, by and large, though sometime later than planned.
- Twinning has proven to be a particularly effective tool for institution building and increasing the absorption capacity of beneficiaries.
- The sectoral performance of Phare was varied. In Romania, Environmental and Internal Market sectors scored the highest rating. The lowest rated sectors, by contrast, were Economic and Social Cohesion and Energy Transport. In Bulgaria the Environment scored the highest rating whilst again the lowest ratings scored concerned Economic and Social Cohesion, Energy and Transport.
- Phare support was needed to help initiate reform of public administrations as well as the judiciary. Only adequate progress has been recorded however.
- Phare has had a limited effect on preparing beneficiaries for the Structural Funds. Any acceleration and advanced preparation from these Funds was due mainly to candidate countries own efforts.
- Phare did not contribute significantly to the setting up of national coordinating structures and procedures.

Phare assistance and its sustainability, however, is growing in line with the strengthening of Phare’s legal, organisational and administrative systems.

ISPA:

No *ex post* evaluations or projects have been complete in Romania or Croatia by the end of 2006. Although some projects were being carried out in Bulgaria they were completed towards the end of 2006 and thus no investment projects have been wound up. As a result an *ex-post* evaluation in Bulgaria was not launched there either.

SAPARD: throughout 2006, the Commission continued to work closely with the beneficiary countries on adapting and running the monitoring and evaluation systems. The Monitoring Committee meetings held in 2006 provided a useful opportunity to discuss and decide on i) monitoring and implementation of the

programmes; ii) approval of modifications needed to close certain programme and improve the absorption capacity of the programmes and iii) approve the annual reports on progress achieved in relation to implementation of the Sapard programmes.

Coordination: in line with legislative requirements to do so, the Commission has continued to support close coordination between the three pre-accession instruments through a number of committee meetings as well as the general framework for assistance under the pre-accession instruments as set up by the Accession Partnerships. To avoid duplication, the Commission has clarified the interface between Phare and SAPARD, taking account of provisions in the Coordination Regulation. As regards project monitoring, coordination takes the form of the JMC, which in turn is supported by the ISPA Monitoring Committees and Phare sub-committees. In addition the Commission strongly encourages the candidate countries to enhance their inter-ministerial coordination – a key pre-condition to their successful future management of the Structural Funds. Indeed a coordination “checklist” is forwarded to the candidate countries.

Similarly, the Commission regularly consults the international financial institutions (IFI's) and bilateral donors throughout a programming cycle in order to identify scope for joint activities and complementary approaches to address pre-accession priorities. The EIB, for example, and the Commission have established a facility at border regions, as requested by the Nice European Council. The project concentrates on the implementation of small municipal infrastructure in border regions to promote integration with current EU regions.