# Cohesion Fund. Annual report 1999

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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 Coheison 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 projets: Directive 85/337/EEC on the assessment of the effects of certain public and private projets 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 projets 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.