PHARE. Annual reports 1994 et 1995

1995/2221(COS) - 16/04/1997

The Committee unanimously adopted the report by Mr Jan Marinus WIERSMA (PGS; NL) on the communication from the Commission on the PHARE annual reports for 1994 and 1995. PHARE is one of the most important EU-funded programmes, and it seeks to offer countries which have signed a European agreement aid for economic restructuring and for strengthening democracy. It helps applicant countries in their efforts to satisfy the criteria for future accession. The committee noted that despite funding the PHARE programme to the tune of ECU 6.64 billion over the last seven years the Commission has not managed to set up a system to evaluate the results of aid to eastern european countries (CEECs). The committee noted that PHARE was changing from being a technical aid programme to being a pre-accession aid programme. It was essential against this background to launch a new aid strategy which would involve redefining the main principles of the programme. The committee called on the Commission to complete its own evaluation in parallel with an independent evaluation system, and stressed the need for coordination between PHARE, similar programmes run by the Member States and aid provided by international financial institutions. Priority areas for the future should be projects seeking to: - strengthen democracy, respect for human rights, the free integration of all shades of opinion, secular and religious, in society, the development of stability in all the CEECs (protection of minorities), their economic and social integration and the development of a civil society; - encourage sustainable economic development and infrastructures and to develop commercial relations with countries in the region; - promote nuclear security and the fight against pollution and mutual understanding between the EC and the eastern european countries through strengthening and developing programmes and through cultural and educational exchanges. In the absence of a fully fledged financial system or capital markets in the majority of the CEECs, the new Commission strategy should consist of helping CEECs to implement legislation for the supervision of credit institutions and for stabilizing the financial system and to development of banking and financial systems capable of facilitating the structural adjustments and the privatization of industry.