Cohesion Financial Instrument activities. Report 1993-1994

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The Commission's annual report to the European Parliament, the Council, the ESC and the Committee of the Regions on the cohesion financial instrument (1993/94) sets out the decisions taken by the Community before the introduction of the Cohesion Fund (on 26 May 1994), the actual creation of which was, in fact, delayed by ratification of the Maastricht Treaty. However, this delay was mitigated by the decision taken by the Member States at the Edinburgh summit in December 1992 to create an interim "Cohesion financial instrument" which would allow the four fund beneficiaries (Spain, Portugal, Greece, Ireland) to benefit from important funding as of 1 April 1993 in order to further the economic and social cohesion of the Community. Implementation: the Commission, which manages this instrument, succeeded in committing almost all the commitment appropriations budgeted for 1993, viz. ECU 1,565 million in the first year (representing financial transfers in the form of advances of approximately ECU 730 million). These efforts continued in 1994, but difficulties arose because some cohesion states notified their projects after the cohesion financial instrument had expired on 26 May 1994. As a result, most of the projects were adopted in 1994 on the basis of the regulation establishing the Cohesion Fund rather than on the basis of the interim instrument. Fields of intervention: transport infrastructures and the environment were the two preferred areas in which projects were selected, with a fair balance maintained between these two priorities: . transport infrastructures: all projects (without exception) related to the trans-European networks (or access to them); . environment: the Commission gave preference to projects implementing important directives in this sector (especially the 1992 fifth environmental and sustainable development programme): drinking water supplies, treatment of waste water, solid residues and urban refuse. Evaluation of projects and anti-fraud control: the Commission and the EIB boosted their project evaluation facilities, including within the Commission services themselves. Project monitoring appeared to be satisfactory, despite certain delays in Spain, Portugal and Ireland in the environmental sector. Only the situation in Greece gives cause for concern with regard to certain transport infrastructure projects due to regulations governing public procurement in Greece. As far as anti-fraud controls are concerned, no irregularities or fraud have been uncovered to date. The Commission has taken care to make all funding actions transparent and to inform the public of projects implemented with Community aid, the objective being to increase citizens' awareness of action by the Union to promote economic and social cohesion and, in this sense, Parliament's call for greater publicity for projects implemented under the Cohesion Fund was applied as soon as the financial instrument was introduced.