PHARE. Annual reports 1994 et 1995

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OBJECTIVE: this report summarizes the actions financed under the PHARE programme in 1994.
CONTENT: the Commission states in its report that 1994 marked a turning point in the history of the programme, now that the Essen European Council had decided that it should have a clear objective and act as the keystone to future accession by CEECs. There were two main trends in the programme in 1994: consolidation and integration of partner countries: - consolidation: this relates to two areas: . developing capacities to manage and regulate a market-based system (establishment of new government institutions and creation of a network of NGOs in order to set the market economy on a democratic basis); . investment aid: creating a climate to foster investment and capital contributions in sectors which still have too little support (especially SMEs); - integration: this relates to four sectors: . joint financing for infrastructure investment; . eliminating bottlenecks at borders and setting up customs channels; . a cross-border cooperation programme; . multinational and intra-regional cooperation. To be specific, PHARE financed activities with the following objectives in 1994: . legislative reform and reform of the public-sector administration: intellectual property, consumer protection, technical standards and regulations, customs, the environment, public procurement, banking, tax legislation, transport, telecommunications; . social restructuring: pension reforms and the introduction of social security systems, employment policies and health care; . support for investment: improving the legal framework, supporting investment promotion agencies, releasing funds for SMEs, reforming the banking system, training; . investment in transport infrastructure (trans-European networks to clear bottlenecks at border posts); . cross-border programme: in close cooperation with the INTERREG programme, financing cross-border programmes in the area of transport, public services, the environment, economic development and human resources (implementation of multiannual projects as of 1995); . clearing cross-border bottlenecks: setting up customs corridors and harmonizing customs documentation); . multiannual and intra-regional cooperation: cross-border regional cooperation, questions relating to minorities, cultural cooperation, regional economic cooperation, cooperation on legislation and the environment. As far as the management of the PHARE programme in 1994 is concerned, huge efforts were made to establish a correlation between the aid and the degree of integration of the countries in question. At the same time, work was carried out on: - decentralization; - planning (although the decision on multiannual planning was not taken until the end of 1994); - implementation (decentralized implementation system introduced in 1994 to provide a single, coherent framework for managing projects); - monitoring and evaluation (introduction of huge audits for controlling projects at least twice during their lifetime); - communications.