Agenda 2000: Cohesion Fund (amend. annex II regul. 1164/94/EC)

1998/0118(CNS) - 18/03/1998 - Legislative proposal

OBJECTIVE: to amend certain technical aspects of the Regulation establishing the Cohesion Fund, in connection with the revision of the Structural Funds for the financial planning period 2000-2006 and taking account of the implications of Agenda 2000 (COS0590). SUBSTANCE: Apart from the substantive changes presented in the context of a parallel procedure to amend the Cohesion Fund (AVC98108), the Commission proposes a series of adjustments to the annexes establishing the Cohesion Fund, concerning the way in which the Fund operates. The main amendments concern: -the definitions of 'project', 'groups of projects' and 'stages of projects'; -the assessment of alternatives at the time of presentation of the various projects and assessment of their environmental impact; -the financial management of projects: the Commission proposes a simpler system for budgetary commitments, which should in principle be made at the beginning of each financial year. As regards payments, a single advance not exceeding 10% of the assistance from the Fund is proposed, in order to limit advances during the first year of the project. In addition, in order to ensure that subsequent payments are based on genuine expenditure, the Commission proposes making reimbursements of certified expenditure in respect of which payments have actually been made. Provisions are proposed to penalize non-implementation of projects, which would have the effect of freezing certain Community budget commitments; -the introduction of financial corrections when the Commission observes irregularities in the implementation of a project or where changes to an operation mean that it no longer merits the assistance.