

Agenda 2000: Instrument for Structural Policies for Pre-accession ISPA 2000-2006, aid for applicant countries

1998/0091(CNS) - 21/06/1999 - Final act

PURPOSE : in the framework of the pre-accession strategy and Agenda 2000, to establish a new Instrument for Structural Policies for Pre-accession (ISPA), which will be directed towards aligning applicant countries with Community infrastructure standards and provide a financial contribution for environmental and transport infrastructure measures. **COMMUNITY MEASURE :** Regulation 1267/1999 /EC establishing an Instrument for Structural Policies for Pre-accession (ISPA). **CONTENT :** The Instrument for Structural Policies for the Pre-accession, ISPA, is allocated 1 billion EURO per year for the period 2000-2006. ISPA shall provide assistance to contribute to the preparation for accession to the EU of the following applicant countries : Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. Concerning eligible measures, the Regulation provides that Community assistance granted under ISPA is to be limited to programmes such as: 1) the environment, financial assistance is granted to environmental projects which enable the beneficiary countries to comply with the requirements of Community environmental law and with the Accession Partnership; 2) transport, assistance will be granted for transport infrastructure measures which promote sustainable mobility, and in particular those that constitute projects of common interest based on the criteria laid down in Council Decision 1692/96 on the development of the trans-European networks and those that enable the beneficiary countries to comply with the objectives of the Accession Partnerships. This includes interconnection and interoperability between national networks and the trans-European networks, as well as access to such networks. The total cost of each measure cannot, in principle, be less than EUR 5 million. In duly justified cases, taking into account the specific circumstances concerned, the total cost of a measure may be less than EUR 5 million. A balance must be struck between measures in the field of the environment and measures relating to transport infrastructure. Assistance may also be granted for preliminary studies related to eligible measures; technical support measures, including information and publicity actions. Community assistance under ISPA may take the following forms : - non-payable direct assistance; - repayable assistance; - any other form of financing. Community assistance under ISPA is granted for the period 2000-2006. An indicative allocation between beneficiary countries of the total Community assistance under ISPA is made by the Commission on the basis of the criteria of population, per capita GDP in purchasing power parities, and surface area. The allocation may be adjusted to take account of the performance in previous years of each of the beneficiary countries in implementing the measures. The rate of the Community assistance may be up to 75% of public or equivalent expenditure. The Commission may decide to increase this rate, after having consulted the Committee, to 85% in duly justified cases. The rate of assistance may, however, be reduced in special cases, save in the cases of repayable assistance or when there is a substantial Community interest. Preliminary studies and technical support measures may be financed exceptionally at 100% of the total cost. Measures financed under ISPA comply with the provisions set out in the Europe Agreements, including the implementing rules on State Aid. In addition, the Commission is responsible for ensuring coordination and consistency between those measures and measures financed by other contributions from the Community budget, including those in respect of cross-border, transnational and interregional cooperation, the operations of the European Investment Bank, and other Community financial instruments. The coordination with PHARE and the pre-accession instrument for agriculture, (SAPARD - Special Accession Programme for Agriculture and Rural Development), may also be undertaken as well as with the operations of the European Bank for Reconstruction and Development (EBRD), the World Bank and other international financial institutions. The Commission will adopt decisions on the measures to be financed under ISPA after consulting the Committee. Concerning financial management, the Commission will take decisions concerning projects after the Committee's opinion. The beneficiary countries must submit applications for assistance to the

Commission. The Commission may grant assistance on its own initiative in the case of preparatory studies and technical support measures where there is an overriding Community interest. Applications must meet the criteria set out in Annexes I and II to the Regulation. The Commission carries out an appraisal in order to assess the measures' compliance with the criteria. The details of the payment mechanism will be laid down in the financing memorandum with each beneficiary country. The applicant countries are responsible for implementing projects under Commission supervision. Beneficiary countries must establish management and control systems as from 01/01/2000, and in any event not later than 01/01/2002. In addition, beneficiary countries shall ensure, in particular, that directly visible display panels are erected showing that measures are being co-financed by the Community. The Commission shall present an annual report on Community assistance granted under ISPA to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. On accession to the European Union, a country will lose its entitlement to support under ISPA. In this case, the resources shall be reallocated to other applicant countries. ENTRY INTO FORCE : 29.06.1999.