Basic information

1995/2221(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
PHARE. Annual reports 1994 et 1995 **Subject** 6.40.02 Relations with central and eastern Europe 6.40.04 Relations with the Commonwealth of Independent States (CIS)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
RELA External Economic Relations	WIERSMA Jan Marinus (PSE)	17/10/1995

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs, Security and Defense Policy	DASKALAKI Katerina (UPE)	06/02/1996
CONT Budgetary Control	The committee decided not to give an opinion.	

Council of the European Union

Key events

Date	Event	Reference	Summary
20/07/1995	Non-legislative basic document published	COM(1995)0366	Summary
19/01/1996	Committee referral announced in Parliament		
16/04/1997	Vote in committee		Summary
16/04/1997	Committee report tabled for plenary	A4-0165/1997	
25/06/1997	Debate in Parliament		
26/06/1997	End of procedure in Parliament		
21/07/1997	Final act published in Official Journal		

Technical information

Procedure reference	1995/2221(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	RELA/4/06954

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0165/1997 OJ C 182 16.06.1997, p. 0002	16/04/1997	
Text adopted by Parliament, single reading		T4-0360/1997 OJ C 222 21.07.1997, p. 0015-0064	26/06/1997	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1995)0366	20/07/1995	Summary
Document attached to the procedure	COM(1996)0360	23/07/1996	Summary

PHARE. Annual reports 1994 et 1995

1995/2221(COS) - 23/07/1996 - Document attached to the procedure

OBJECTIVE: the present report summarizes the actions financed under the PHARE programme in 1995, emphasizing the "pre-accession" aspect of the initiatives taken in the recipient states. CONTENT: the Commission focuses in its 1995 report on the main objective of the PHARE programme on the eve of the new millennium: to help recipient states become members of the Community. In the Commission's view, PHARE has become the financial instrument of the pre- accession strategy of the CEECs. In practical terms, this has meant that the lion's share of the programme's funds have been used for joint financing of new infrastructure projects in connection with the trans-European networks and that cross-border cooperation has increased significantly. PHARE has also endeavoured to support recipient states in their efforts to bring their legislation, standards and practices into line with those of the European Union with a view to preparing themselves for the single market. As far as the actions themselves are concerned, the report demonstrates that efforts under PHARE concentrated on two approaches: continuing the initiatives started in 1994, especially with regard to infrastructures, and implementing the pre-accession strategy: - concentrating on infrastructure investments: PHARE served mainly to revitalize a number of projects by acting as a financial bridge between international financial institutions, private investors and governments in the partner countries. Most joint financing was directed towards transport infrastructures, the environment, energy, telecommunications and developing the private sector. Particular attention was paid to trans-European networks and projects designed to help these countries with the process of economic reform; - cross-border cooperation: all the initiatives started in 1994 were strengthened in 1995. Cross- border cooperation played a major role in terms of the pre-accession strategy: in close collaboration with the INTERREG II programme, the actions implemented related mainly to developing transport infrastructures, telecommunications and energy and a so-called series of "soft" actions relating to tourism, human resources and culture. Inter-regional cooperation programmes were also launched (ECOS and Ouverture) in order to finance cooperation projects between towns and regions in the partner counties; - at the same time, initiatives were implemented following the extension of Community programmes to the CEECs (SOCRATES, LEONARDO and Youth for Europe III). A budget of some ECU 10 million in 1995 enabled these countries to implement joint preparatory actions in this direction (study visits, seminars etc.). In addition, actions were carried out under PHARE in order to improve coordination between Community aid programmes and assistance from other donors (World Bank, EBRD, EIB, OECD). Initiatives such as SIGMA (PHARE-OECD) helped some public institutions in the CEECs to reform. Finally, PHARE started actions as part of the reconstruction process in the countries of former Yugoslavia (mainly Bosnia and Herzegovina).

PHARE. Annual reports 1994 et 1995

1995/2221(COS) - 20/07/1995 - Non-legislative basic document

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.

PHARE. Annual reports 1994 et 1995

1995/2221(COS) - 26/06/1997 - Text adopted by Parliament, single reading

In adopting the report by Mr Jan Marinus WIERSMA (PSE, NL) on the PHARE 1994 and 1995 annual reports Parliament noted that in spite of having allocated ECU 6.64 billion in the framework of this programme during the last seven years the Commission had not yet succeeded in introducing an assessment system capable of throwing light on the impact of the assistance given to the countries of central and eastern Europe (CEECs). It believed that PHARE should concentrate more money on those countries which were lagging behind in the economic reform process and which were therefore further away from EU membership and Parliament called on the Commission to improve its assessment of budgetary appropriations allocated to CEECs in the framework of pre-accession strategy. It urged in particular that PHARE should concentrate on initiatives of genuine value for the outcome of the pre-accession strategy. In this respect it noted that the PHARE programme was being transformed from a purely technical assistance programme to an assistance for accession programme. It was essential in this context to launch a new assistance strategy involving a revision of the main guidelines of the programme. In future the programme should deal as a matter of priority with projects that aim to promote: - democracy, respect for human rights, the full integration of different ideological and religious groupings into society, the development of stability in all CEECs (defence of minorities) and their economic and social integration and the development of civil society; - sustainable economic development and infrastructure and the enhancement of commercial relations between the region's countries; - nuclear safety and the combating of pollution, in particular by means of more effective and more environment-friendly technologies; - mutual understanding between the EC and the CEECs via the strengthening and development of cultural and education programmes and exchanges. At the same time, given the lack of well-developed financial systems and capital markets in most of the CEECs it considered that the new Commission strategy should be one that: - assisted the CEECs to implement legislation relating to the supervision of credit institutions and to the stability of the financial system, - encouraged the development of local banking and financial systems capable of facilitating the structural adjustment and privatization of industries, - involved better coordination with the IMF in order to devise macroeconomic policies that did not penalize growth. It considered that with a view to accession the recipient states should increasingly participate in financing for projects implemented, using their own funds. It reaffirmed its support for the EU-CEECs cross-border cooperation programme and PHARE and hoped that in future this programme could be used for cross-border projects. With regard to assessment as such, Parliament called on the Commission to review the content of its annual report with the aim of including: - an assessment of the concrete results, in the light of clearly defined objectives, - the effective impact of assistance on the pace of reforms, - the contribution of assistance to the pre-accession strategy. It asked the Commission to supplement its own evaluations with an independent evaluation system and stressed the need for coordination between the PHARE programme, similar Member State assistance programmes and the measures taken by the international financial institutions. Lastly it stressed the need for the decentralization of the management of the PHARE programme which should go hand in hand with sound monitoring of the disbursement of funding. In this respect Parliament considered that it was necessary to stop delegating to third parties tasks that should be performed by a public service body and to clarify the role of external experts and in-house service providers.