

Basic information	
<p>2000/0111(CNS)</p> <p>CNS - Consultation procedure Regulation</p>	Procedure completed
<p>South-east Europe, western Balkans: Community assistance, CARDS programme, 2000-2006</p> <p>Repealing Regulation (EC) No 1628/96 1996/0096(CNS) Amending Decision 97/256/EC 1996/0278(CNS) Amending Decision 1999/311/EC 1998/0246(CNS) Amended by 2001/0223(CNS) Amended by 2004/0260(CNS)</p> <p>Subject</p> <p>6.10.05 Peace preservation, humanitarian and rescue tasks, crisis management 6.20.03 Bilateral economic and trade agreements and relations 6.40.03 Relations with South-East Europe and the Balkans</p>	

Key players					
European Parliament	Committee responsible		Rapporteur	Appointed	
	ITRE	Industry, External Trade, Research, Energy	WESTENDORP Y CABEZA Carlos (PSE)	12/10/2000	
	Committee for opinion		Rapporteur for opinion	Appointed	
	AFET	Foreign Affairs, Human Rights, Common Security, Defense (Associated committee)	LAGENDIJK Joost (V/ALE)	24/05/2000	
	BUDG	Budgets	FÄRM Göran (PSE)	19/07/2000	
	CONT	Budgetary Control	STAES Bart (V/ALE)	11/07/2000	
	CULT	Culture, Youth, Education, Media and Sport	GARGANI Giuseppe (PPE-DE)	17/10/2000	
	Council of the European Union	Council configuration		Meetings	Date
		General Affairs		2294	2000-10-09
		General Affairs		2308	2000-11-20
Industry		2318	2000-12-05		

European Commission	Commission DG	Commissioner
	External Relations	

Key events			
Date	Event	Reference	Summary
10/05/2000	Initial legislative proposal published	COM(2000)0281 	Summary
04/10/2000	Legislative proposal published	COM(2000)0628 	Summary
09/10/2000	Debate in Council		
23/10/2000	Committee referral announced in Parliament		
07/11/2000	Vote in committee		Summary
07/11/2000	Committee report tabled for plenary, 1st reading/single reading	A5-0330/2000	
14/11/2000	Debate in Parliament		
15/11/2000	Decision by Parliament	T5-0507/2000	Summary
05/12/2000	Act adopted by Council after consultation of Parliament		
05/12/2000	End of procedure in Parliament		
07/12/2000	Final act published in Official Journal		

Technical information	
Procedure reference	2000/0111(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 1628/96 1996/0096(CNS) Amending Decision 97/256/EC 1996/0278(CNS) Amending Decision 1999/311/EC 1998/0246(CNS) Amended by 2001/0223(CNS) Amended by 2004/0260(CNS)
Legal basis	EC Treaty (after Amsterdam) EC 308 Rules of Procedure EP 57_o
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/5/13867

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary

Committee report tabled for plenary, 1st reading/single reading		A5-0330/2000 OJ C 223 08.08.2001, p. 0007	07/11/2000	
Text adopted by Parliament, 1st reading/single reading		T5-0507/2000 OJ C 223 08.08.2001, p. 0103-0168	15/11/2000	Summary

European Commission

Document type	Reference	Date	Summary
Initial legislative proposal	COM(2000)0281 	10/05/2000	Summary
Legislative proposal	COM(2000)0628 	04/10/2000	Summary
Follow-up document	COM(2010)0793 	20/12/2010	Summary
Follow-up document	SEC(2010)1604 	20/12/2010	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 2000/2666 OJ L 306 07.12.2000, p. 0001	Summary
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South-east Europe, western Balkans: Community assistance, CARDS programme, 2000-2006

2000/0111(CNS) - 20/12/2010

The Commission presents its 2009 Annual report on Phare, Turkey Pre-Accession Instruments, CARDS and the Transition Facility.

PHARE, Turkey pre-accession instrument and CARDS: during 2009, management performance of CARDS programmes in the beneficiaries was, overall, satisfactory. By the end of the reporting period, the 2001-2006 programmes (2001-2004 for Croatia) were almost fully contracted (ranging from 97% of allocated funds for Albania and Bosnia and Herzegovina to 99% for Kosovo. Disbursements were also generally approaching completion, reaching more than 90% of 2001-2006 allocations in all CARDS beneficiaries, with the only exception of Albania (72%). At, respectively, 85% and 73% of allocated funds, the overall contracting and payment rates reached by the end of the contracting period in 2009 for the 2002-2006 programmes under the Turkey pre-accession instrument pointed to **less than satisfactory performance by the relevant management authorities in Turkey**. The situation is set to improve in the future following changes at management levels, new recruitments and resumption of monitoring activity. Organisational and procedural improvements introduced in the relevant managing structures as part of enhanced supervision of decentralised implementation under IPA should also have a positive impact on the management of assistance under the Turkey pre-accession instrument

Regarding Bulgaria and Romania, implementation of a number of projects under PHARE 2006 programmes for Romania will continue until mid 2011, so results were not yet available by the end of the reporting period. Disbursements reached, respectively, 77.10% and 65.10% of allocations under PHARE 2005 and 2006 in Bulgaria, while the corresponding figures for Romania were 79.62% and 69%.

Contracting of PHARE 2005 and 2006 in Croatia was completed in 2009, at an overall rate of about 86% of allocations.

Payments continued and reached 60% of overall allocations.

Transition Facility: the ten countries that acceded to the EU in 2004 completed implementation of the 2006 Transition Facility programmes on 15 December 2009, achieving the expected results notably in terms of enhancing the beneficiaries' public administration and contributing to meeting the remaining needs of the acquis. By the end of the reporting period, disbursement rates under the 2005 Transition Facility ranged from over 84% in Malta to over 98% in Cyprus. The corresponding range for the 2006 Transition Facility went from 58% to almost 98% (again in Malta and Cyprus, respectively).

As for Bulgaria and Romania, both countries reached a contracting rate of slightly less than 70%. In Romania, this rate was due to slower than expected contracting, while the low performance in Bulgaria is explained by the prolonged suspension of accreditation for decentralised implementation of the relevant Implementing Agency (applied also to PHARE pre-accession funds).

Main developments and lessons from implementation of PHARE and the Transition Facility in Bulgaria and Romania: one of the main developments in 2009 was related to the **suspension of funds to Bulgaria in 2008** and the subsequent withdrawal of accreditation from two Bulgarian Implementing Agencies in July of that same year. 2009 saw improvements in the acknowledgement and quantification of control system weaknesses and in the follow-up of irregularities by the relevant Bulgarian authorities as of the month of July. In October 2009, Bulgaria submitted to the Commission proposals for financial corrections. This led the Commission to lift the suspension of payments on 18 November 2009.

Learning from this experience, the Commission engaged in a wider exercise aimed at addressing more comprehensively those standards of internal control that were most relevant for improving accountability, reinforcing the assurance process and enhancing the effectiveness of decision-making in programming and implementation of pre-accession assistance

The experience from implementation of PHARE and the Transition Facility under EDIS in Bulgaria and Romania has brought home the lesson that **decentralised management of EU assistance without ex-ante controls should be introduced before accession**, so that its efficiency and effectiveness can be demonstrated and confirmed in practice under the close scrutiny of the Commission. The latter has set **tight conditions for the decentralisation of the management of IPA funds to the Croatian authorities**.

Lastly, the experience in Bulgaria and Romania has also had an impact on the coordination of the EU pre-accession assistance in those countries. Following **Parliament's request for regular reporting on the status of implementation of EU funds in Bulgaria and Romania**, in 2009 the Commission has created an additional internal coordination mechanism to monitor the management of EU funds in those two countries.

Lessons from implementation of the pre-accession instrument in Turkey: although recognizing that projects funded from the EU budget had achieved their intended outputs and that results were likely to be sustainable, the Court of Auditors considered that, in the past, the link of the assistance to the priorities of the enlargement agenda and its effectiveness in supporting those priorities could not be sufficiently demonstrated.

The Commission is taking steps under the new instrument for pre-accession assistance (IPA) to increase its effectiveness. It outlines the steps being taken in addition to strengthening the management and control system under decentralised implementation.

Performance of PHARE/CARDS/Turkey Pre-Accession Instruments: overall the assistance which has been delivered has addressed the priorities and strategies agreed with the beneficiaries. Evaluation findings suggested the performance of assistance varied from moderately satisfactory to moderately unsatisfactory. Based on evaluation findings, recommendations for future programming included that beneficiary institutions dealing with pre-accession assistance should ensure more adequate capacity for programming and project design. Regarding implementation, the **administrative efficiency within both the national structures and the EU Delegations should be increased further** to enable timely procurement procedures and prevent implementation delays. Once projects are being implemented, they should be subject to more systematic monitoring.

The **long-term impact and sustainability of pre-accession assistance remained an open issue in most beneficiaries**, mainly due to high turnover of staff and budget uncertainty to cover follow up activities and operational/maintenance costs of projects. National authorities therefore need to address the problem of high staff turnover to ensure long-term impact and sustainability. Future programming should also address more systematically the question of financial resources needed to ensure that outputs delivered by programmes are translated into sustainable results.

The beneficiaries are addressing the findings and recommendations from the 2009 evaluations. For its part, the Commission has intensified its regular monitoring of progress in the actions undertaken by the beneficiaries to address evaluation findings. In addition, the Commission is drawing from the findings of these evaluations to improve management of pre-accession assistance under the new IPA instrument.

South-east Europe, western Balkans: Community assistance, CARDS programme, 2000-2006

2000/0111(CNS) - 10/05/2000 - Initial legislative proposal

PURPOSE : to present a proposal for assistance for Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia and the Federal Republic of Yugoslavia (CARDS Programme), and amending Regulation 3906/89/EEC. **CONTENT :** the regulatory framework for assistance to this region must be consolidated. At present, assistance to some of the countries is provided under the Obnova Regulation, certain others receive assistance under the Phare Regulation, and some receive assistance under both programmes. This has caused many operational problems, a fact to which the attention of the European Parliament and the Court of Auditors has been drawn. Phare currently serves the new priorities of enlargement and is no longer suited to the Western Balkans. This proposal represents a single legal framework for providing assistance to the five countries in question, and repeals the Obnova Regulation 1628/96/EC and the provisions in the annex to the Regulation 3906/89/EEC (Phare) applicable to those countries. The main objective of any assistance under this proposal will be to support participation by the receiving countries in the Stabilisation and Association Process and close regional cooperation. This means concentrating the assistance (in the form of investment and institution-building) on

building up and modernising institutions so as to strengthen democracy, the rule of law and respect for human and minority rights. These are conditions for assistance, and other political conditions will also apply.

South-east Europe, western Balkans: Community assistance, CARDS programme, 2000-2006

2000/0111(CNS) - 15/11/2000 - Text adopted by Parliament, 1st reading/single reading

The Parliament approved the Commission proposal, drafted by Mr Carlos WESTENDORP Y CABEZA (PES, E), which aims to overhaul the financial aid arrangements for the Western Balkans (the CARDS programme). The Parliament makes a number of amendments highlighting the fact that the European Council decisions in Feira and Cologne are binding on the proposal and must therefore be taken into account. (Refer to the decisions of the Committee responsible for a guideline of what the Parliament adopted). In addition to respecting democratic principles, the rule of law, human and minority rights and other fundamental freedoms, the Federal Republic of Yugoslavia must also respect international law. The European Parliament wishes to strengthen the administrative parts of the regulation as well as its own role of democratic scrutiny by establishing a degree of accountability for both the Commission and the management committee.

South-east Europe, western Balkans: Community assistance, CARDS programme, 2000-2006

2000/0111(CNS) - 05/12/2000 - Final act

PURPOSE : to provide a new legal framework for assistance to the countries of the Former Yugoslavia and Albania (CARDS Programme).
COMMUNITY MEASURE : Council Regulation 2666/2000/EC on assistance for Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and the Former Yugoslav Republic of Macedonia, repealing Regulation 1628/96/EC and amending Regulations 3906/89/EEC and 1360/90/EEC and Decisions 97/256/EC and 1999/311/EC. **CONTENT** : the CARDS Regulation aims to establish a joint legal framework for the assistance to the Balkans (Serbia included) in place of multiple instruments used until present, notably the OBNOVA and PHARE programmes. A financial reference amount for the application of this programme for the period 2000-2006 shall be EUR 4 650 million. The main purpose of the Community assistance is to support participation by the recipient countries in the stabilisation and association process. The assistance shall be for : - the development of the institutional and legislative framework, - reconstruction, aid for the return of refugees and displaced persons, and stabilisation of the region; - sustainable economic development and market-economy-oriented economic reform; - the development of closer relations among recipient countries, between them and the EU and between them and the accession countries; - fostering regional, transnational, cross-border and interregional cooperation. It should be noted that the respect for the principles of democracy and the rule of law and for human and minority rights and fundamental freedoms is an essential element for the application of this Regulation and a precondition for the eligibility for Community assistance. Special attention shall be paid to the regional dimension of Community assistance, with a view to stepping up regional cooperation. In order to promote cooperation in the region, the regulation provides for the participation in invitations to tender and contracts, as well as, participation by countries which are recipients under the TACIS and MEDA programmes on a case-by-case basis. The assistance shall be provided as: - a strategic framework ('Country Strategic Paper'), for the period 2000-2006, which shall serve to set the long-term objectives for assistance and priority fields of action in recipient countries and annual action programmes, based on multiannual indicative programmes drawn up for three year periods, for each country receiving Community assistance. Such programmes shall describe the reforms to be carried out by partners in priority sectors and include an assessment of progress made in doing so and also indicative amounts are also given. In view of the political situation in some areas (Kosovo in particular) and the nature of various entities that have responsibility for implementing assistance there (UNMIK or the Office for the High Representative in Bosnia and Herzegovina), it is desirable to provide that the assistance shall be supplied in some cases directly to recipients other than the State. The Council shall review this Regulation before 31.12.2004. The Commission shall submit to the Council an evaluation report of CARDS not later than 30.07.2000, together with proposals for the future of this Regulation and for any amendments needing to be made to it. It should also be noted that in the light of the scope of this Regulation, consequent changes will have to be made to the PHARE regulation and the TEMPUS III Decision. **ENTRY INTO FORCE** : 07.12.00, the same date that the OBNOVA Regulation 1628/96/EC is abrogated. The Regulation is applicable until 31.12.2006. CNS000111 05/12/00 DAF EN
PURPOSE : to provide a new legal framework for assistance to the countries of the Former Yugoslavia and Albania (CARDS Programme).
COMMUNITY MEASURE : Council Regulation 2666/2000/EC on assistance for Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and the Former Yugoslav Republic of Macedonia, repealing Regulation 1628/96/EC and amending Regulations 3906/89/EEC and 1360/90/EEC and Decisions 97/256/EC and 1999/311/EC. **CONTENT** : the CARDS Regulation aims to establish a joint legal framework for the assistance to the Balkans (Serbia included) in place of multiple instruments used until present, notably the OBNOVA and PHARE programmes. A financial reference amount for the application of this programme for the period 2000-2006 shall be EUR 4 650 million. The main purpose of the Community assistance is to support participation by the recipient countries in the stabilisation and association process. The assistance shall be for : - the development of the institutional and legislative framework, - reconstruction, aid for the return of refugees and displaced persons, and stabilisation of the region; - sustainable economic development and market-economy-oriented economic reform; - the development of closer relations among recipient countries, between them and the EU and between them and the accession countries; - fostering regional, transnational, cross-border and interregional cooperation. It should be noted that the respect for the principles of democracy and the rule of law and for human and minority rights and fundamental freedoms is an essential element for the application of this Regulation and a precondition for the eligibility for Community assistance. Special attention shall be paid to the regional dimension of Community assistance, with a view to stepping up regional cooperation. In order to promote cooperation in the region, the regulation provides for the participation in invitations to tender and contracts, as well as, participation by countries which are recipients under the TACIS and MEDA programmes on a case-by-case basis. The assistance shall be provided as: - a strategic framework ('Country Strategic Paper'), for the period 2000-2006, which shall serve to set the long-term objectives for assistance and priority fields of action in recipient countries and annual action programmes, based on multiannual indicative programmes drawn up for three year periods, for each country receiving Community assistance. Such programmes shall describe the reforms to be carried out by partners in priority sectors and include an assessment of progress made in doing so and also indicative amounts are also given. In view of the political situation in some areas (Kosovo in particular) and the nature of various

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South-east Europe, western Balkans: Community assistance, CARDS programme, 2000-2006

2000/0111(CNS) - 04/10/2000 - Legislative proposal

This amended proposal, (presented before the adoption of the EP's opinion) seeks to take into account the new guidelines proposed by the Commission concerning the reform of the management of external aid. The main aim of the reform is to improve radically the speed, quality and visibility of external aid. The programming principles are clearly set out: a strategy framework will serve as a basis for establishing an indicative multiannual programme which will enable the annual programme to be drawn up. These principles were not clearly affirmed in the previous proposal and should apply in all except exceptional cases. Stepping up programming and setting out a strategy framework to provide a basis for the assistance should allow the Member States to express their views on the priorities and broad guidelines for assistance within the management committee. The guidelines on the reform of external aid recommend that the committees' contribution focus on the programming phase rather than on specific projects, as it is at the programming stage that important issues of policy and strategy arise. It is proposed that the management committee, together with the Commission, would examine the strategy framework (country strategy paper) on which programming is to be based. The multiannual and annual programmes would be submitted to the committee for its opinion. The experience gained since the Agency began operations in February 2000 has highlighted the need to make the decision making process mechanisms connected with reconstruction programmes faster and more operational. It is proposed that the reconstruction programmes proposed by the Agency must be able to be adopted by the Commission without needing to be reviewed by the management committee, and, therefore, that the management committee procedure should not apply. Other minor amendments should be noted: - a distinction is drawn between assistance that can be provided by UNMIK and the OHR under the Regulation regarding assistance and that which is covered by Regulation (EC) 1080/2000; - there should be complementarity between Community assistance and bilateral assistance provided by the Member States; - the alteration of the Regulation setting up a European Training Foundation to allow the Foundation to pursue activities in the countries which are recipients under the regulation on assistance; - the amendment of the Council Decision granting a Community guarantee to the EIB against losses under loans for projects outside the Community to replace the reference to the Obnova Regulation with a reference to this Regulation. The proposed modifications do not entail financial consequences.