



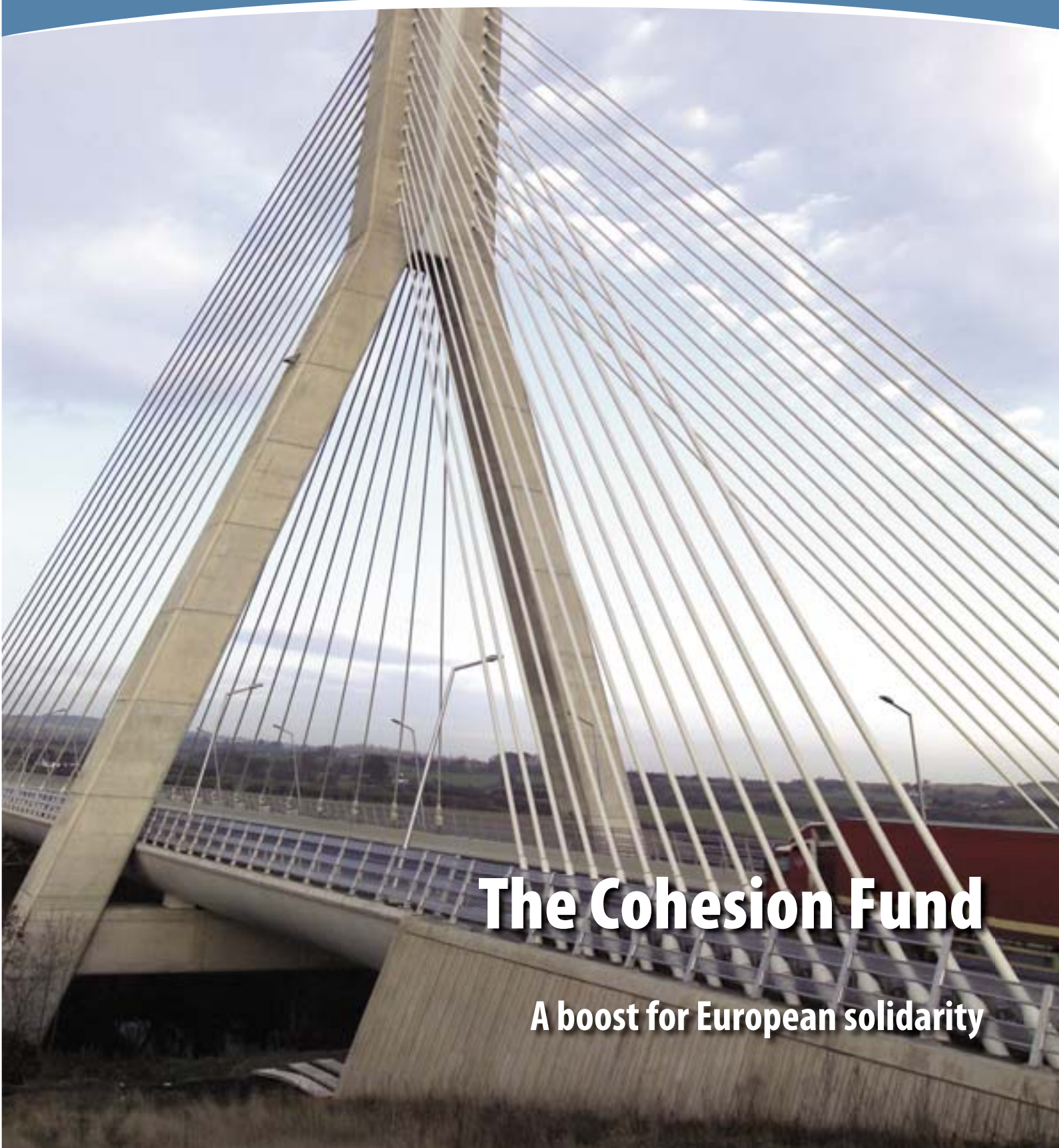
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The Cohesion Fund

A boost for European solidarity

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Based on the same concept, the ISPA pre-accession instrument shares a large number of common features with the Cohesion Fund. Since its launch in 2000, it has grant aided more than 300 large-scale environment and transport infrastructure investments in the applicant countries of central and eastern Europe.

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Third European Cohesion Forum — Paving the way for the future of the regions

On 10 and 11 May 2004, the Commission organised the third European Forum on Cohesion in Brussels. This major forum brought together contributions from a range of players on the Commission's proposed reform, for the 2007–13 period, in the context of the enlarged Europe.

REGIO and networks

Online

Photographs (pages): European Commission (1, 4, 9, 13, 15, 16, 25), Sogama (7, 11), Aguas do Zêzere SA (9, 23), EYDE-PATHE (10, 23), Ayuntamiento de La Coruña (11, 18, 20), Poland's National Fund for Environmental Protection and Water Management (12), CCCMM (19), Limerick main drainage (21), Portos da Madeira (22), project promoters (17, 23).

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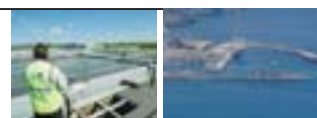


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The increased prominence of the Cohesion Fund on the European solidarity landscape

Since the last edition of *Inforegio Panorama*, there have been some major developments in cohesion policy. These are to be welcomed, as they make it possible to travel further down the road towards a new and deeper European solidarity.

At the third Cohesion Forum, on 10 and 11 May 2004, many regional development actors were able to express their opinions on the reform proposals presented by the Commission with the purpose of adapting cohesion policy, from 2007, to meet the challenges of the enlarged Europe. There was clearly remarkable consensus in support of this policy. It is also important to stress that these debates were taken into account by the Commission when drawing up its proposed regulations for structural actions (2007–13), which it adopted on 14 July. In the following pages you will find details of the principal results of the forum and a summary of the five proposed regulations.

These future regulations are particularly significant for the Cohesion Fund. Complementary to and less well known than the Structural Funds, the Cohesion Fund is not in any way of secondary importance. As it enters its 10th year, EU enlargement is lending this instrument a new dimension that will enable it to give added impetus to European solidarity. This is why *Inforegio Panorama* decided to devote this dossier to the Fund.

The Cohesion Fund was set up to help the less prosperous Member States resolve a dilemma: to provide the vital development of infrastructure needed for their trans-European transport networks and environmental protection while ensuring that the high cost of these major works does not undermine their budgetary efforts to meet the economic and monetary union criteria. Although applicable to the whole of a country's territory without distinguishing between regions, by its very nature Cohesion Fund aid makes a major contribution to regional development, in association with ERDF aid.

It was with Cohesion Fund aid — EUR 27 billion since the Fund was set up in 2003 — that major works were initiated in the first four beneficiary countries (Greece, Portugal, Spain, Ireland) in order to build bridges and ring roads, strengthen the railway network, expand ports and airports, supply large towns with drinking water, process waste water, evacuate solid waste, clean rivers, combat erosion, and so on.

Alongside the Cohesion Fund, between 2000 and 2004 its 'little brother', the Structural Instrument for Pre-Accession (ISPA), provided aid in these same fields in the central and east European countries, which were candidate EU members (including Bulgaria and Romania).

Due to the country's exceptional progress, since the end of 2003 the Cohesion Fund has no longer granted aid to Ireland. It continues to assist Greece, Portugal and Spain, however, and in 2004 extended its action to the 10 new Member States where it is taking over from the ISPA. It therefore covers the entire territory of 13 of the 25 Member States. For the 2004–06 period, it will be allocating close to EUR 8.5 billion to the new Member States, with an annual volume of resources three times that of the ISPA. This is to give some idea of the increased significance of the Fund.

This strengthened solidarity, which takes into account the vast needs of the new additions to the European family, is not simple charity. It is a key element in building a strong and coherent policy of economic, social and territorial cohesion for the Europe of 25 that is designed to increase the Union's competitive advantages in the interests of a dynamic growth that generates jobs and whose foundations are sustainable. *Inforegio Panorama*, true to its mission, must help the regional development actors in contributing to this process.

The editorial team

The Commission's legislative proposals

A remodelled cohesion policy for 2007

On 14 July 2004, the European Commission adopted its legislative proposals on reform of cohesion policy for the 2007–13 period. With total resources of EUR 336.1 billion, or approximately one third of the Community budget, the proposed approach is designed to achieve action that is more targeted on the EU's strategic priorities — the Lisbon and Gothenburg agendas, the European employment strategy — and more concentrated on the Union's least favoured regions while anticipating changes in the rest of the Union, more decentralised, and implemented in a way that is simpler and more efficient. The proposals include a general regulation, a regulation for each of the sources of financing — European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund — and a completely new proposal to create a cross-border cooperation structure.

These are major reforms that will redraw the landscape of European solidarity in an enlarged Union. The strategy and resources of cohesion policy will be regrouped around three new priority objectives for structural actions (in short: convergence, competitiveness and employment, cooperation). Important measures for innovation and simplification are proposed, including:

- > the introduction of annual 'strategic dialogue' with the Member States and the Council, as well as with the European Parliament, the Economic and Social Committee and the Committee of the Regions, to ensure that European priorities are respected throughout the period;
- > a reduction in the number of financial instruments for cohesion (three rather than six);
- > full recognition and increased financing for areas with a natural handicap and greater attention paid to the urban dimension;
- > a wider delegation of responsibilities to the Member States and regions, including in the field of control, while maintaining financial rigour;
- > for the Cohesion Fund, multi-annual programming and the same rules as for the Structural Funds;
- > the financing of operational programmes by a single Fund (ERDF or ESF), except for 'infrastructure' programmes for which the ERDF and Cohesion Fund intervene jointly;
- > last but not least, all the Union's territories and citizens will be able to benefit from the new cohesion policy that, although centred on the most disadvantaged, is adapted to respond to all situations.



On the hills of Prague, Czech Republic

These proposals have not in any way been 'handed down' from Brussels, but result from a wide-ranging debate initiated by the Commission three years ago, a debate that fuelled the third cohesion report and that reached its culmination at the third Cohesion Forum in May 2004. Regular discussions are continuing, moreover, within the Structural Funds Working Group at the Council and within the European Parliament's new Committee on Regional Policy (REGI). During the first half of 2005, the European Council under the Luxembourg presidency will be able to make a decision on the new financial perspectives, after which the Council can agree on the new regulation. Within the following three months, the Council will adopt the 'Community strategic guidelines for cohesion'. On this basis it will then be possible to prepare the new generation of programmes during 2006. The aim is for the actions to start up at the beginning of 2007.

The general regulation

The linchpin of these proposals is the regulation laying down the general provisions for the two Structural Funds for the 2007–13 period (ERDF and ESF) and for the Cohesion Fund. Here is a summary of the key components.

Objectives, eligibility, resources. The three current priority objectives of the Structural Funds — Objective 1: regions lagging behind in development; Objective 2: regions undergoing economic and social conversion; Objective 3: training systems and employment promotion — will be replaced in 2007 by the following three objectives.

- > **Convergence** (ERDF, ESF, Cohesion Fund; EUR 264 billion, that is 78.54 % of contributions

by the Funds compared with the present 75 %). This objective aims to speed up the economic convergence of the less developed Member States and regions, by means of: improving conditions for growth and employment by investing in human and physical capital; innovation and the development of the knowledge society; encouraging adaptability to economic and social change; protection of the environment; improving administrative efficiency.

Close to the present Objective 1, the convergence objective will concern first and foremost Member States or regions whose per capita gross domestic product (GDP) is less than 75 % of the average for the enlarged EU — which is mainly the case for the majority of the new Member States. Whether or not they qualify under the convergence objective, the outermost regions (Guadeloupe, French Guyana, Martinique, Réunion, Azores, Madeira and the Canary Islands) will benefit from specific aid from the ERDF. Specific 'phasing out' support will be granted, on a decreasing basis, for regions whose per capita GDP exceeds the 75 % EU average solely due to the statistical effect of enlargement. Finally, Objective 1 will cover Member States whose gross national income (GNI) is below 90 % of the EU average and which consequently benefit from the Cohesion Fund.

- > **Regional competitiveness and employment** (ERDF, ESF; EUR 57.9 billion, 17.22 % of the total). For the rest of the Union, a twofold approach is proposed. On one hand, the regional development programmes (ERDF) will strengthen regional competitiveness and attractiveness by supporting innovation and the knowledge economy, the environment, risk prevention and access — outside the major urban centres — to transport and telecommunications services of general economic interest. On the other hand, programmes at the national or appropriate territorial level financed by the ESF will help workers and companies, on the basis of the European employment strategy, to adapt to change and encourage the development of job markets that award priority to social inclusion.

All areas not covered by the convergence objective will be liable to benefit under the competitiveness objective. Regions under the present Objective 1 that, in 2007, will no longer be eligible under the convergence objective due to the economic progress achieved, will receive specific 'phasing in' support on a decreasing basis to consolidate the catching-up process.

- > **European territorial cooperation** (ERDF; EUR 13.2 billion, 3.94 % of the total). The purpose is to intensify cooperation at three levels: cross-border cooperation through joint programmes for regions lying on internal land borders and certain external borders, as well as certain regions lying on sea borders; cooperation between transnational zones; networks for cooperation and the exchange of experiences throughout the Union.

Cross-border cooperation will also contribute to the future European Neighbourhood and Partnership Instrument and the Instrument for Pre-Accession. These will replace the present Phare, Tacis, MEDA, CARDS, ISPA and Sapard programmes. The inter-regional cooperation networks will be extended to the whole of the Union territory.

Specific territorial characteristics. The programming will take particular account of the following specific territorial characteristics.

- The towns, and medium-sized towns in particular, whose role in regional development will be boosted with aid for urban regeneration and that will be delegated direct responsibilities.
- Rural areas and areas dependent on fisheries, which will be the subject of actions to encourage a more diverse economy financed by the Structural Funds on the basis of complementarity and consistency with the new European Agricultural Fund for Rural Development (EAFRD) and European Fund for Fisheries (EFF). These will replace the Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) and the Financial Instrument for Fisheries Guidance (FIFG), but will cease to be part of the Structural Funds. The degree of financial concentration on the convergence objective will, however, remain the same as for the present Objective 1.
- The outermost regions, regions with a natural handicap (islands, mountains), sparsely or very sparsely populated areas and former external border areas.

Community participation and increases. The contribution of the Funds to public expenditure will be subject to the following limits for the respective programme priorities: 85 % for the Cohesion Fund; 75 % for the ERDF or ESF under the convergence objective, and exceptionally as much as 80 % for countries benefiting from the Cohesion Fund; 50 % for the ERDF and the ESF under the competitiveness objective; 75 % for the ERDF under the cooperation objective; 50 % for the new additional allocation to the outermost regions (compensation for extra costs). The contribution is increased to 85 % for operational programmes in the outermost regions and on the outlying Greek islands. Finally, increases are proposed in the following cases:

- + 10 % for inter-regional cooperation actions under the convergence and competitiveness objectives;
- + 5 %, under the competitiveness objective, for regions with a natural handicap (islands, mountain areas), sparsely or very sparsely populated areas and areas that formed external borders until 30 April 2004. The increases for these different zones can be combined up to a total Community participation of 60 %.

In response to a concern that is often expressed, the regulation stipulates that aid from the Funds is recovered if, within a period of seven years, substantial modifications are made regarding a firm or public body, or result from the cessation of a productive activity, following relocation for example. A firm that is or has been subject to a recovery procedure can no longer benefit from a contribution from the Funds.

Strategy, decentralisation, simplification. While the proposed reform maintains the basic principles of the mechanism implemented — multi-annual programming, partnership, co-financing, evaluation — it includes a series of innovations aimed at making cohesion policy more efficient. These include the following.

- > A more strategic approach to programming, based on the Community strategic guidelines on cohesion and on the new national strategic reference frameworks, presented by the Member States and approved by the Commission. These reference documents will replace the present Community Support Frameworks and single programming documents as well as the programming complements.

Providing a succinct description of the Member States' strategy and the principal operations that result from it, they will constitute a political charter for drawing up operational programmes.

- > A clear delimiting of the framework, nature and division of responsibility between the different actors charged with managing the Community budget and the monitoring and evaluation of actions: implementing Member States, regions and bodies on one hand; the Commission on the other.
- > As part of the same approach, increased confidence in the control systems of the Member States when they are the principal financial contributors and the Commission has obtained an assurance of the reliability of these systems: this is the new principle of 'proportionality'.
- > Improved concentration by balancing the geographical, thematic and financial aspects. In particular, this will result in the abandoning of pre-established 'micro-zoning' for the future programmes under the competitiveness objective: while it is important to concentrate resources on the most disadvantaged pockets or areas, it must also be acknowledged that — while avoiding the dilution of actions — the solution to problems is linked to the implementation of a coherent strategy for an entire region.
- > More coherent action by each of the Structural Funds (ERDF, ESF) by virtue of the principle of 'one Fund per programme', coupled with the possibility of financing, up to a maximum of 5 %, activities covered by the other Fund but linked directly to the programmed operations. This margin can be as much as 10 % for the ESF in the case of programmes for the social regeneration of urban areas. On the other hand, for a better coordination of heavy investments by the ERDF and Cohesion Fund, the latter will no longer finance individual projects but priorities within joint ERDF/Cohesion Fund programmes, subject to the same rules of automatic decommitment ('n + 2').
- > In the field of financial management, three important simplifying elements are introduced. Firstly, payments will be on the basis of priorities rather than measures. Secondly, the Community contribution will be calculated solely on the basis of public expenditure. Thirdly, national rules will largely determine the eligibility of expenditure,

with the exception of a limited number of fields such as VAT, which will remain ineligible.

The ERDF, ESF and Cohesion Fund regulations

Here are just some of the elements including in the proposed regulations.

- > Under the convergence objective, new stress is placed on action by the ERDF in the field of research and innovation as well as the environment and risk prevention. Under the competitiveness objective, this action will have a triple emphasis: innovation and the knowledge economy; the environment and risk prevention; accessibility to transport and telecommunication services.
- > The ERDF regulation also includes specific provisions for the urban dimension, rural areas and areas dependent on fisheries, areas with a natural handicap and the outermost regions.
- > The ESF's action under the convergence objective will focus in particular on good governance and the strengthening of the institutions.
- > The field of action of the Cohesion Fund will be broadened to include energy efficiency, renewable energy, intermodal transport and urban and collective transport.

The European Groupings of Cross-border Cooperation (EGCCs)

The last proposed regulation takes into account the difficulties faced by the Member States, the regions and the local authorities in implementing cross-border, transnational and inter-regional actions as a result of the many different national laws and procedures. This will make it possible to set up entities with a legal personality, the 'European Groupings of Cross-Border Cooperation' (EGCCs), to oversee the implementation of cross-border programmes on the basis of an agreement between national, regional and local authorities or other public services.

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- > Proposal for a European Parliament and Council regulation on the European Regional Development Fund, 14 July 2004, COM(2004) 495 final.
- > Proposal for a European Parliament and Council regulation on the European Social Fund, 14 July 2004, COM(2004) 493 final.
- > Proposal for a Council regulation establishing the Cohesion Fund, 14 July 2004, COM(2004) 494 final.

- > Proposal for a European Parliament and Council regulation establishing a European Grouping of Cross-border Cooperation (EGCC), 14 July 2004, COM(2004) 496 final.

The full text of the proposals, a fact sheet and other information on the reform process are available at the Inforegio site: http://www.europa.eu.int/comm/regional_policy/debate/forum_en.htm

Rural development and fisheries

- > Proposal for a Council regulation on support for rural development by the European Agricultural Fund for Rural Development, 14 July 2004, COM(2004) 490 final.
- > Proposal for a Council regulation on the European Fund for Fisheries, 14 July 2004, COM(2004) 497 final.

The Cohesion Fund in evolution

by John Walsh ⁽¹⁾

A train carrying waste arriving at the Cerceda Environmental Complex (Spain) cofinanced by the Cohesion Fund



While related to the family of Structural Funds, the Cohesion Fund has been more of a first cousin than a sibling. Since 1994, it has retained its distinctive objectives and implementing provisions while achieving a high degree of coordination with the ERDF. Now more than 10 years old, the Cohesion Fund took on a new lease of life with the addition of 10 new beneficiary States on 1 May 2004. Looking ahead to the 2007–13 programming period, the Commission is proposing that the implementing rules be adapted to align with the general programming rules — although the Cohesion Fund will keep key distinctions. The prospect is for the Cohesion Fund to be adopted by its relatives and move completely into the family home.

The underlying justification for the Cohesion Fund arises from an interesting dilemma. It is clear that to make the single market work, the least prosperous Member States must

invest heavily to increase their capacity for growth. This includes considerable additional investment in expanding, upgrading and modernising infrastructure. On the other hand, if these countries wish to join the euro zone, they have to keep their public debt under control. This means keeping a tight rein on public finances while at the same time making the necessary increases in investments. The Maastricht Treaty provided a way out of this dilemma by creating a new fund to channel financial assistance to the least prosperous Member States: the Cohesion Fund.

The Cohesion Fund has helped the original four countries qualifying for its assistance (Spain, Portugal, Ireland and Greece) to meet the euro convergence criteria and at the same time to continue to invest in infrastructure.

Let us examine how the implementing rules governing this unique fund have evolved. While the principles have remained broadly stable over the last 10 years, there were changes arising from the experience of implementation during the 1994–99 period, with the Council agreeing a number of improvements to the regulation in 1999. Over time, the

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Commission has also refined its policies and practices in the management of projects. The rules now established will be applied to activities in the 10 new Member States during the 2004–06 period and to those projects assisted already under the Structural Instrument for Pre-Accession (ISPA) ⁽²⁾. However, for the next programming period the delivery of the Cohesion Fund is likely to undergo a significant change.

The distinctive features of the Cohesion Fund — 1994

The Cohesion Fund has not received as much study or public attention as its better known cousin the European Regional Development Fund (ERDF). This relative lack of public familiarity can be explained by the fact that, firstly, eligibility for the Fund on its creation was limited to only 4 of the 15 Member States and, secondly, it was established with certain specific differences relating to its objectives and implementation.

The Cohesion Fund was formally established by a Council regulation on 16 April 1994 ⁽³⁾. From the outset, the specific differences of the Cohesion Fund, compared with the then system for the Structural Funds, were as follows.

- > The Cohesion Fund provided support to projects within the eligible Member State without internal regional distinction.
- > Macroeconomic conditionality was attached to the Cohesion Fund as a funding mechanism. Essentially, the eligible Member States had to submit a convergence programme with a view to joining the euro zone. In complying with that programme each State had to avoid an excessive public deficit. As the Fund's objective was to replace national expenditure, the additionality test of the Structural Funds was not applied.
- > The assistance was targeted on meeting the objectives of the environment action programme and contributing to the trans-European networks — transport.
- > The overall breakdown of assistance to projects in the eligible sectors of environment and transport had to reflect a suitable balance. The Commission interpreted this to mean a 50:50 balance in assistance to the two sectors.
- > Grants were awarded on a project-by-project basis by the Commission on application by the Member States and, as a rule, the projects had to have a minimum eligible cost of EUR 10 million.

Evolution of the implementing rules

The revised Cohesion Fund regulation in 1999 ⁽⁴⁾ emphasised the need for a more strategic approach and for projects to be consistent with a general environmental or transport strategy at administrative or sector level. The Commission took the view that such strategies should be defined and set down formally in one or more 'strategic reference frameworks' in each beneficiary State. This and other operational proposals were set out in the *Guide to the Cohesion Fund* of 2000 ⁽⁵⁾. This document also provided:

- > guidelines from the Commission on the priorities for Cohesion Fund assistance in the sectors of environment and transport;
- > measures to take better account of private sources of finance;
- > encouragement of public/private partnerships which could maximise the multiplier effect of Community finance and increase the amount of infrastructure financed;
- > certain measures to rationalise the management of the Fund, such as a new standard application form.

Other developments in the implementation of the Fund since 1999 can be characterised as improvements in the rules governing projects and clarification of the Commission policy in appraising and managing projects.

In the 2000–04 period, common rules, to be respected in implementation, were fixed by Commission regulations. The rules modified in this way relate to:

- > financial management and control and financial corrections procedures (2002);
- > eligibility rules that align more closely to the Structural Funds eligibility fiches (2003);
- > simplified rules on information and publicity (2004).

These regulations simplified the grant decision used for each project and brought the implementation regime for the Fund closer to that of the Structural Funds.

Also, the Commission policy and practice in appraising large projects under the Structural Funds and the Cohesion Fund were also refined with the publication of the revised *Guide to cost-benefit analysis of investment projects* in 2002 ⁽⁶⁾.

⁽²⁾ See following article.

⁽³⁾ OJ L 130, 25.5.1994, p. 1.

⁽⁴⁾ http://europa.eu.int/comm/regional_policy/sources/docoffic/official/reglem_en.htm

⁽⁵⁾ Available in English, French, Greek, Portuguese and Spanish at: http://europa.eu.int/comm/regional_policy/sources/docoffic/working/sf2000_en.htm

⁽⁶⁾ http://europa.eu.int/comm/regional_policy/sources/docgener/guides/cost/guide02_en.pdf



Communicating about the Cohesion Fund: the new regulation

As with the Structural Funds, information and publicity have to be provided regarding projects financed by the Cohesion Fund. In this respect, the new regulation ratified in 2004 significantly simplifies the measures laid down in Decision (EC) No 455/1996 which applied until recently.

The new Regulation (EC) No 621/2004, first of all reiterates the two principal messages around which Cohesion Fund communication should be structured, namely:

- > the project supported by the Fund contributes to the reduction of social and economic disparities between European Union citizens;
- > successful implementation of the project has been made possible through the financial contribution from the Cohesion Fund.

As well as explaining the project's practical impact, the first message is a reminder of the objective of European intervention: the Union promotes equal opportunities among its citizens. Furthermore, reference to the term 'citizen' is not purely a formality: the final receiver of the communication, the citizen, has to feel that he or she is implicated.

The messages can be expressed in terms other than those in the regulation and there is no ban on using simple and catchy expressions. The two messages are reinforced by the inclusion of the EU flag. In terms of the communication tools and actions to be used, the only stipulations included in the regulation concern media relations and the positioning of signboards and commemorative plaques.

At the end of the 1993–99 period, in common with the Structural Funds, there was a significant unspent commitment balance under the Fund representing around 120 % of the 1999 budget for the Cohesion Fund by the end of 2000.

To address this issue, the Commission engaged in an active dialogue with all the Member States to accelerate closure. In order to further improve the quality of projects and the pace of absorption, the Commission also took the initiative in 2002 of informing the beneficiary States that it was adopting a policy of limiting the modifications allowed when granting decisions ⁽⁷⁾. By the end of 2003, the amount remaining represented around 40 % of the 1999 budget.

Challenges for the future

The Cohesion Fund started life with four beneficiary States with a per capita gross national income (GNI) of less than 90 % of the EU average. With the eligibility revision of 2003 ⁽⁸⁾, the Cohesion Fund has seen its first student graduate from the 'class of 1993'. With an average GNI of 101 % of the EU-15 average in the years 2000–02, Ireland was deemed to exceed the eligibility threshold and has no longer been eligible for support from 2004. This reduction to three eligible countries has quickly been superseded with the expansion of eligibility to the 10 new Member States on 1 May 2004.

Now, with more than half of the members of the EU-25 implicated directly in its activities, the relative importance of the Cohesion Fund has increased. Moreover, an increased proportion of the money being made available under cohesion policy to each of the new Member States is provided under the Cohesion Fund. By way of comparison, Ireland received total resources of EUR 7 840 million in the 1994–99 period, with Cohesion Fund assistance of EUR 1 490 million (current prices) or 19 % of the total. The comparable average share of the Fund for the new Member States is 35 %.



Portugal: construction of a waste water treatment plant with the help of the Cohesion Fund

⁽⁷⁾ http://europa.eu.int/comm/regional_policy/sources/docoffic/official/orient_en.htm

⁽⁸⁾ Commission communication COM(2004) 191 of 24 March 2004.

Relative share of the Cohesion Fund in the new Member States for the 2004–06 period

million EUR	Total resources	Cohesion Fund	Share (%)
Czech Republic	2 621.2	936.1	36
Estonia	695.1	309.0	44
Cyprus	113.4	53.9	48
Latvia	1 164.3	515.4	44
Lithuania	1 537.7	608.2	40
Hungary	3 207.4	1 112.7	35
Malta	88.7	21.9	25
Poland	12 809.7	4 178.6	33
Slovenia	456.3	188.7	41
Slovakia	1 757.4	570.5	32
Total	24 451.2	8 495.0	35

Also, the implementation of the Cohesion Fund, with around three times the annual volume of resources previously allocated to the ISPA pre-accession instrument, represents a dramatic expansion of activity in the new Member States. Following the experience of the Commission and the beneficiary countries with the delivery of ISPA infrastructure projects it is clear that delivering a sufficient number of quality projects will represent a major challenge for the relevant national administrations and for the Commission.

In 2004, the Commission therefore proposed a new dialogue to encourage beneficiary countries to reinforce their capability to absorb and manage the available EU funds. The measures to be taken will be defined by the beneficiary States themselves according to their specific circumstances and focus initially on the project identification, selection, preparation and evaluation stages.



The Cohesion Fund at the service of transport: a view of the Patras–Athens–Thessaloniki motorway in Greece

Further evolution — 2007–13

The Commission already signalled in the third cohesion report^(*) that the Cohesion Fund should be more completely integrated into the operation of the mainstream Structural Funds. The Commission has now prepared a new legislative package to cover the implementation of the Structural Funds and the Cohesion Fund in the 2007–13 programming period.

The Commission's proposal maintains the distinctive objectives of the Cohesion Fund — in particular the retention of the macro-economic conditional nature of Cohesion Fund support, the 90 % GNI eligibility threshold and a sectoral targeting of the assistance. On the other hand, the proposal outlines a major reform in the implementation of the Cohesion Fund — a switch from project-based support to programme-based support. It details the common arrangements that would be set for the Cohesion Fund and the ERDF as follows.

- > Coordination with the ERDF at a strategic level will take place within the relevant programmes. In particular, the Cohesion Fund support is proposed for delivery in relevant national programmes under separate priorities alongside ERDF priorities.
- > Common evaluation and monitoring arrangements will be applied across the relevant programmes (selection criteria, indicators, monitoring committees, etc.).
- > The ERDF and Cohesion Fund eligibility rules will be set out in the general regulation with eligibility restrictions set out in the regulation for each fund.
- > Financial management and financial control requirements will be unified (i.e. single annual commitment by fund).
- > The financial arrangements and spending discipline of the Structural Funds (annual programme commitments and automatic decommitment) will be introduced to encourage prompt use of the Cohesion Fund budget resources.

The programming of the Cohesion Fund will herald a new balance in the relationship between the beneficiary Member States and the Commission in relation to Cohesion Fund implementation.

The Member States will now have the authority to choose the projects for Cohesion Fund support under their national programmes while respecting the sectoral objectives of the Cohesion Fund and more limited rules on expenditure eligibility. This will reduce significantly the number of projects requiring Commission approval. Only in the case of major projects will the Member States be required to seek the approval of the Commission for the grant rates. Also, the application of common simplified programming rules will automatically lead to a simplified management of ERDF and Cohesion Fund activities.

^(*) Third report on economic and social cohesion, 2004, p. XXXV.



The Cerceda Environmental Complex (Spain)

This authority will be combined with increased responsibility for the Cohesion Fund managing authorities in terms of selection, appraisal, analysis, monitoring, management and ensuring speedy implementation to avoid loss of assistance. Given the nature of the activities supported by the Cohesion Fund — infrastructure delivery — the introduction of programme-based financial discipline will not be without its challenges. However, as has been demonstrated in the current programmes, such discipline gives a strong incentive to quick programme start-up and the early delivery of programme benefits.

In conclusion, the Commission's proposal aims to achieve a maximum degree of coordination between the ERDF and Cohesion Fund, equal treatment of the funds in terms of financial management, and harmonised implementation rules giving the national authorities the opportunity for simplification in management arrangements.

Main benefits of the Cohesion Fund

The Cohesion Fund helped the original four beneficiaries to meet the convergence criteria for euro zone membership. Some of the other benefits of the Cohesion Fund to date are summarised in the tables below.

Commitments to date

Country	1993–99		2000–03	
	million EUR	%	million EUR	%
Greece	2 998	17.9	1 767	16.1
Spain	9 251	55.2	6 795	61.8
Ireland	1 495	8.9	584	5.3
Portugal	3 005	17.9	1 848	16.8
Total	16 749		10 994	

The four beneficiaries have received assistance of EUR 27 000 million to date. This represents a major contribution to the effort to modernise the infrastructure.

Investment priorities 1993–99 (%)

	Greece	Spain	Ireland	Portugal	All
ENVIRONMENT	48.8	50.3	50.0	51.9	50.3
Water supply	20.5	13.1	16.8	16.9	15.4
Waste water	23.7	22.4	32.1	8.4	22.8
Solid waste	0.7	5.2	0.6	14.6	5.7
Other	4.0	9.7	0.4	2.1	6.4
TRANSPORT	51.2	49.7	50.0	48.1	49.7
Roads	27.8	28.2	37.4	28.5	28.1
Rail	19.8	20.1	9.5	11.1	16.8
Air/sea ports	13.8	1.1	2.8	8.5	4.4
Other	1.3	0.3	0.4	0	0.4

Overall, the 50:50 balance sought was respected. With some national variations, the two most important sectors were roads and waste water.

Number of decisions granting assistance

	1993–99	2000–03	Total
Greece	77	86	163
Spain	371	270	641
Ireland	116	9	125
Portugal	149	65	214
Total	713	430	1 143

These decisions represent single projects, project stages or individual groups of projects. In 2003, the Commission launched an *ex post* evaluation study to look at a large selection of completed projects in the four beneficiary States to assess the degree to which they met their original objectives. The results of this exercise are expected later in 2004.



Waste treatment plant in Corunna (Spain)

Poland

'Cohesion Fund in Poland — project appraisal dilemmas'



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There is a strong expectation that the Cohesion Fund will play an important role in implementing the environmental *acquis communautaire* in Poland. Forecasts show that in the 2003–10 period approximately 19 % of investment outlays for municipal environmental infrastructure may be covered by the Cohesion Fund ⁽¹⁾.

Since the number of potential projects and their financial value is significantly higher than available assistance from the Cohesion Fund, there is a need to establish an efficient and transparent system for project appraisal. Project appraisal methodology indicates two possible approaches.

- (1) Projects are selected on the basis of a detailed national programme for a specific field. These programmes should reflect the demand for the necessary investments and should define the lists of necessary projects aimed at meeting the requirements of the EU directives.
- (2) When national programmes are not available or do not specify lists of necessary projects, projects should be appraised on the basis of ranking lists prepared according to a set of measurable and comparable criteria.

Currently, the driving forces for project appraisal in Poland do not fully reflect those approaches. Firstly, there is a strong political concern about spending all the available resources from the Cohesion Fund. This results in decisions which do not necessarily promote efficiency-based mechanisms to finance the most urgent environmental projects that meet the provisions

of the directives ⁽²⁾. Secondly, national programmes (apart from the national programme for waste water treatment) could be more detailed and clearly define a project portfolio. Thirdly, the number of projects proposed by the municipalities for Cohesion Fund financing is relatively high, while the quality and credibility of the proposals and documentation submitted differ greatly for each project.

Therefore, the appraisal procedure should be based on a more robust system using criteria that permit project ranking. It seems that current procedures should be modified in order to increase transparency and accountability, and to allow comparability. Establishing such a system will help the municipalities to reflect to a greater extent the Cohesion Fund investment priorities in their projects.

Another important issue is that the current approach to project selection lacks a strategic approach to holistic implementation of environmental *acquis communautaire*. The allocation of the financial resources should reflect financial needs resulting from agreed implementation programmes under the environmental directives. The Cohesion Fund is an instrument that makes it possible to introduce corrections to the allocation patterns. These corrections should be aimed at ensuring financing in those areas where possible financing deficits may occur, for example, the waste management sector ⁽³⁾. It should be noted, however, that such corrections will be of little use if proper legislative requirements are not introduced.

As the Cohesion Fund will also provide assistance during the next programming period, based on a programme approach, the activities aimed at improving the selection process are all the more worthwhile and should be intensified.

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Szczecin: construction of a water pumping station financed by the ISPA

⁽¹⁾ Calculations include necessary municipal investments in waste water treatment and waste management. They were based on the forecasted payments (including delays in utilisation of the funds). For the forthcoming financial period it was assumed that EU and domestic resources will remain at the same level as in years 2004–06.
⁽²⁾ For example, financing investment in heavy water management projects (water reservoirs) is not a means of meeting transitional deadlines for implementing environmental *acquis communautaire*.
⁽³⁾ Berbeka, K., *Financial flows for implementing EU environmental directives in Poland, Lithuania, Latvia and Estonia*, Institute of Environmental Economics, September 2003.

Four years of the ISPA: from pre-accession to cohesion

by Willem Kuypers ⁽¹⁾

Based on the same concept, the ISPA pre-accession instrument shares a large number of common features with the Cohesion Fund. Since its launch in 2000, it has grant aided more than 300 large-scale environment and transport infrastructure investments in the applicant countries of central and eastern Europe.



The Instrument for Structural Policies for Pre-Accession (Instrument Structurel de Pré-Adhésion/ISPA) is one of the three instruments (Phare, ISPA, Sapard) that formed part of the pre-accession strategy adopted in December 1997 at the Luxembourg European Council for the 2000–06 period. Its objective was to grant aid infrastructure in the EU priority fields of transport and the environment in the 10 candidate countries of central and eastern Europe ⁽²⁾. It was allocated a budget of more than EUR 1 billion a year, distributed over these countries according to their population, surface area and per capita GDP. Now, after four years of implementing the ISPA, assistance amounting to EUR 7 billion has been disbursed for an investment value of over EUR 11.6 billion.

Between 2000 and 2003, more than 200 environment projects were assisted, essentially relating to water supply, sewage systems, waste water treatment, and waste management. Beyond increasing environmental protection, this has helped applicant countries to strengthen their understanding and administrative capacity to implement key environmental legislation, and to accelerate sector reforms when required.

In the transport sector, the ISPA assisted the development of the future trans-European transport network (TEN-T). It supported the interconnection and interoperability within the candidate countries' national networks, as well as between these networks and the Union's network. Priority was given to over 100 infrastructure projects along the pan-

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⁽²⁾ Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

European transport corridors — including cross-border infrastructure — such as railways, roads, airports, traffic monitoring systems, and so on.

From the start, the ISPA funds were equally distributed between the environment and transport sectors. Within the latter sector, rail was favoured as a more sustainable transport mode compared with roads.

In addition to funding capital investments, various forms of technical assistance were provided, totalling almost EUR 200 million. This assistance focused on fields in which beneficiary countries faced difficulties in implementing the required standards. The capacity of national bodies to prepare and implement projects, as well as to implement and enforce environmental policy, was enhanced, and both decentralised procurement and financial management were promoted. Several system audits were undertaken to assess and improve the countries' financial management and control systems.

Overall, these interventions were to familiarise the ISPA countries with EU funding principles and procedures and, consequently, prepare them for the sound management of EU Structural Funds after accession, in particular the resources of the Cohesion Fund.

Programming and grant aiding investments

Projects needed to be in line with sector strategies defined at national level. These strategies established mid-term investment priorities as well as project selection criteria for each of the two sectors.

Project cost should not be less than EUR 5 million but projects could be grouped if they were pursuing a same functional, geographic or economic objective. The average size of projects funded amounted to EUR 33 million, with a few large-scale projects, such as a EUR 340 million investment for railway electrification and upgrading, and a EUR 288 million investment for a water quality improvement project, both situated in Poland.

The Commission appraised the technical, economic and financial merits of each project application. Where necessary, it relied on external expertise. This included expertise from international financial institutions such as the European Investment Bank and the European Bank for Reconstruction and Development — its privileged partners for complementing ISPA grants with loan financing.

Before deciding on granting assistance, the Commission consulted the ISPA Management Committee, which was composed of representatives of the EU-15 Member States. The grant rate varied from project to project according to a number of conditions and requirements. The admissible ceiling being 75 % of the eligible investment cost, the average grant rate has been around 65 %.

Learning by doing

As for any infrastructure project, the quality of the preparation of a project determines the lead time needed to launch the tendering of the works and indeed the works themselves. The better all aspects of the project have been prepared, the quicker and easier the contracts can be concluded and the grants paid. It is clear, however, that experience in this respect cannot be gained overnight and has to be built up progressively. This is especially true when project beneficiaries are not acquainted with international technical standards or with procurement rules and procedures that are designed to ensure equal access, fair treatment and transparency for eligible firms and individuals.

For this reason, the ISPA was implemented through a system whereby tendering and contracting documents and procedures were checked in advance (*ex ante* approval) by the Commission delegations in the beneficiary countries. Also, because fulfilling the legal requirements for public procurement proved to be a major challenge, the Commission developed various technical assistance activities to improve recipients' procurement skills, systems and procedures.

Working for success

Progress and effectiveness in managing and implementing the ISPA projects was monitored and evaluated in various ways, based on regular meetings, monitoring reports drawn up by the implementing bodies, auditing of assistance and site visits by Commission staff. Formal monitoring took place through ISPA Monitoring Committee meetings organised twice a year in each beneficiary country. Similarly, staff of Commission delegations played an important role in supervising the daily management and implementation of the ISPA measures.

From all this, one can conclude that most of the beneficiary countries have made major progress in terms of hands-on capacity to manage and implement the ISPA funds. Progressively, they succeeded in better observing the standards and procedures that apply to the traditional instruments of EU cohesion policy, namely the Structural Funds and the Cohesion Fund.

Moreover, they have worked hard to set up financial supervision and control systems for EU aid which are sometimes more advanced in the concept of good control systems than some of the EU-15 Member States. This demonstrates that the various actions taken by the Commission in support of the authorities in charge of programming, implementation, and financial management and control are bearing fruit.

Nonetheless, there remain weaknesses which need to be addressed further in the future if truly effective and reliable management and control systems are to be achieved. For instance, some of the countries still fail to allocate sufficient financial and human resources for the planning, preparation and management of EU-funded measures. A key example is the environment sector where the high turnover of civil



Waste water treatment plant supported by the ISPA in Slovenia

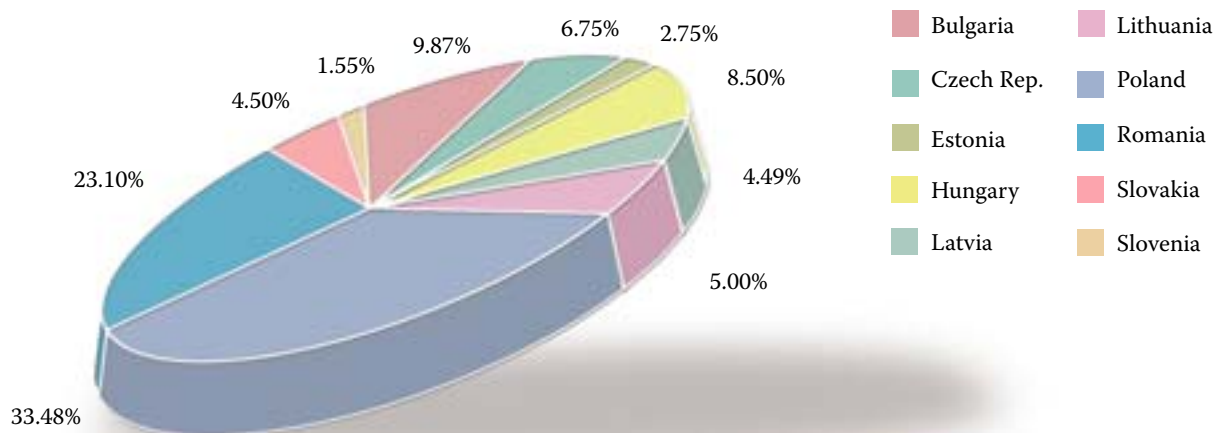
servants due to low salaries is rather endemic. The qualification of staff is not always up to the level of skills required to manage complex infrastructure projects, in particular, as mentioned above, where tendering and contracting are concerned.

From the ISPA to the Cohesion Fund

On 1 May 2004, the ISPA formally ceased to exist for the eight new Member States of central and eastern Europe. Their per capita GDP being below 90 % of the EU average, they have all become eligible for the Cohesion Fund. This Fund is the EU cohesion policy instrument on which the ISPA was based and which also supports the realisation of investments in environment and transport infrastructure. Ongoing ISPA projects have been transformed into Cohesion Fund projects and will be completed under this Fund's rules. As decided at the Copenhagen European Council in December 2002, Bulgaria and Romania will continue to benefit from the ISPA and will receive gradually increasing allocations until the end of 2006.

Under the Cohesion Fund, the allocations for the new Member States from central and eastern Europe will more than treble: from EUR 0.75 billion per year under the ISPA to EUR 2.8 billion per year for the 2004–06 period. Commitments to ongoing projects approved under the ISPA before January 2004 will account for a substantial part of the increased budget. However, new investments should be identified and prepared in order to dispose of a project pipeline which can warrant the absorption of the Fund's budget. Similar efforts are required from Bulgaria and Romania for the ISPA.

ISPA: Distribution by country (commitments 2000–03)



Environment and transport: challenges ahead

The ISPA accelerated sector reforms and the implementation of crucial infrastructure in the fields of environment and transport. Huge investments are nevertheless still needed to reach full convergence with EU standards.

Undoubtedly, significant progress in environmental protection has been made by all applicant countries — the new Member States as well as Bulgaria and Romania.

During the last decade, the state of the environment has improved, in particular with regard to air and water pollution reduction. The main air pollutants have declined by 60–80 % and toxic metals by 50 %, while pollution of water with organic matter has decreased by as much as 80 %. The percentage of homes and other installations whose effluent is sent to waste water treatment plants has doubled since the early 1990s.

However, it is estimated that, to achieve full implementation of the EU environmental *acquis*, the new Member States will have to spend on average between 2 and 3 % of GDP on the environment in the coming years. Current expenditure being generally well below this target, the Cohesion Fund and the ERDF can play a significant role in overcoming this deficiency. It is indeed estimated that until the end of the current budgetary period in 2006, the increased EU assistance in the environment field, some EUR 8 billion, will represent around 10 % of the total investment requirements.

As far as transport is concerned, in April 2004 the Council and the Parliament approved new Community guidelines for the development of the trans-European transport network (TEN-T guidelines) in an enlarged Europe. These guidelines include a list of 30 priority projects of European interest which are to be realised by 2020. Nine priority projects concern axes including the new Member States.

The projects aim at ensuring a modal shift and more sustainable mobility patterns by focusing investments on rail and waterborne

transport. Cross-border projects are similarly present as these are typically the most difficult ones to implement.

The estimated cost of carrying out the projects is approximately EUR 225 billion. The total cost of completing the trans-European transport network, including the projects of common interest not identified as priority projects, is estimated to be EUR 600 billion. Required investment in transport infrastructure in the new Member States would amount to EUR 90 billion by 2015. Again, the cohesion policy instruments will play a key role in the grant-financing of this infrastructure.



Observing water sedimentation in a treatment plant financed by the ISPA

HUNGARY

Rail bypass at Zalaegerszeg



Total cost: EUR 7 687 000

EU contribution: EUR 3 843 500

'Some 80 kilometres of track between Zalaövő and Boba are currently being reconstructed in order to extend the Hungary–Slovenia line which was built in 2001. The first phase of this ISPA project was completed in mid-2003 with the construction of the Zalaegerszeg bypass. The new 2.1 km section includes a 140 metre-long steel bridge over the River Zala. Journey times for trains avoiding Zalaegerszeg station will be reduced by 10 minutes. Safety and punctuality have also been improved, along with the quality of life for the local inhabitants, as the bypass has reduced the negative environmental impact.'

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ROMANIA

Integrated waste management at Ramnicu Valcea



Total eligible costs: EUR 14 673 100

EU contribution: EUR 11 004 825

'In central southern Romania, Ramnicu Valcea (120 000 inhabitants) does not yet have a comprehensive waste collection system. Rubbish is placed in an open dump, about 12 km from the city centre, near the River Olt. At least 20 % of the inhabitants do not benefit from a household waste collection service. An integrated waste management programme was consequently launched by the municipality in 1997 with the help of the GTZ, the German Agency for Technical Assistance. As part of this project, in November 2001, the European Union awarded an ISPA grant aimed at further improving the waste collection system, shutting down the current landfill, the construction of an ecological landfill and modern composting facilities.'

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SLOVENIA

Protection of Trnovsko–Banjški Plateau water resources



Total cost: EUR 6 543 464

EU contribution: EUR 2 561 084

'The Gora region, on the Trnovsko–Banjški Plateau, provides water for the city of Ajdovščina and its hinterland (20 000 inhabitants). Until quite recently, the slightest drought resulted in a shortage of drinking water. The ISPA has given us the means to ensure a sustainable supply of drinking water and to protect water resources in accordance with the water directive. The project involved creating adequate water conduits, water treatment facilities and sewers in all the areas close to water collection points. Some 40 km of water conduits and 900 m³ of new reservoirs were completed in April 2004. A 10 km sewage network will enable 3 500 inhabitants in the region to be connected directly to the treatment facilities at Ajdovščina which are already operating, whilst a second station will be ready in July 2005.'

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BULGARIA

Rehabilitation of major transit roads



Total cost: EUR 100 000 000

EU contribution: EUR 30 000 000

'This initial ISPA road project in Bulgaria is part of the third transit roads rehabilitation programme which covers the refurbishment of over 700 km of primary roads and motorways. The overall objectives are to improve safety and environment records and to reduce travelling time by rehabilitating and upgrading 260 km of the primary road network to internationally accepted standards. The plans include the improvement of the road surface and skid resistance, modernisation of signs and horizontal marking, safer access roads and the provision of new guard railings. The improvement of the primary road network will contribute to making the Bulgarian transport infrastructures compatible with those in EU countries.'

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Spain: Galicia, between catching up and breaking new ecological ground

Facing up to waste

In order to comply with European environmental standards and sustainably develop its economy following several ecological disasters, Galicia has implemented an extensive waste water and solid waste management programme. The Cohesion Fund is financing a large proportion of the necessary investments.



Unloading urban waste at the Nostián plant (Corunna)

Juan Maneiro is a busy man: it is nearly seven o'clock in the evening and he has just been informed that he has to sign the decrees imposing the temporary closure of two marine shellfish areas in north-east Galicia. 'As a preventive measure,' explains the Director of the Centre for Quality Control of the Marine Environment (CCMM), pointing on the map to the affected boundaries. 'Our samples have revealed not oil pollution but a biotoxin risk. If tomorrow's more precise tests show a negative result, we will at least be able to reopen this area. In the meantime, we are going to warn the producers concerned.' No sooner said than done: the centre makes a series of telephone calls, sending a text message warning to the 100 or so mussel cultivators concerned.

In Galicia, the sea is a serious business. It has shaped the identity of the country and its inhabitants, and whole sections of the regional economy still depend

on the primary marine sector: 'Mussels are still our number one marine product. The 250 000 tonnes harvested each year are worth EUR 120 million and account for 10 000 direct jobs. So there is no room for slacking,' states Juan Maneiro. Particular attention is focused on the 'rias'. These are the typical estuaries in the Spanish Finisterre where most of the mussel, oyster and other shellfish production is centred and for which Galicia is renowned.

In the south of the region, the Vigo ria is one of the most beautiful and most productive, with thousands of mussel rafts covering almost the entire water surface in some places. But its shores, the most industrialised in this area of Spain, are also home to 1 million inhabitants (a third of Galicia's population), who exert significant environmental pressure on this fragile ecosystem. Following the entry into force of the Community directive on molluscs ⁽¹⁾ in particular,

⁽¹⁾ Council Directive 91/492/EEC, of 15 July 1991, establishing the sanitary rules governing the production and sale of live bivalve molluscs.

a massive operation called 'Total purification of the Vigo ria' was undertaken in 1993. The investment cost EUR 90 million, 80 % of which was financed by the Cohesion Fund. In the course of a decade, 10 treatment stations were built around the estuary, not to mention the numerous small pre-treatment units that filter the paper, plastics and other non-fluid waste upstream which the stations are unable to process. *'Previously, all the waste water was sent into the sea without being treated,'* explains Ignacio Niño Taboada, civil engineer with the Government of Galicia. *'Nowadays, the water which is emitted is 95 % purified.'* Ignacio points to the goldfish swimming in the perfectly clear water of the final water purification basin at the Moaña water treatment station, the most recent installation on this ria, which has been operating since 2002.

It was at the very moment when Galician water quality was being improved, through these large-scale water purification operations, that the *Prestige* was shipwrecked off Corunna, on 13 November 2002, spilling most of the 77 000 tonnes of oil it was transporting and causing one of the worst oil slicks on record. A combination of good fortune, a massive mobilisation of volunteers and the clean-up operation enabled the damage to be contained. *'The northern coasts and the province of Corunna were most seriously affected,'* explains Juan Maneiro. *'Here on the west coast, the large quantities of fresh water from the rivers prevented most of the hydrocarbons from entering the rias.'* What conclusions does the director of the CCCMM draw in July 2004? *'Eighteen months after the disaster, the short- and medium-term effects have practically disappeared everywhere. However, we still do not know what the consequences will be in five, 10 or 20 years...'*

On land and sea

Be that as it may, the efforts made by Galicia to clean up its waters are just as considerable when it comes to domestic waste management. In 1997, the region had 300 unchecked waste facilities and 3 000 illegal rubbish tips. To remedy this situation before 2005, the regional authorities decided to launch a 'Plan de Gestión de Residuos Sólidos Urbanos de Galicia' (Solid urban waste management plan for Galicia), and entrust its implementation to Sogama ('Sociedade Galega do Medio Ambiente'/Galician environment company), providing it with a large-scale processing unit.

Built between 1998 and 2000, the Cerceda Environmental Complex is able to process 1 500 tonnes of waste per day. In Galicia, 221 municipalities of the 315 have subscribed to it, whilst 57 are preparing to do so. The household waste of 2 million inhabitants is first collected and sorted into 37 'transfer plants' which are located throughout the region, then sent by train or lorry to the Cerceda plant, between Santiago de Compostella and Corunna. Here, 15 % of the waste is recycled and 85 % is incinerated to produce 515 million kW/h of electricity per year. *'This is probably the most modern incinerator in Europe,'* states Esther Campos Mosquera, Communication Manager. *'Our furnaces are an international reference: they operate by means of a sand system known as a "circulating fluid bed", which avoids having to systematically use gas to maintain the combustion.'*



Quality control of mussels in the ria of Arousa

The total investment was EUR 270 million, 72.21 million of which were financed by the Cohesion Fund. Apart from the effective waste management, the Cerceda plant is the leading local employer: as José Manuel Palias Reguro, Human Resources Director, explains: *'375 direct jobs were created for a whole range of qualifications, from the least to the most highly skilled.'*

Tenth of September

In terms of waste management, it was primarily the serious ecological disaster which forced the Galician authorities to move up a gear: on 10 September 1996, the largest city in Galicia, Corunna (450 000 inhabitants), witnessed 200 000 tonnes of waste fall into the sea following the landslide at the main municipal tip situated right on the coast. *'In total, 1.3 million tonnes of waste slid into the sea! It was a real earthquake!'* recounts Mark Guscín, press attaché for the Town Hall. *'The disaster was the catalyst for raising environmental awareness in the city and the region. From that instant, the municipal council placed waste management at the top of its list of short-, medium- and long-term priorities, subscribing to a new philosophy: sustainability.'*

The first task was of course to clean up the affected area, a gigantic task for which numerous local enterprises came forward to offer their services. In May 1997, eight months after the disaster, an urban waste plan was approved by the eight municipalities which use the tip. It envisaged the following lines of action: closure and securing of the tip, rehabilitation of the site and its conversion into a recreational park, the selective collection of waste and its recycling.

Ecological regeneration and the conversion of the offending site for recreational purposes began in January 1998. The operation took place in four phases: confinement of the waste and closure of the tip, decontamination of the land, its transformation into a park (landscaping, planting of trees, etc.) and the creation of paths and access roads. The new Bens Park was opened in June 2001. Covering an area of 60 ha, it combines utility and pleasure and is perfectly in

keeping with the plan to enhance the attractiveness of Corunna which has been a priority for a number of years.

Apart from the cost of the operation (EUR 15.3 million, 10.4 million of which were provided by the ERDF), the closure of the tip required considerable technical expertise: 750 000m³ of earth had to be moved and compacted, an area of 21 ha was rendered impermeable, 14 km of drains were laid, along with 76 collectors connected by 4.5 km of pipes to enable the release of gas still produced by the buried rubbish. *'All of this was complicated by the fact that whilst closing the former tip, we had to manage the 185 000 tonnes of household waste per year which continued to arrive here until the treatment plant was brought into operation in September 2000,'* points out Luis Fernando Roade Rodríguez, Environment Director for the City of Corunna.



The Bens site during and after the rehabilitation works

Another important phase of the project remained: the construction of the waste processing plant, in stages from October 1998 to December 2003 on a hill adjacent to the park. The Nostián plant is unusual in that, to produce 6 megawatts of electricity per year, it is fuelled by the methane generated by 40 % of the organic waste it receives, along with the gas produced underneath the park. The remaining 60 % of the organic waste is composted. The infrastructure cost EUR 59.5 million, 10.5 million of which was covered by the Cohesion Fund.

Combining actions

'There are no more unchecked tips in Galicia. Now that over half of the waste is processed or recycled, our region is the leader in Spain. We have achieved a standard comparable with such countries as Germany. This is a practical result of the Cohesion Fund!' proclaims Daniel Otero, the plant's director. *'Our objective was to recycle 65 % of the rubbish we collect, but as far as we can see for the moment, there is no treatment method resulting in 'zero waste'. Solutions have to*

be found further up the line, in the way we live: everyone has to try and reduce their own rubbish.'

Like Sogama, which organises weekly radio programmes on this issue, the processing plant at Nostián is constantly taking part in campaigns to promote environmental awareness and education. The environmental services at Corunna are thus equipped with an 'Ecobus', which travels around the city. Some 20 000 schoolchildren are regularly informed in these campaigns. *'We have also begun to distribute rubbish bins to help sort household waste. Action has to be integrated,'* explains Javier Ramirez, environmental agent for the City.

Integrating campaigns is also the way forward according to Covadonga Salgado, Assistant Director at the Centre for Quality Control of the Marine Environment. *'Community awareness has to go hand in hand with the operation of major environmental infrastructures such as those co-financed by the Cohesion Fund. Other, smaller scale European projects, which also play an exemplary role, can be combined with them. I am thinking here of the LIFE fish waste recycling project which we take part in at Vilagarcia de Arousa. This project is even more important from an educational viewpoint than from an ecological viewpoint: it has taught us that managing waste primarily involves producing as little waste as possible.'*

The Spanish waste plan

A national waste plan was approved by the Spanish Government on 7 January 2000 in accordance with the Autonomous Communities responsible for waste management in their respective territories.

The plan's objectives include prevention, selective waste collection, recovery and recycling, reusing organic waste and burying residues in controlled sites. The implementation of the plan was partly financed by the Cohesion Fund. Taking the national and regional plans as a whole, the Cohesion Fund granted over EUR 1.1 billion to Spain between 2000 and 2003 for waste processing. Projects for the management of solid urban waste resulting from selective collection, composting and recycling plants, recovery of tyres and sorting facilities have been funded.



Ireland

'Caring for the Shannon estuary'

Seamus Ryan, Project Engineer, Limerick Main Drainage



Limerick city is located in the mid-west region of Ireland approximately 80 km from the mouth of the River Shannon. The River Shannon is tidal to a point just upstream of Limerick. Since the foundation of the city by the Vikings, raw sewage had been discharged directly into the River Shannon,

Ireland's largest river, whose large volumes of water provided huge dilutions to the sewage discharges and helped minimise the impact on water quality. The population of Limerick and its environs is currently 100 000 and growing at about 1.7 % per annum. While Limerick had aspirations for many years to provide secondary treatment for its sewage, the provision of a treatment plant and a collection system to collect the existing 50 outfalls was a very complex and expensive undertaking. Eventually, however, by virtue of EU Directive 97/271/EC, which requires secondary treatment for cities of Limerick's population lying on estuarine waters, and EU Cohesion funding, it became possible to undertake the work.

In addition to complying with Directive 97/271/EC, the work will assist in the enactment of the Shannon estuary water quality plan which was prepared for the whole estuary and specifies appropriate criteria and standards in respect of water quality that must be met if the various beneficial uses of the Shannon estuary are to be protected. The project will also allow the future residential, commercial and industrial development of the city and its environs.

At the project planning stage, the promoters made a conscious decision to take every precaution to safeguard the local heritage and sensitive habitats in the vicinity of the works. In order to identify, where possible, any archaeological features which might impact on the construction works, extensive surveys and studies of the whole area were commissioned. Using the latest computer technology, archaeologists pinpointed various archaeological sites and features and developed a fully digitised, high-definition archaeological map of Limerick and its surrounding areas, which is fully interchangeable

and compatible with engineering maps. The archaeological digs yielded in excess of 10 000 artefacts and an exhibition of selected artefacts is on display in the Limerick City Municipal Museum.

The River Shannon and its associated wetlands are considered

to be of European significance for wildlife. The project will contribute to the improvement of water quality in the river and the protection of the rich bird, fish and invertebrate life which it contains. Indeed, the Shannon and Fergus estuaries hold the largest single concentration of birds in the country. The promoters also took special measures to protect two rare plants and a number of sensitive habitats in the vicinity of the city. One of the plants, the Triangular Club Rush, is so rare that only a single specimen of this plant remains in the United Kingdom and it is on the verge of extinction. Sewers were re-routed to avoid disruption to this plant and the outlet pipe from the treatment plant at Bunlicky was moved further downstream to afford maximum protection for this rare plant species. Detailed ecological surveys were carried out in a number of wetland areas affected by the project and restoration measures have been carried out as per the recommendations in these specialist surveys for special areas of conservation which were temporarily affected. In addition, some wetlands were extended to enhance the area's ecology.

As the project encompassed substantial areas in the administrative areas of the adjacent Limerick County Council and Clare County Council, the three authorities worked closely together as project promoter with Limerick City Council acting as the lead agency.

The waste water treatment plant has a design capacity of 130 000 PE ⁽¹⁾ with a dry weather flow of 29 250 m³/day with a peak flow rate (full treatment) of 865 litres/second. The plant can treat an organic load of 7 800 kg BoD ⁽²⁾/day. The sludge which arises from the primary and biological phases of the waste water treatment process is dewatered and dried in a rotary drum dryer in a stream of hot air. The inlet temperature of the air is approximately 545 °C with the granular product exiting at temperatures greater than 80 °C. The time/temperature conditions result in the destruction of the pathogens in the sludge and provide a pasteurised product which is safe to use on lawns, gardens, horticulture, agriculture or forestry. Other key features of the project entailed the construction of 48 km of large sewers up to a 2.7 metre diameter and a main lift pumping station with a pumping capacity of 11 800 litres/second (including storm flows). The Abbey River interceptor sewer which was laid in a trench in the Abbey River was surrounded with concrete and a navigation weir was constructed using the concrete surround as its base. This weir in Limerick now allows the Shannon River to be fully navigable for its entire length. The joint construction of this weir and sewer was a wonderful opportunity for two projects to be combined to dramatically reduce overall costs.

The overall cost of the project will be in excess of EUR 200 million with EU cohesion funding of 85 % for the main treatment plant, pumping plant and some interceptor sewers. The remainder of the capital cost is being met by the Irish Exchequer as part of the national development plan, 2000–06.

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Treatment plant at Bunlicky

⁽¹⁾ PE (person equivalents): unit of measure corresponding to the water used per day by one inhabitant or its equivalent from a company or other non-domestic user.

⁽²⁾ BoD (biochemical oxygen demand): unit of measure for water quality and the clarification achieved at the various stages of biological purification of waste water.

Madeira (Portugal)

'The Cohesion Fund, a lever for the sustainable development of the outermost regions'

João Reis, *Chairman of the Port Authority for the Autonomous Region of Madeira*



To promote their sustainable development, the outermost island regions of the European Union, including the Autonomous

Region of Madeira (ARM), are highly dependent upon their accessibility. Aware of this fact, the EU provides a financial contribution for the construction and modernisation of their infrastructures. In this respect, the Cohesion Fund plays a particularly high profile role, as illustrated recently by the extension of the international airport in Madeira.

In an outlying island region such as Madeira, the port infrastructures are also of major importance, first of all, as a platform for regular goods traffic, but also as a vector for the development of the tourist sector, particularly for cruise ships and related activities.

The main port infrastructure on Madeira, the port at Funchal, has traditionally fulfilled this function acceptably, be it for the movement of goods or passenger traffic. However, the region's general development over recent decades has resulted in a corresponding growth in shipping, goods and passengers which, given the port's physical limitations, has resulted in congested port operations, conflicts between various types of traffic, and a fall in the quality and competitiveness of services in general. The regional authorities have thus decided to define a solution, as part of an integrated development plan for the port infrastructures in the ARM. On the one hand, this is designed to provide an immediate response to current constraints and, on the other, to prepare the region to face longer-term challenges.

The chosen solution involves making the most of existing investments in the port infrastructure at Caniçal which were originally intended to serve the industrial free zone. The idea is to transform the port at Caniçal into a commercial port for Madeira, by means of a programme to purchase equipment, construct jetties

and infill sites, making it large enough to absorb current and future traffic. At the same time, the port at Funchal is to be freed up so that it can concentrate on yachting and other related tourist activities. The port authority therefore presented the European Commission with a project for the construction of a commercial port at Caniçal, at a total cost of EUR 73.5 million, for which joint funding of EUR 42.6 million has been approved through the Cohesion Fund.

Currently, the national authorities are still examining three other projects which form an integral part of the development plan described above. The work envisaged in these three projects includes the creation of a logistical support area at Porto Novo, the transformation of the port at Funchal into a port for yachts, cruise ships and other nautical activities connected with tourism (in accordance with the recommendations in the ARM's tourism development plan), and, finally, the development of the port on the island of Porto Santo, to create suitable conditions to attract passenger traffic and leisure and tourism sailing.

The accomplishment of these projects will enable Madeira to optimise and further integrate its transport logistics chain and thus achieve one of the EU's fundamental objectives: to strengthen its economic, social and territorial cohesion for the benefit of its citizens.

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Caniçal harbour

GREECE

Patras bypass



Total cost: EUR 68 810 508
Eligible cost: EUR 48 580 218
Cohesion Fund: EUR 41 293 186

'A section of the 'PATHE', the Patras–Athens–Thessaloniki motorway, the new Patras ring-road is a blessing for the city and for travellers. The former main road crossed the town, creating traffic jams and obstructing access to the port. The third largest city in Greece is now free of through traffic (15 000 cars per day) and can be bypassed in 15 minutes, whereas it used to take an hour to cross the city. Covering 18.5 km (half of which was funded by the Cohesion Fund), the bypass has no less than 12 tunnels, eight viaducts, nine bridges and five interchanges. Great attention was paid to safety and the environment: planting of trees and other landscaping work, protection of archaeological sites, former Patras waste disposal area transformed into a recreational park, and so on.'

Dimitrios Tassiopoulos, Planning Department Manager, EYDE Motorway PATHE
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IRELAND

Heuston railway terminal and south-west corridor



Total cost (Phase 1): EUR 135 800 000
EU contribution (Phase 1): EUR 75 000 000

'The modernisation of the railway terminal at Heuston and the south-west corridor is one of the priority projects identified to upgrade the rail network around Dublin. For users, it will also facilitate the segregation of suburban train services and intercity trains connecting Dublin and Cork. With regard to Heuston, the first phase of the project involved the following works: construction and signalling for a new track layout, an increase from five to nine platforms, extension of a line to Inchicore, bridge modifications, construction of a new concourse and extension of the existing concourse. A second phase will involve the provision of an additional rail line between Inchicore and Cherry Orchard and two additional rail lines between Cherry Orchard and Hazelhatch on the south-west corridor. The Heuston terminal was completed in February 2004 on time and within budget, and is now fully operational.'

Tom Finn, Strategic Planning Manager, Iarnrod Éireann
tom.finn@irishrail.ie

SPAIN

Elimination of lindane



Total cost: EUR 47 692 231
EU contribution: EUR 38 153 785

'Over the years, emissions from a factory producing lindane (HCH), a powerful insecticide, have polluted vast areas of the left bank of the Nervión-Ibaizabal, threatening the local population of the conurbation of Bilbao. To resolve this problem, the Basque Government has decided to confine the land polluted by lindane and heavy metals within a high-security site, and to build a treatment unit there which is able to destroy the HCH. Built by means of a EUR 12.5 million investment, the plant processed 3 200 tonnes of lindane between 1999 and 2001, enabling the remediation and recovery of 191 480 m² of land to date.'

José Luis Aurrecoechea Urquijo, Director-General, IHOB, the public environmental management agency of the Basque Government
dgeneral@ihobe.net

PORTUGAL

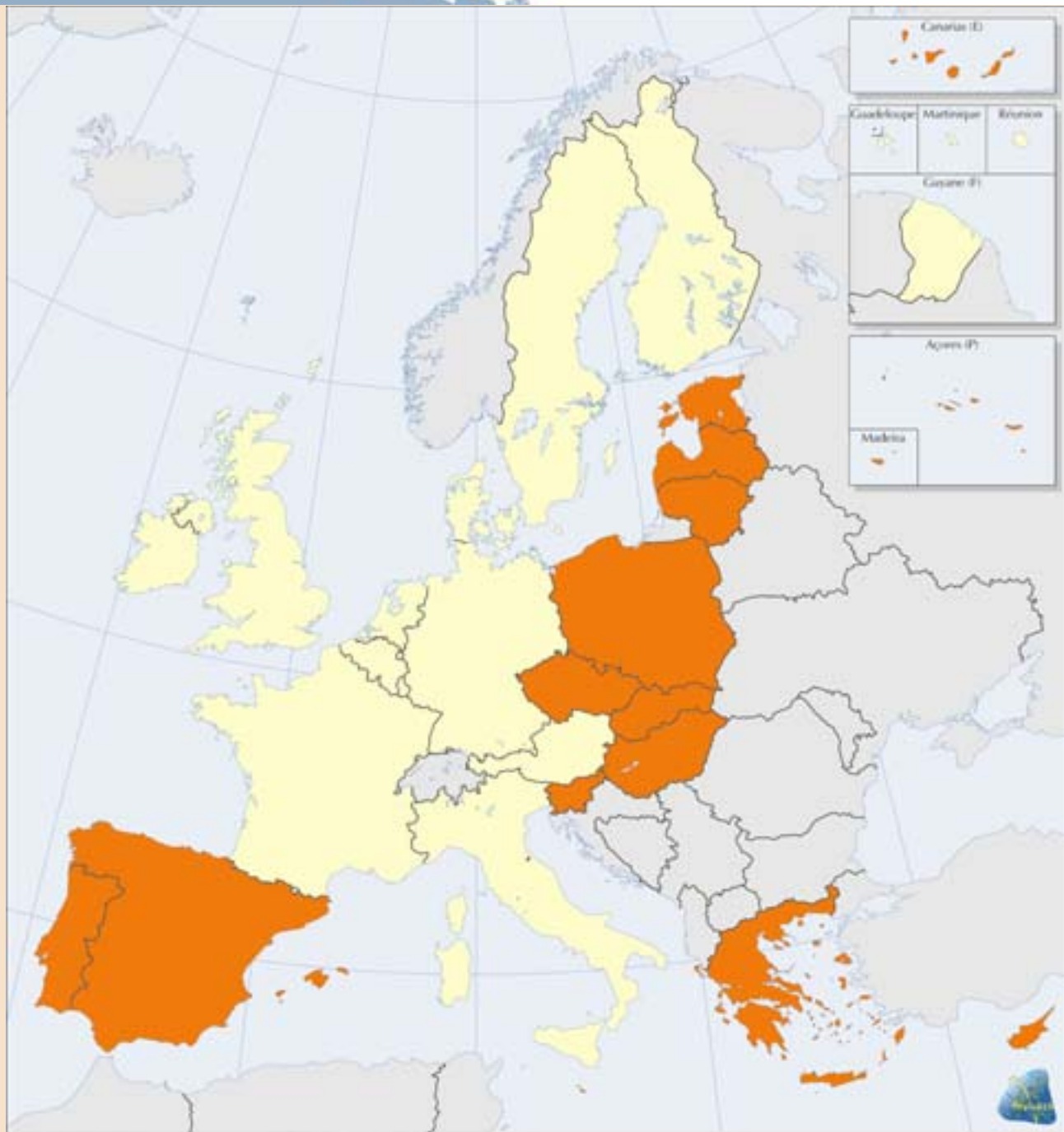
Water supply and remediation of the Alto Zêzere e Côa



Total cost: EUR 178 403 880
EU contribution: EUR 112 394 450

'The inter-municipal system for water supply and remediation at Alto Zêzere e Côa operates in the Guarda district and part of the Castelo Branco district (Beira interior, central region). This Cohesion Fund project aims to provide a solution, in terms of both quality and quantity, to the needs of public consumption in this area whilst making up for the lack of waste water treatment plants, especially for industrial effluents. By ensuring sustainable management and implementing optimal solutions in these areas, the project will help to improve the environment and the quality of life of the local communities and thus promote the region's socio-economic development. The project's contribution to the reduction of industrial pollution and the preservation of ecosystems is also notable.'

Arménio de Figueiredo, Engineer, Chairman of the Board of Directors of Águas do Zêzere e Côa SA
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Cohesion countries (2004–06)

- Member States benefiting from the Cohesion Fund
- Other Member States

0 100 200 km

© EuroGeographics Association for the administrative boundaries

Third European Cohesion Forum

Paving the way for the future of the regions

On 10 and 11 May 2004, the Commission organised the third European Cohesion Forum in Brussels. This major event brought together contributions from a wide range of key regional development players on the reform of cohesion policy, as proposed by the Commission for the 2007–13 period, in the context of an enlarged Europe. It resulted in a broad consensus, in terms of the cogency of this policy and its future priorities, as well as its decentralised, simplified implementation.

Around 1 200 participants from 28 States met at the European Parliament building in Brussels to take part in this third European Cohesion Forum. The size of the event reflected the close connections between regional policy and cohesion policy in relation to regional authorities, along with this policy's mobilising capacity in a wide range of fields and at all levels.

At a national level, apart from the members of parliaments (including the Hungarian and Czech Prime Ministers), there were over 350 members of secretariats of State and ministerial departments, along with 50 or so missions or permanent State representations to the EU. The regions and regional authorities also formed a contingent of around 520 participants, with some 270 representatives of regional or local authorities — including some 40 cities — and 180 members of regional offices in Brussels and 70 regional or local representation associations at the European, inter-regional or inter-municipal level. Also present were 50 or so socio-professional, social, trade union or environmental organisations, along with some 40 development agencies, research centres, and so on. The European institutions were also of course in evidence: the Parliament, Committee of the Regions, European Economic and Social Committee and the European Investment Bank, not to mention the European Commission.

The debates, focusing on the proposals for cohesion policy reform presented by the Commission on 18 February 2004 in the conclusions of the third report on economic and social cohesion, took place in two panels devoted to the following issues: 'Setting a new agenda: future priorities for cohesion policy' (Panel 1) and 'Reforming the delivery system: simplification and decentralisation' (Panel 2).

Broad support for cohesion policy and the Commission's proposals

The discussions in the first panel and the plenary session demonstrated that cohesion is widely supported by the States, regions and cities. Five main points emerged.

> **A broad consensus on the new priorities.** There was general agreement in favour of the three Community priorities proposed for structural actions after 2006 — convergence, competitiveness and



Plenary session at the Forum

cooperation — and the reorientation of cohesion policy with a view to integrating the Lisbon and Gothenburg objectives within national and regional priorities: competitiveness associated with innovation, lifelong training, the knowledge economy and sustainable development.

In this context, the continued joint funding of physical and human resources, particularly in the new Member States, appeared as a condition for making up for discrepancies in development, without prejudice to transitional support for regions suffering from the 'statistical effect' of enlargement (i.e. above the threshold of 75 % of the average GDP in the EU).

Concerns were expressed regarding the risks of deindustrialisation and relocation as a result of economic globalisation — hence the call for competition policy to encourage a more proactive industrial policy that takes into account the fiscal imbalances between countries.

> **European solidarity at the heart of the debate.** A difficult debate was also envisaged in terms of the degree of solidarity. Two attitudes prevailed: on the one hand, there was strong support for the Commission's financial proposals and, on the other, the minority view of a few Member States which consider that cohesion policy should be limited to the convergence effort, essentially for the new member

countries only. This approach, based on budget criteria, is not shared by the regions in these same Member States. An internal debate between the national and regional level will therefore be required in these Member States in order to define a coherent approach.

- > **Specific territorial characteristics.** Many contributors stated that they were in favour of increased consideration of territorial specificities: the outermost regions should be able to benefit from a specific allocation and cooperation in the wider neighbourhood; the southern regions with very low population densities require additional financial support; territories with natural handicaps (islands, mountainous regions and sparsely populated rural areas) should also be able to benefit from *ad hoc* measures. The addition of the objective of territorial cohesion in the draft constitution met with general approval.
- > **The urban dimension.** The forum also provided an opportunity to call for a greater urban dimension in cohesion policy: economic and social revitalisation of districts in decline, improved integration of urban policy in its regional context, giving cities greater responsibility in the design and management of programmes and a greater financial effort.
- > **Territorial and political 'neighbourhood' cooperation.** Finally, the new objective of European territorial cooperation met with very strong support. Certain parties nevertheless called on the Commission to reflect on the means for inter-regional cooperation at the Community level, the legal aspects of this cooperation and the new neighbourhood procedures which will permit the coordination of cohesion policy and external policy.

A policy which is closer to the grassroots, with simpler and more effective management

As this is a system for implementing structural actions, the Panel 2 debates also highlighted widespread agreement with the Commission's proposals in favour of a more decentralised, simplified and well-managed cohesion policy.

- > **Decentralisation.** Participants stressed the principle that the citizen should be central in implementing cohesion policy. They highlighted the importance of partnership to guarantee coordination between regional development players. The assignment of greater responsibility to these players — the greater implication of the regions, cities and local communities — necessarily involves greater decentralisation. This is the general view, even if it was pointed out that decentralisation has to be operational and therefore take account of local realities, particularly in the new Member States where it should not be rushed.

The need for decentralisation has a widely acknowledged consequence: a more strategic approach towards EU priorities. The need to ensure appropriate coordination be-

tween cohesion policy and other EU policies: the common agricultural policy, competition policy, and so on, should also be noted.

- > **Simplification.** A clear, transparent regulation is the crucial condition for simplification to which everyone aspires, even if we are aware that adjustments and additions to regulations are inevitable over the years and that 'simplification is a complex business'. The concern was expressed that simplification at one level leads to increased complexity elsewhere. Given the evident problems in the past, great care is needed regarding the details of defining and interpreting a simplified, decentralised system for implementation. The essential point is to combine simplification and subsidiarity ⁽¹⁾.

Financial simplification (one programme/one fund) also provides a response to general expectations, along with proportionality and effectiveness of control and monitoring. There was nevertheless concern with regard to funding *ad hoc* measures for the more complex programmes. Likewise, whilst acknowledging the usefulness of the 'n + 2' rule, according to which the committed funds have to be spent within the following two years, certain parties expressed the need for greater recognition of the difficulties for starting up major projects.

Two major tendencies

Very broadly, two major tendencies emerged from the forum.

- > **Cohesion lies at the heart of the EU's efforts** to improve the performance and competitiveness of the European economy and that involves mobilising all of its resources, regions and players. In this context, enlargement is an opportunity as economic growth in the new countries is stronger than that in the former 15 Member States.
- > **The future cohesion policy has to be more precisely targeted, more decentralised and simpler than it is at present.**

All of the participants' contributions were taken into consideration by the Commission in order to develop its regulation proposals presented on 14 July 2004 and aimed at reflecting its move towards reform (see our article on page 4).

Furthermore, the open days organised from 27 to 30 September by the Regional Policy DG, the Committee of the Regions and the representations of the regions in Brussels, were another significant stage in the debate on the future cohesion policy.

The texts of a series of presentations at the forum can be accessed at the following address: http://europa.eu.int/comm/regional_policy/debate/forcom2004_en.htm

⁽¹⁾ Article 3b, paragraphs 2 and 3 of the EC Treaty amended by the Maastricht Treaty, which became Article 5 of the Amsterdam Treaty, defines the principle of subsidiarity: 'In areas which do not fall within its exclusive competence, the Community shall take action in accordance with the principle of subsidiarity, only if and insofar as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the Community.'

REGIO and networks

'The City Summit'

The European Commission and the Dutch Government are organising a 'City Summit' on 18 and 19 October 2004 in Noordwijk/Leiden (the Netherlands), to debate the following issues: the urban dimension of regulations proposed by the Commission for Structural Funds after 2006; the Dutch Government's efforts to strengthen European cooperation on urban issues; the results of the 'Urban audit 2004'; lessons and best practices drawn from URBAN programmes and the Urbact network.

Regio-City-Summit@cec.eu.int

'Open days 2004'

The workshop organised by the Regional Policy DG in the framework of the 'Open days 2004', on 28 and 29 September in Brussels, was attended by over 400 regional policy players. On the theme of 'Managing regional development', 30 workshops set out to promote transfers of experience and know-how between 'old' and 'new' Member States with regard to Structural Funds. Some 60 presentations by experts from across the European Union focused on the following areas: programme management and project selection; Cohesion Fund management; cooperation between regions; urban development; specific dimensions of development (infrastructures, innovation, R & D, support for small and medium-sized enterprises); setting up regional partnerships; monitoring and evaluating programmes; financial management and control; supporting administrative capacity; information and transparency. Written contributions and presentation slides have been compiled at the following address:

http://europa.eu.int/comm/regional_policy/opendays/

Structural Fund communication campaigns

A *Practical guide to communication on the Structural Funds 2000–06* aimed at programme information managers, is now available online in French, English and German at the InfoREGIO website, at:

http://europa.eu.int/comm/regional_policy/country/commu/index_en.htm

First report on the European Union Solidarity Fund

The first annual report on the European Union Solidarity Fund, covering the period from the end of 2002 to the end of 2003, can now be accessed on the InfoREGIO website. The European Union Solidarity Fund was created in response to the flood disaster that hit central Europe during the summer of 2002, and entered into force in November that year.

http://europa.eu.int/comm/regional_policy/index_en.htm

Eurocities conference

The Eurocities network is organising its next annual conference from 10 to 13 November 2004 in Vienna (Austria). The conference will focus on the theme 'Gaining from visions — cities for a new perspective on social and economic prosperity'. Under this central theme, three aspects will be addressed in greater detail: cities and the European social model; cities and economic prosperity; cities and EU institutions.

<http://www.eurocities2004-vienna.at>

REGIO Agenda

Dates	Event	Place
13–15 October 2004	'Competitive regions'	Rovaniemi (Finland)
18–19 October 2004	'City Summit'	Noordwijk/Leiden (Netherlands)
25–26 November 2004	Fourth European Mountain Convention	Rodez (France)
January 2005	EU Solidarity Fund and immediate response to disasters	Brussels (Belgium)

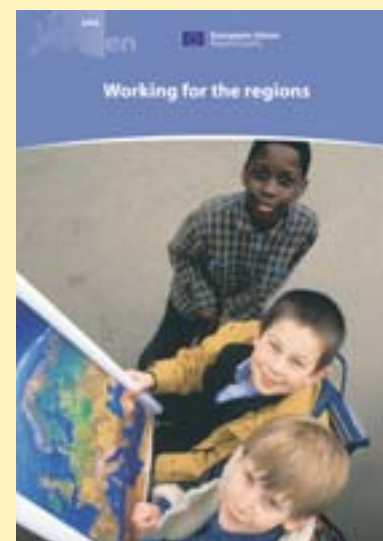
Latest publications

A new partnership for cohesion — convergence competitiveness cooperation — Third report on economic and social cohesion



Available in 21 languages.

Working for the regions



2004 edition revised and corrected. Regional policy, its issues and tools explained to everyone, both 'developers' and citizens.

Available in 21 languages.

<http://www.interregnorthsea.org>

The website of the Interreg IIIB 'North Sea' cross-border cooperation programme which covers various regions in the seven countries bordering the North Sea (Denmark, Germany, Belgium, the Netherlands, Norway, Sweden and the United Kingdom) has been given a facelift. It now offers more and more detailed information for the benefit of the various players involved in the programmes and a broader public. The interactive map in the 'Projects in your area' section is a handy aid in finding out about the actions implemented in each region. The 'The project cycle' section offers a guide for undertaking a project, from the initial idea to the drafting of the final report.



<http://www.oultwood.com/localgov/europe.htm>

A showcase of the know-how of a small East Anglian IT company which created and manages the website, 'Oultwood local government website index' provides links and e-mail addresses of a large number of public authority areas (municipalities, provinces, regions, etc.) in 19 European Union countries, Australia, New Zealand, South Africa, Canada and the United States. It is a highly useful tool for finding local development sites and networks.



<http://www.insme.it>

This address enables you to access the website of the INSME network (International network for small and medium-sized enterprises) operated by the Istituto per la Promozione Industriale (Institute for industrial promotion/IPI), an organisation within the Italian Ministry of Productive Activities. The INSME aims to promote cooperation and public-private partnerships to facilitate the transfer of innovation and know-how between European SMEs. The IPI also manages a national Italian website with the same objective: www.riditt.it



<http://www.ecoregen.org/home/introduction/index.asp>

Supported by the Environment DG, the Ecoregen project aims to assist in the restoration of industrial wasteland and other abandoned or derelict sites. Ecoregen's approach involves using the natural potential of these sites to create an environment which facilitates sustainable development and the quality of life of the inhabitants. The website thus offers a step-by-step guide on how to restore damaged land. It is available in French, English, German, Spanish and Italian and provides a wide range of advice and useful contacts for public authorities, organisations, community groups and parties involved in regeneration such as for URBAN type districts, for example.



Inforegio website

Consult the Inforegio website for an overview of European regional policy. For the latest news, go to the 'Newsroom' section at:

http://europa.eu.int/comm/regional_policy/newsroom/index_en.htm

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Information on European Union regional aid
http://europa.eu.int/comm/regional_policy/index_en.htm

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