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23 April 1999 A4-0238/99

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SECOND REPORT

on the proposal for a Council Regulation (EC) establishing an instrument for structural policies for pre-accession (COM(98)0138 - C4-0301/98 - 98/0091(CNS))

Committee on Regional Policy

Rapporteur: Mr Ralf Walter

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PROCEDURAL PAGE

By letter of 19 May 1998 the Council consulted Parliament, pursuant to Article 235 of the EC Treaty, on the proposal for a Council Regulation (EC) establishing an instrument for structural policies for pre-accession (COM(98)0138 - C4-0301/98 - 98/0091(CNS)).

At the sitting of 15 June 1998 the President of Parliament announced that he had referred this proposal to the Committee on Regional Policy as the committee responsible and to the Committee on Foreign Affairs, Security and Defence Policy, the Committee on Budgets, the Committee on External Economic Relations, the Committee on Employment and Social Affairs, the Committee on Transport and Tourism, the Committee on the Environment, Public Health and Consumer Protection, the Committee on Budgetary Control and the Committee on Women's Rights for their opinions.

At the sitting of 17 July 1998 the President of Parliament announced that he had referred this proposal to the Committee on Civil Liberties and Internal Affairs for its opinion.

At the sitting of 19 June 1998 the President announced that the report would be drawn up, in accordance with the Hughes Procedure, by the Committee on Regional Policy in collaboration with the Committee on Foreign Affairs, Security and Defence Policy, the Committee on Budgets and the Committee on External Economic Relations.

At its meeting of 25 June 1998 the Committee on Regional Policy appointed Mr Ralf Walter rapporteur.

It considered the Commission proposal and the draft report at its meetings of 22 September, 13 October and 26 October 1998.

At the last meeting it adopted the draft legislative resolution unopposed, with two abstentions.

The following were present for the vote: Arias Cañete, chairman; Howitt and Napoletano, vice-chairmen; Walter, rapporteur; Botz, Berend, Collins, Crampton, David (for Bernardini), de Lassus, Ephremidis, Escola Hernando, García Arias (for Frutos Gama, pursuant to Rule 138(2)), Girão Pereira, Goepel (for Todini, pursuant to Rule 138(2)), Gutiérrez Díaz, Hatzidakis, Imaz San Miguel (for Costa Neves), Iversen (for Darras), Izquierdo Collado, Karamanou, Kellett-Bowman, Klab, Lage, McCarthy, Miller (for Hume), Myller, Novo, Otila, Ryyänen (for Monfils), Schiedermeier (for Azzolini), Schröder, Schroedter, Varela, Suanzes-Carpegna, Vallvé and Viola.

The opinions of the Committee on Budgets, the Committee on External Economic Relations, the Committee on Employment and Social Affairs, the Committee on Transport and Tourism, the Committee on the Environment, Public Health and Consumer Protection and the Committee on Women's Rights were attached to the first report; the Committee on Budgetary Control had decided on 23 September 1998 and the Committee on Civil Liberties and Internal Affairs on 24 September 1998 not to deliver opinions.

Although consulted under the Hughes Procedure, the Committee on Foreign Affairs, Security and Defence Policy had decided on 3 June 1998 not to deliver an opinion.

The first report had been tabled on 29 October 1998 (A4-0382/98).

At the sitting of 19 November 1998, the report was referred back to committee, pursuant to Rule 60(2) of the Rules of Procedure.

Given that the Committee on Regional Policy was unable to table its report within the time-limit laid down by Rule 60(2) the Rules of Procedure, the report was referred back to committee on 11 January 1999, pursuant to Rule 129(1) of the Rules of Procedure.

At the sitting of 16 April 1999 the President of the European Parliament announced that he had received the conclusions of the European Council of 24-26 March 1999.

At its meetings of 30 March and 13 and 21 April 1999 the Committee on Regional Policy considered the conclusions of the European Council of 24-26 March 1999 and reconsidered the proposal and the draft second report.

At the last meeting it adopted the draft legislative resolution unanimously.

The following were present for the vote: Arias Cañete, chairman; Howitt, Decourrière and Napoletano, vice-chairmen; Walter, rapporteur; Azzolini, Baggioni, Bontempi (for Darras), Botz, Chichester (for Berend), Crampton, de Lassus, Escola Hernando, Girão Pereira, Hatzidakis, Klab, Karamanou, Lage, Marinucci (for Frutos Gama), McCarthy, Myller, Nicholson, Otila, Rapkay (for Izquierdo Collado), Rynnänen (for Monfils), Schiedermeier (for Viola), Schroedter, Vallvé and Varela Suanzes-Carpegna.

The second report was tabled on 23 April 1999.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

A
LEGISLATIVE PROPOSAL

Proposal for a Council Regulation (EC) establishing an instrument for structural policies for pre-accession (COM(98)0138 - C4-0301/98 - 98/0091(CNS))

The proposal is approved with the following amendments:

Text proposed by the Commission()

Amendments by Parliament

(Amendment 1)
Recital 1a (new)

Whereas all the other countries included in the accession process should also benefit from similar programmes within the legal and contractual framework of their relations with the European Union;

(Amendment 2)
Recital 7

Whereas an appropriate balance must be struck between financing for transport infrastructure measures and financing for environmental measures;

Whereas a balance appropriate to the initial situation of each applicant country must be struck between financing for transport infrastructure measures and financing for environmental measures; whereas the latter should represent 50% of the total appropriations by 2006;

(Amendment 3)
Recital 8a (new)

Whereas, when Community assistance is being granted under ISPA, local and regional authorities should play a more active role so as to enable the adjustment process to proceed more satisfactorily;

(1) OJ C 164, 29.5.1998, p. 4.

(Amendment 4)
Recital 12a (new)

Whereas what is required of the applicant countries in the area of monitoring and evaluation (cf. Annex III) should not exceed the obligations that the current Member States have to fulfil;

(Amendment 5)
Recital 13

Whereas, in the interest of the proper management of Community assistance granted under ISPA, provision should be made for effective methods of appraising, monitoring, evaluating and controlling operations, specifying the principle governing the evaluation, defining the nature of and the rules governing the monitoring, and laying down the action to be taken in response to irregularities or failures to comply with one of the conditions laid down when assistance under ISPA was granted;

Whereas, in the interest of the proper management of Community assistance granted under ISPA, provision should be made for effective methods of appraising, monitoring, evaluating and controlling operations, specifying the principle governing the evaluation, defining the nature of and the rules governing the monitoring, and laying down the action to be taken in response to irregularities or failures to comply with one of the conditions laid down when assistance under ISPA was granted, particularly in the event of failure to comply with the strategic priorities or to meet the requirements of sustainable development;

(Amendment 6)
Recital 13a (new)

Whereas the Commission must take full account (cf. Annex III, E) of the development and needs of the applicant countries, which calls for flexibility and the greatest possible transparency and also means that the European Parliament and the European Court of Auditors must be kept fully informed; whereas, like all other structural policy measures, ISPA, too, must reflect the principle of equal opportunities set out in the Fourth Action Programme and take account of gender mainstreaming in all policy areas and activities of the EU and the

Member States; and whereas women must become actively involved in the decision-making process as a whole;

(Amendment 7)
Article 1(1), second paragraph

ISPA shall provide assistance to contribute to the preparation for accession to the European Union of the following applicant countries: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, hereinafter referred to as the 'beneficiary countries', in the area of economic and social cohesion, in particular concerning environment and transport policies in accordance with the provisions of this Regulation.

ISPA shall provide assistance to contribute to the preparation for accession to the European Union of the following applicant countries: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, hereinafter referred to as the 'beneficiary countries', in accordance with the priority objective of economic and social cohesion and the promotion of environmentally sustainable development, in particular concerning environment and mobility policies in accordance with the provisions of this Regulation.

(Amendment 8)
Article 2(2)(a)

(a) environmental measures enabling the beneficiary countries to comply with the requirements of Community environmental law and with the objectives of the Accession Partnerships;

(a) environmental measures enabling the beneficiary countries to comply with the requirements of Community environmental law and with the objectives of the Accession Partnerships. The measures shall be based on a thorough investigation of the environmental situation in each country and shall be concerned with the following priorities:

- combating water and air pollution,
- waste management,
- gradual alignment of environmental provisions with the *acquis communautaire*,
- conformity of all new investment with the *acquis communautaire*, in order to establish the precautionary principle in this area,
- measures to prevent further pollution of the environment,
- conservation and restoration of

- biodiversity,
- energy supply measures which contribute to environmentally benign development and conserve resources,
- nature conservation;

(Amendment 9)
Article 2(2)(b)

(b) transport infrastructure measures which promote sustainable mobility, and in particular those that constitute projects of common interest based on the criteria of Decision No 1629/96/EC and those which enable the beneficiary countries to comply with the objectives of the Accession Partnerships; this includes inter-connection and interoperability of national networks as well as with the trans-European networks together with access to such networks.

(b) transport infrastructure measures which promote environmentally-friendly sustainable mobility, and in particular:

- (i) those that constitute projects of common interest based on the criteria of Decision No 1692/96/EC;
- (ii) projects which seek to improve interoperability, intermodality and interregional cohesion as well as reduce and stabilise mobility demand;
- (iii) access to the corridors and to each of the areas covered by the pan-European transport policy;
- (iv) and those which enable the beneficiary countries to facilitate the implementation of Community transport legislation.

(Amendment 10)
Article 2(2), second subparagraph

Measures shall be of a sufficient scale to have a significant impact in the field of environmental protection or in the improvement of transport infrastructure networks. The total cost of each measure shall in principle not be less than EUR 5 million.

Measures shall be of a sufficient scale to have a significant impact in the field of environmental protection or in the improvement of transport infrastructure networks. Save in duly substantiated exceptional cases, the total cost of each measure shall in principle not be less than EUR 5 million.

(Amendment 11)
Article 2(4a) (new)

4a. The Community shall take great care to ensure that disproportionate concentration of aid to road transport to the detriment of the other modes of transport is avoided.

(Amendment 12)
Article 3, second paragraph

The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspectives.

The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspectives, in compliance with the principles of sound financial management established by Article 2 of the Financial Regulation.

(Amendment 13)
Article 5(1)

1. Measures financed by the Community under ISPA shall comply with the provisions set out in the Europe Agreements, including the implementing rules for the application of the provisions on State aids, and shall contribute to the achievement of Community policies, particularly those concerning environmental protection and improvement, transport and trans-European networks.

1. Measures financed by the Community under ISPA shall comply with the provisions set out in the Europe Agreements, including the implementing rules for the application of the provisions on State aids and Community legislation on public procurement, and shall contribute to the achievement of Community policies, particularly those concerning environmental protection and improvement, transport and trans-European networks.

(Amendment 14)
Article 5(3)

3. The Commission shall seek coordination and consistency between measures undertaken in the beneficiary countries pursuant to this Regulation and the operations of the European Bank for Reconstruction and Development (EBRD), the World Bank and other such financial institutions.

3. The Commission shall seek coordination and consistency between measures undertaken in the beneficiary countries pursuant to this Regulation and the bilateral operations of the Member States, the European Bank for Reconstruction and Development (EBRD), the World Bank and other such financial institutions.

(Amendment 15)
Article 6(4)

4. Preliminary studies and technical support measures may be financed exceptionally at 100% of the total cost.

4. Preliminary studies and technical support measures pertaining to projects deserving promotion and general technical

assistance to national, regional and local authorities, including environmental authorities in the applicant countries, may be financed exceptionally at 100% of the total cost.

(Amendment 16)
Article 7(2)

2. The beneficiary countries shall submit applications for assistance to the Commission. However, the Commission may grant assistance pursuant to Article 2(4) on its own initiative.

2. The beneficiary countries shall submit applications for assistance to the Commission. However, the Commission may grant assistance pursuant to Article 2(4) on its own initiative, where there is an overriding Community interest.

(Amendment 17)
Article 8(3), first subparagraph a, b and c (new)

Where the payment takes the form of an advance, it shall be reimbursed by the payment authority if no payment request is sent to the Commission within 18 months of the decision.

It is first and foremost the beneficiary countries that are responsible for prosecuting irregularities, for determining the implications of any substantial change in the nature of or the conditions for the implementation or monitoring of a measure and for making the necessary financial adjustments, although this does not exclude the responsibility of the Commission.

Where the Commission considers that a beneficiary country has failed to comply with its obligations, it shall suspend the intermediate payments concerned and ask the beneficiary country to submit its observations within a specified period. At the end of that period, and in the absence of any adjustments by the beneficiary country, the Commission must reduce the advance or cancel all or part of the contribution concerned.

(Amendment 18)
Article 9(1)(b)

(b) to verify on a regular basis that the measures financed by the Community have been properly carried out;

(b) to verify on a regular basis that the measures financed by the Community have been properly carried out and that internal measures have been implemented in compliance with the principles of sound financial management;

(Amendment 19)
Article 9(1)(da) (new)

(da) to check regularly that the measures financed by the Community are contributing to the development of the region and are not perpetuating inefficient and environmentally damaging structures.

(Amendment 20)
Article 9(1)(db) (new)

(db) to submit an annual evaluation report.

(Amendment 21)
Article 9(4)

4. The financing memorandum shall also contain provisions concerning the reduction, suspension and cancellation of assistance where the implementation of a measure does not justify either a part or the whole of the assistance allocated.

4. The financing memorandum shall also contain provisions concerning the reduction, suspension and cancellation of assistance where the implementation of a measure does not justify either a part or the whole of the assistance allocated, particularly where insufficient account was actually taken of the strategic priorities by the applicant countries and where, with particular reference to saving resources and the requirements of sustainable development, strict coherence of the projects was not observed, particularly where efficient

administrative, monitoring, follow-up and assessment systems were not introduced.

(Amendment 22)
Article 12, second paragraph

The European Parliament shall deliver an opinion on the report as soon as possible. The Commission shall report on the manner in which that opinion has been taken into account.

The European Parliament shall deliver an opinion on the report within three months. The Commission shall report on the manner in which that opinion has been taken into account.

(Amendment 23)
Article 12, second paragraph a (new)

In the annual report for the following year, the Commission shall report on the manner in which that opinion has been taken into account.

(Amendment 24)
Article 12, second paragraph b (new)

In 2003, the Commission shall draw up a mid-term review of the implementation of ISPA. At the same time, if necessary, it shall present proposed amendments to the legal provisions then in force, which it shall submit to the European Parliament, the Economic and Social Committee and the Committee of the Regions for their opinions.

(Amendment 25)
Article 14, first paragraph

In implementing this Regulation, the Commission shall be assisted by a committee of an advisory nature composed of representatives of the Member States and chaired by the representative of the Commission. The European Investment Bank shall appoint a non-voting

In implementing this Regulation, the Commission shall be assisted by a committee of an advisory nature composed of representatives of the Member States and chaired by the representative of the Commission. The European Investment Bank shall appoint a non-voting

representative.

representative. The beneficiary countries shall be kept regularly informed of the work of the committee.

(Amendment 26)
Annex I(4)

4. a cost-benefit analysis, including the direct and indirect effects on employment;

4. a cost-benefit analysis, including the direct and indirect effects on employment, which must be quantified where this is possible;

(Amendment 27)
Annex I(6)

6. information on the place and priority of the measure within the national environmental strategy as laid down in the national programme for the adoption of the *acquis communautaire*;

6. information on the place and priority of the measure within the national environmental strategy as laid down in the national programme for the adoption of the *acquis communautaire*, and on the participation of women in all stages of the decision-making process;

(Amendment 28)
Annex I(7)

7. information on the national transport development strategy and the place and priority of the measures within that strategy;

7. information on the national transport development strategy, the place and priority of the measures within that strategy, including the degree of consistency with the guidelines for the trans-European networks and the pan-European transport policy;

(Amendment 29)
Annex I(8a) (new)

8a. details on compliance with basic employee rights and on the account taken of groups that are particularly socially disadvantaged;

(Amendment 30)

Annex II(A)(1)

1. their economic and social benefits, including their potential for leverage of private financing, which shall be commensurate with the resources deployed; an assessment shall be made in the light of a cost-benefit analysis;

1. their economic and social benefits, in terms of employment policy, including their potential for leverage of private financing, which shall be commensurate with the resources deployed; an assessment shall be made in the light of a cost-benefit analysis;

(Amendment 31)
Annex III(D)(4)(ea) (new)

(ea) the impact of the measures in terms of job creation.

(Amendment 32)
Annex III(F)

F. *Ex-post* evaluation shall cover the utilisation of resources and the effectiveness and efficiency of assistance and its impact. It shall cover the factors contributing to the success or failure of implementation of measures and the achievements and results. After the completion of measures, the Commission and the beneficiary countries shall therefore evaluate the manner, including the efficient and effective use of resources, in which they have been carried out. The evaluation shall also cover the actual impact of their implementation in order to assess whether the original objectives have been achieved. This evaluation shall, *inter alia*, address the contribution made by measures to the implementation of Community policies on the environment or to the contribution of trans-European networks and common transport policies, and they shall also assess the environmental impact of the measures.

F. *Ex-post* evaluation shall cover the utilisation of resources and the effectiveness and efficiency of assistance and its impact. It shall cover the factors contributing to the success or failure of implementation of measures and the achievements and results. After the completion of measures, the Commission and the beneficiary countries shall therefore evaluate the manner, including the efficient and effective use of resources, in which they have been carried out. The evaluation shall also cover the actual impact of their implementation in order to assess whether the original objectives have been achieved. This evaluation shall, *inter alia*, address the contribution made by measures to the implementation of Community policies on the environment or to the contribution of trans-European networks and common transport policies, and they shall also assess their short- and long-term consequences for the

social and employment policies as well as their environmental impact.

(Amendment 33)
Annex IV(2)

2. the contribution which the Community assistance under ISPA made to the efforts of the beneficiary countries to implement Community environment policy and to strengthen trans-European transport infrastructure networks; the balance between measures in the field of the environment and measures relating to transport infrastructure;

2. the contribution which the Community assistance under ISPA made to the efforts of the beneficiary countries to implement Community environment policy, the common transport policy and policy on trans-European networks; the balance between measures in the field of the environment and measures relating to transport infrastructure;

(Amendment 34)
Annex IV(2a) (new)

2a. the impact on employment of the measures financed;

(Amendment 35)
Annex IV(3)

3. assessment of the compatibility of operation of Community assistance under ISPA with Community policies, including those concerning environmental protection, transport, competition and the award of public contracts;

3. assessment of the compatibility of operation of Community assistance under ISPA with Community policies, including those concerning environmental protection, transport, competition, employment and social affairs, as well as the award of public contracts;

(Amendment 36)
Annex IV(3a) (new)

3a. a breakdown of the measures in the infrastructure sector by mode of transport;

DRAFT LEGISLATIVE RESOLUTION

Legislative resolution embodying Parliament's opinion on the proposal for a Council Regulation (EC) establishing an instrument for structural policies for pre-accession (COM(98)0138 - C4-0301/98 - 98/0091(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council, COM(98)0138 - 98/0091(CNS)(),
 - having regard to the Commission communication to the Council on Agenda 2000: Instrument for Structural Policies for Pre-Accession (ISPA), assistance to the applicant countries (COM(98)0182),
 - having been consulted by the Council pursuant to Article 308 of the EC Treaty (former Article 235 of the EC Treaty) (C4-0301/98),
 - having regard to Rule 58 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Policy and the opinions of the Committee on Budgets, the Committee on External Economic Relations, the Committee on Employment and Social Affairs, the Committee on Transport and Tourism, the Committee on the Environment, Public Health and Consumer Protection and the Committee on Women's Rights (A4-0382/98),
 - whereas the changes made by the European Council of 24-26 March 1999 are consistent with the amendments adopted by Parliament on 19 November 1998,
 - having regard to the second report of the Committee on Regional Policy (A4-0238/99),
1. Approves the Commission proposal, subject to Parliament's amendments;
 2. Instructs its President to forward this opinion to the Council and Commission.

(¹) OJ C 164, 29.5.1998, p. 4.

B

EXPLANATORY STATEMENT

The explanatory statement to this amended report will be deliberately kept short. It will refer exclusively to developments since November 1998 with respect to the Commission proposal for a Council regulation establishing an instrument for structural policies for pre-accession (ISPA). The more detailed observations on that proposal are set out in the initial report().

I. Summary of the informal meetings between the European Parliament and the Council

1. The informal negotiations

The initial report was debated in the House on 19 November 1998. On that occasion, the vote on the legislative resolution was held over pursuant to Rule 60 of the Rules of Procedure. On 11 January 1999, the report was referred back to committee pursuant to Rule 129(1) of the Rules of Procedure. The institutions involved used the subsequent period for the holding of an 'informal conciliation procedure'. That conciliation procedure enabled the European Parliament in particular to be involved in the work of the Council in connection with a proposal which is subject to no more than the simple consultation procedure laid down in Article 308 of the Treaty of Amsterdam (former Article 235 of the EC Treaty).

Three meetings were held with the Council Presidency: on 2 December 1998 in the presence of Mrs Ferrero-Waldner, President-in-Office of the Council and Minister of State in the Foreign Ministry of the Republic of Austria, and on 9 February and 11 March 1999 in the presence of Mr Günter Verheugen, President-in-Office of the Council and Minister for European Affairs of the Federal Republic of Germany. The EP delegation for that meeting consisted of the chairmen of and the rapporteurs for the committees concerned. On 2 December 1998 it was chaired by Mr Imbeni, Vice-President of the European Parliament, and on the other two occasions by Mr Verde I Aldea, Vice-President of the European Parliament. The meetings were wound up on 11 March 1999.

2. The outcome

The informal negotiations took place in a constructive atmosphere. The Council Presidency adopted four amendments tabled by the European Parliament, and COREPER (the Committee of Permanent Representatives) confirmed that agreement at its meeting of 17 and 18 March 1999. The following amendments were agreed:

- former Amendment 43, concerning the granting of assistance by the Commission on its own initiative for measures deemed worthy of assistance 'where there is an overriding Community interest';
- former Amendment 51, concerning the three-month time-limit within which the European Parliament is to deliver its opinion on the Commission's annual report;

(¹) A4-0382/98.

- former Amendment 56, concerning the quantifying of the direct and indirect effects of ISPA on employment;
- former Amendment 58, concerning the degree of consistency of the measures taken with the guidelines for the trans-European networks and the pan-European transport policy.

The Council therefore agreed that, in duly substantiated exceptional cases, it would authorise projects deemed worthy of assistance with a total cost of less than EUR 5 million and that there was a need to seek the best possible balance between transport measures and environmental protection measures.

The Council also indicated that it was in principle prepared to enshrine equal opportunities and observance of the impact of ISPA on employment more firmly in the Regulation.

On the other hand, no agreement could be reached with the Council on the following amendments:

- participation of the applicant countries in the other Community policies,
- introduction of administration and monitoring systems in 2001 instead of 2002,
- increase to 4% instead of 2% for expenditure on technical assistance,
- submission by the Commission of a mid-term review.

As regards the first three issues, the Council and Commission were able to argue convincingly that participation of the applicant countries in the other Community policies was already governed by the Accession Partnerships, that the introduction of administration and monitoring systems in 2001 instead of 2002 would place too great a burden on the applicant countries and that 4% for technical assistance would make sense only if ISPA provided general assistance for training in administration. However, aid of that nature was provided under PHARE, and duplication of effort was to be avoided.

From a general point of view, these negotiations enabled the European Parliament to reach agreement with the Council on a number of important issues. Accordingly, ISPA should represent effective assistance for the applicant countries in the pre-accession phase, provided that - with the limited resources available - the selected measures concentrated on well-defined objectives and priorities and that the implementation of the instrument was meticulously scrutinised.

II. Scope of the amended report

The new form of this report, drawn up following the informal conciliation procedure with the Council, is notable in so far as a large number of amendments have been dropped, some have been slightly changed, and others retained. The reasons for this procedure are as follows:

1. Reduction in the number of amendments

This report includes fewer amendments than those adopted in the first report. The reason for this is that the amendments now focus strictly on the Commission text. The amendments now withdrawn originally put the Commission proposal in the more general context of pre-accession. They facilitated a wider discussion when the Commission proposal was

debated initially, but they do not directly concern the proposal for a regulation concerning the introduction of ISPA.

Accordingly, the following amendments have been withdrawn:

- Amendments 1 to 9, i.e. the references to the various experts' reports and Parliament resolutions on the environment and transport,
- Amendments 22, 25 to 29, 31 to 33, 35 and 36, 44 and 61 with references to the general framework regulation for the Structural Funds, participation of the applicant countries in various bodies, programmes and Community policies in the field of research, environment and transport, and references to the budgetary procedure (a separate budget heading for pre-accession, reinstatement of appropriations and monitoring).

2. The amendments which have been modified

Three of the original amendments have been modified and should be regarded as compromise amendments:

- former Amendment 21, which now includes no reference to Cyprus. In actual fact, the Commission proposal refers exclusively to the CEECs. Special arrangements have been put in place for Cyprus. In addition, the oral amendment adopted in the House (the new Recital 1a) lays down that: 'all the other countries included in the accession process should also benefit from similar programmes within the legal and contractual framework of their relations with the European Union',
- former Amendment 11, where, in agreement with the Council, it seemed to be more appropriate to seek by the year 2006 a 50-50 balance between measures to benefit transport and the environment, without wishing to exceed the 50% ceiling with regard to the environment,
- former Amendment 54, where, ultimately, participation of the applicant countries in the committee of an advisory nature was no longer deemed necessary. On the other hand, it is now laid down that the applicant countries are to be regularly informed about the work of the committee of an advisory nature.

3. The other amendments

The remaining amendments - except for the four amendments adopted by the Council - concern issues on which the Council indicated no express agreement or which it rejected but the scope of which Parliament regards as significant. Those amendments include:

- the involvement of local and regional authorities in the procedures for the granting of Community assistance under ISPA,
- the involvement of women in the decision-making process and of the equal opportunities aspect in general in the implementation of ISPA,
- the priorities to be observed in the fields of transport and the environment,
- an even-handed allocation of aid to the various modes of transport (avoidance of an excessive concentration on road transport),
- due account to be taken of Community legislation concerning public procurement,
- submission of a mid-term review of the implementation of ISPA.

