



Brussels, 7.11.2012
COM(2012) 642 final

REPORT FROM THE COMMISSION
ANNUAL REPORT ON THE COHESION FUND (2011)

{SWD(2012) 362 final}

TABLE OF CONTENTS

1.	Financial execution of the 2000-2006 period in 2011 and closure of projects.....	1
2.	Economic environment and conditionality.....	5
3.	Audits and financial corrections.....	6
4.	Irregularities notified by the Member States.....	8
5.	Evaluation.....	9
6.	Information and publicity.....	10

This report is presented in conformity with Article 14(1) of Regulation (EC) No 1164/1994 and covers the implementation during 2011 of Cohesion Fund projects adopted in the 2000-2006 programming period as well as ex-ISPA projects and those Cohesion Fund projects approved or submitted in the 1994-1999 programming period that continued to be implemented in the 2000-2006 period. The information provided is limited to the 2000-2006 period as Regulation (EC) No 1084/2006 establishing a Cohesion Fund and repealing Regulation (EC) No 1164/1994 does not require the presentation of an annual report on the Cohesion Fund for the 2007-2013 programming period.

As a consequence, this report covers Cohesion Fund operations in the fifteen beneficiary Member States - thirteen that were Member States at the end of 2006 (i.e. Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Slovakia, Slovenia and Spain), as well as ex-ISPA projects adopted in the 2000-2006 period in Bulgaria and Romania, which joined the European Union on 1 January 2007. It must be recalled that Ireland's economic growth has made it ineligible since 1 January 2004; nevertheless, ongoing Cohesion Fund projects still await closure.

Details on the implementation, monitoring and audit in 2011 of projects adopted in the 2000-2006 period for each beneficiary Member State are presented in the Commission Staff Working Document accompanying this report.

1. FINANCIAL EXECUTION OF THE 2000-2006 PERIOD IN 2011 AND CLOSURE OF PROJECTS

The Member States eligible for the Cohesion Fund support can be divided into three groups: a group of four Member States eligible from the beginning of the 2000-2006 programming period (EU-4: Greece, Ireland, Portugal and Spain), a second group of ten Member States that joined the European Union in May 2004 (EU-10: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia), and the two Member States (EU-2: Romania and Bulgaria) that joined the European Union in January 2007.

Table 1: Number of Cohesion Fund projects per Member State and per sector

Member State	Transport	Environment	Mixed	Technical Assistance	Total
Greece	30	92	1	1	124
Ireland	6	4			10
Portugal	34	72		3	109
Spain	80	322	2	3	407
EU-4	150	490	3	7	650
Cyprus	1	1			2
Czech Republic	13	38	1	6	58
Estonia	10	17		10	37
Hungary	9	25		13	47
Latvia	14	22		10	46
Lithuania	17	27		7	51
Malta	1	1		1	3
Poland	25	88		17	130
Slovakia	6	25		8	39
Slovenia	8	16		4	28
EU-10	104	260	1	76	441
Bulgaria	5	22		11	38
Romania	12	36		15	63
EU-2	17	58		26	101
TOTAL	271	808	4	109	1192

Altogether the Commission adopted 1192 Cohesion Fund projects in the 2000-2006 period in the 16 eligible Member States. This figure includes 52 projects which were approved or submitted in the 1994-1999 period but continued to be implemented in the 2000-2006 period. Out of 1192 projects adopted by the Commission, 808 concern the environment, 271 transport and 109 technical assistance; 4 projects are mixed (see Table 1).

1.1. Modification of the Cohesion Fund project decisions

In 2011, the Commission adopted 175 amendments of its decisions concerning Cohesion Fund projects, which was slightly more than in 2010 (167), fewer than in 2009 (196) and more than the 137 in 2008. These amendments mostly concerned changes in the physical scope, changes of the project's beneficiary, increases of the ceiling for advance and interim payments from 80% to 90%, and changes in the final date of eligibility due to the economic crisis and force majeure. A significant number of amendments covered combined proposals covering more than one of the above-mentioned aspects.

In April 2010, the Commission adopted, as one of the measures in support of the European Economic Recovery Plan, the 'Amendment of the Guidelines on the closure of Cohesion Fund and ex-ISPA projects 2000-2006'.¹ The Commission considered that projects first approved from 2004 onwards might have been particularly affected by difficulties in providing the required national public or private co-financing, or by the ability of beneficiaries to respect the original schedule of works. The Commission recognised that such projects were in the middle, or even only at the start, of their implementation when the crisis set in.

The amendment therefore stated that for projects first approved by Commission decision after 1 January 2004 the Commission may decide, on the basis of a duly justified request, to extend the final date of eligibility to 31 December 2011. If, moreover, the request concerned a project with a contribution from the Cohesion Fund of at least EUR 100 million, the final date of eligibility may be extended to 31 December 2012.

An exception extending the final date of eligibility beyond the above-mentioned dates could have been possible only under exceptional and duly justified circumstances (i.e. administrative or legal proceedings having suspensory effects, cases of force majeure which have serious repercussions for the implementation of the project supported by the Cohesion Fund or manifest errors attributable to the Commission).

The amendment was welcomed by the Member States as it would contribute to more efficient and effective implementation of the 2000-2006 Cohesion Fund projects. The possibility to extend the final date of eligibility beyond the year 2010 meant in practice that some Cohesion Fund projects continued to be implemented in 2011 and 2012 and there are implications for the closure process which is to be prolonged accordingly.

For more than 500 projects, the final date of eligibility would normally have expired by the end of 2010. Requests from Member States to extend the final date of eligibility resulted in 380 projects reaching their final date of eligibility in 2010, 116 projects in 2011, and 7 in 2012.

¹ SEC(2010) 0405 of 19 April 2010.

1.2. Payments made in 2011 for projects adopted in the 2000-2006 programming period

In general, there were fewer final payments for Cohesion Fund projects (and ex-ISPA) for the period 2000-2006 than initially expected. Closure payment claims require thorough analysis of the closure documents and, depending on their completeness and quality, these checks can result in final payments at later stage than initially foreseen.

The 2011 initial budget for payments for the 2000-2006 Cohesion Fund projects amounted to EUR 1 377 million (EUR 2 500 million in 2010). The transfer of appropriations resulted in a final budget of EUR 945 million, which was entirely paid by the end of 2011. This is a lower execution level than in 2010 (EUR 2 321 million) or in 2009 (EUR 2 777 million), illustrating the fact that the Cohesion Fund project-implementation cycle is reaching its final stage.

As far as the ex-ISPA budget lines are concerned, the budget initially foreseen for 2011 amounted to EUR 358 million. Following budget transfers, the appropriations were reduced by EUR 164 million. An amount of EUR 188 million was paid by the end of 2011 (see Table 2).

Table 2: Implementation of the Cohesion Fund and ex-ISPA payments in 2011 (in EUR)

Payment appropriations	Initial	Movements	Final Resources	Outturn
Cohesion Fund	1 377 495 593	- 432 555 482	944 940 111	944 940 111
Ex-ISPA	352 094 460	- 164 080 494	188 013 966	188 013 966
TOTAL	1 729 590 053	- 596 635 976	1 132 954 077	1 132 954 077

Table 3 shows the level of 2011 payments for each Member State and for each sector. The main beneficiary countries are Spain in the EU-4 group, Poland in the EU-10 group and Romania in the EU-2 group.

Table 3: Payments in 2011 to the Cohesion Fund and ex-ISPA projects per Member State and per sector

Member State	Environment		Transport		Technical Assistance	TOTAL	
	Amount (EUR)	% of total outturn	Amount (EUR)	% of total outturn	Amount (EUR)	Amount (EUR)	% of total outturn
Greece	57 615 863.65	5.09	44 816 211.78	3.96		102 432 075.43	9.04
Ireland	8 933 600.00	0.79	2 207 521.12	0.19		11 141 121.12	0.98
Portugal	59 890 525.34	5.29	36 626 302.96	3.23	272 789.96	96 789 618.26	8.54
Spain	207 017 555.55	18.27	193 055 630.27	17.04		400 073 185.82	35.31
EU-4	333 457 544.54	29.43	276 705 666.13	24.42	272 789.96	610 436 000.63	53.88
Cyprus	8 926 429.27	0.79	5 058 456.00	0.45		13 984 885.27	1.23
Czech Republic	20 394 019.16	1.80	20 304 261.32	1.79		40 698 280.48	3.59
Estonia	7 885 782.28	0.70	17 391 904.00	1.54		25 277 686.28	2.23
Hungary	57 450 019.62	5.07		0.00		57 450 019.62	5.07
Latvia	12 587 415.80	1.11	18 353 828.28	1.62		30 941 244.08	2.73
Lithuania	16 724 432.00	1.48	5 143 945.00	0.45	264 809.42	22 133 186.42	1.95
Malta	0	0.00	0	0.00		0	0.00
Poland	94 410 927.60	8.33	50 776 143.02	4.48	601 745.21	145 788 815.83	12.87
Slovakia	5 504 756.15	0.49	10 381 316.38	0.92		15 886 072.53	1.40
Slovenia	8 207 958.63	0.72	2 446 325.42	0.22		10 654 284.05	0.94
EU-10	232 091 740.51	20.49	129 856 179.42	11.46	866 554.63	362 814 474.56	32.02
Bulgaria	20 080 988.55	1.77	11 181 332.51	0.99		31 262 321.06	2.76
Romania	48 053 737.21	4.24	80 387 543.69	7.10		128 441 280.90	11.34
EU-2	68 134 725.76	6.01	91 568 876.20	8.08		159 703 601.96	14.10
TOTAL	633 684 010.81	55.93	498 130 721.75	43.97	1 139 344.59	1 132 954 077.15	100.00

1.3. Outstanding commitments from the 2000-2006 period

At the end of 2011, the average absorption rate (payments vs commitments) of all current beneficiary countries for both the Cohesion Fund and ex-ISPA projects was 86.8%. The absorption rates range from 76.4% (Hungary) and 80.0% (Malta) to 94.5% (Ireland) and 100% (Cyprus).

At the end of 2011, the outstanding commitments ('reste à liquider' or 'RAL') corresponding to the 2000-2006 period amounted to EUR 4.76 billion. During 2011, the RAL was reduced by EUR 1.3 billion.

Table 4: Absorption rate and outstanding commitments at the end of 2011

Member State	Committed (EUR)	Paid (EUR)	% paid	RAL (EUR)
	(until 12/2011)	(until 12/2011)		as at 31/12/2011
Greece	2715 715 157	2298 554 325	84.6	644 237 217
Ireland	570 501 432	539 671 256	94.5	44 183 661
Portugal	3 091 383 087	2 702 560 755	87.4	480 151 783
Spain	11 678 668 888	10 390 253 116	88.9	1 385 991 734
EU-4	18 056 268 566	15 931 039 454	88.2	2 554 564 397
Cyprus	54 014 695	54 014 695	100.0	0
Czech Republic	1 216 164 695	1 102 680 977	90.6	123 537 739
Estonia	425 313 806	393 964 337	92.6	31 359 034
Hungary	1 481 998 333	1 133 287 696	76.4	348 710 635
Latvia	679 429 631	608 993 278	89.6	70 541 232
Lithuania	825 210 750.63	713 677 487	86.4	124 668 359
Malta	21 966 289	17 573 031	80.0	4 393 258
Poland	5 622 608 032	4 798 548 338	85.3	826 434 068.96
Slovakia	764 788 823	662 551 600	86.6	102 246 279.62
Slovenia	254 129 012	225 399 467	88.6	28 729 545
EU-10	11 345 624 057	9 710 690 908	85.5	1 660 620 153
Bulgaria	791 062 943	645 742 295	81.6	226 706 678
Romania	2 001 213 853	1 678 709 925	83.8	322 503 927
EU-2	2 792 276 796	2 324 452 221	83.2	549 210 606
TOTAL	32 201 682 470	27 966 182 584	86.8	4 764 395 156

1.4. Closure of Cohesion Fund projects

Of the 1192 projects co-financed in the 2000-2006 programming period, 690 were still ongoing in the Member States at the end of 2011 (see Table 5). Accordingly, 502 projects had been closed, including 105 projects closed in 2011 (compared to 102 projects closed in 2010). The majority of closures concerned the following Member States: Spain (44 projects closed), Greece (13), Portugal (10) and Poland (9).

Project implementation peaked in 2010 and attention is now shifting towards the completion and submission of the closure documents. The managing authorities and the Commission face a significant increase of workflow regarding the project closure documents.

The Commission is aware that the closure process is too slow in the light of the volume of projects to be cleared in the coming two years. However, practical problems such as the late transmission of closure documents, inconsistencies of information (namely between the content of some final reports and the winding-up declarations) or the underperformance of certain projects compared to their initial objectives, can make the exercise complex. Moreover, for those projects still ongoing, implementation difficulties on the ground often lead to new modification requests from Member States. In addition, more complicated

projects are undergoing the closure procedure and more time is needed for the examination and decision-making linked to closure.

The Commission adopted concrete steps to boost the closure process. A Cohesion Fund closure task force was set up within DG Regional Policy in February 2011 to monitor, guide and facilitate the closure. Furthermore, it took a number of initiatives to improve the situation, such as the drafting of a procedure for the cancellation of those projects unlikely to be completed because of their very low level of implementation; the rationalisation of correspondence with Member States for clarifications needed at closure, improving the common approach and equal treatment; and the development of a new monitoring instrument enabling follow-up on a daily basis of the progress achieved in the closure process.

Table 5: Cohesion Fund projects closed until the end of 2011

Member State	Total number of CF projects	State of play as of end 2011				Number of open projects as of end 2011
		Total number of projects closed	% of projects closed	Total paid for projects closed (EUR)	Number of projects closed in 2011	
Greece	124	71	57.3	1 645 734 338	13	53
Ireland	10	6	60.0	451 776 989	2	4
Portugal	109	46	42.2	1 243 494 296	10	63
Spain	407	208	51.1	6 329 550 889	44	199
EU-4	650	331	50.9	9 670 556 512	69	319
Cyprus	2	1	50.0	28 722 415	1	1
Czech Republic	58	30	51.7	658 665 260	3	28
Estonia	37	27	73.0	240 805 280	6	10
Hungary	47	13	27.7	67 714 692	1	34
Latvia	46	22	47.8	155 238 464	3	24
Lithuania	51	17	33.3	177 056 807	1	34
Malta	3	0	0.0	0	0	3
Poland	130	15	11.5	384 661 932	9	115
Slovakia	39	18	46.2	231 678 461	7	21
Slovenia	28	17	60.7	125 856 727	4	11
EU-10	441	160	36.3	2 070 400 038	35	281
Bulgaria	38	5	13.2	67 979 411	1	33
Romania	63	6	9.5	15 776 582	0	57
EU-2	101	11	10.9	83 755 993	1	90
TOTAL	1192	502	42.1	11 824 712 543	105	690

2. ECONOMIC ENVIRONMENT AND CONDITIONALITY

Article 6 of Council Regulation (EC) No 1164/1994, which governs the Cohesion Fund for projects approved prior to the end of 2006, attaches budgetary-policy conditions to the disbursements by the Fund. It provides that ‘no new projects or, in the event of important projects, no new project stages shall be financed by the Fund in a Member State in the event of the Council, acting by a qualified majority on a recommendation from the Commission, finding that the Member State [...] has not implemented [its stability or convergence programme] in such a way as to avoid an excessive deficit’. However, as the approval phase of the 2000-2006 projects preceded the economic crisis, this Article has not been used in the context of the 2000-2006 projects.

3. AUDITS AND FINANCIAL CORRECTIONS

The Commission has ensured regular audit coverage of the Cohesion Fund projects in most of the Member States concerned and has focused on the specific risks linked to Cohesion Fund implementation.

The last audit enquiry was updated in 2011 ('Cohesion Fund: Review of Winding-up Body 2000-2006 and audit of projects'). Based on this enquiry, the Commission services should be in a position to conclude whether the systems and procedures set up, and the work carried out, provide a reliable source of assurance in relation both to projects already closed and to projects awaiting closure. The audit work started in May 2011 and will continue in 2012 and 2013. In 2011, six audit missions were carried out (Bulgaria, Spain, Romania, Hungary, Lithuania and Latvia).

Cumulatively, the Commission has carried out 162 system audits and 20 closure audits on the 2000-2006 period for Cohesion Fund projects. The analysis below provides details on the work carried out up to end 2011, grouped in accordance with the historical development of the Cohesion Fund.

3.1. EU-4 Member States

A significant amount of work has been carried out for the EU-4 Member States since 2001 as part of the main audit enquiries: on the verification of effective functioning of the management and control systems in the Member States, on public procurement and to review the work of the winding-up bodies in the Member States in preparation for the closure of 2000-06 programmes and projects; action plans to correct weaknesses found, financial corrections made, and results of Court of Auditors audits.

3.2. EU-10 Member States

As a result of the significant amount of audit work carried out by the Commission on the EU-10 Member States during the main enquiries over previous years, a good level of coverage has been attained (up to 53 %).

The assessment of the reliability of the work of the winding-up body varies for this group of Member States. Whenever problems were detected, the Commission requested the Member State authorities to implement remedial action plans, to carry out additional retrospective verifications, to strengthen the preparatory work for closure before sending the winding-up declarations and to apply appropriate financial corrections. The main residual risk factors are: public procurement procedures and doubts about some winding-up bodies' ability to detect such irregularities or to impose financial corrections, together with weaknesses in the functioning of the winding-up body. In one case (Hungary), serious issues and a relatively high error rate have been reported for transport projects, resulting in a reservation in the 2011 Annual Activity Report for the Directorate-General for Regional Policy. All the risks identified are mitigated by the thorough verifications undertaken by the Commission when analysing the winding-up declarations at the closure of each project. The Commission will also continue to monitor these risks through audits of samples of the remaining open projects.

In four Member States (Cyprus, Estonia, Malta, Slovenia), there are no outstanding audit issues and the Commission can place a high degree of reliance on the winding-up declarations to close projects in these Member States.

3.3. EU-2 Member States

As a result of the substantial amount of audit work carried out by the Commission on Bulgaria and Romania during the main enquiries over previous years, a good level of coverage has been attained from this audit work (51.35% for Bulgaria and 36.51% for Romania). The implementation of Cohesion Fund projects started generally later for these two Member States. As a result, 33 out of 38 projects and 57 out of 63 projects are still open in Bulgaria and Romania, respectively. Consequently, significant interim payments will be made in 2012 and possibly in 2013 as well.

As pointed out in the Directorate-General for Regional Policy's Annual Activity Report for 2011, audits carried out revealed deficiencies in the public procurement area (selection and award criteria, application of deadlines, use of negotiated procedures) and weaknesses in management verifications. This led to financial corrections initiated by the Commission - EUR 0.69 million of corrections reported in 2011 for Bulgaria and EUR 0.22 million for Romania. The Commission identified deficiencies in the work of the winding-up body in Bulgaria, made recommendations for improvement and is monitoring closely the situation (as a result of an audit in May 2011 to further assess the work of the winding-up body). For Romania, an audit mission on the work of the winding-up body carried out in 2009 has been closed with an unqualified opinion, providing a good basis for relying on the winding-up declarations received.

3.4. Other audit work in 2011

Other audit work undertaken by the Commission services for the Cohesion Fund in 2011 included the examination of the national annual control reports under Article 12 of Regulation (EC) No 1386/2002, the annual summaries and the review of national system audit reports submitted to the Commission by the Member States. The reports received were analysed and replies sent to the Member States with observations and, where necessary, requests for additional information in order to be able to extract as much assurance as possible from the results of national audit work.

Bilateral coordination meetings are held annually between the Commission and national audit authorities to exchange information on the implementation of audit work and to discuss progress on sample checks and follow-up of audit findings. The meetings covering audit work conducted in the year 2010 were held during the first half of 2011. The annual bilateral coordination meetings covering audit work carried out in 2011 was held in the first semester of 2012.

3.5. Management and control systems

In its Annual Activity Report for 2011, the Directorate-General for Regional Policy assessed the functioning of the management and control systems (2000-2006), based on the reported audit opinions expressed by the Member States' audit authorities and the Commission's own audit results.

A positive assessment was made for fifteen Member States (one partly). An unqualified opinion was given for the Cohesion Fund systems in five Member States (Cyprus, Estonia, Malta, Portugal and Slovenia). For ten Member States, the opinion was qualified with a moderate impact (Bulgaria, Czech Republic, Greece, Hungary/environment sector and technical assistance projects, Ireland, Latvia, Lithuania, Poland, Romania, and Slovakia).

For the Hungarian transport sector, a reservation and a qualified opinion with significant impact was given due to the high error rate identified by the national audit body, the results of the Commission audits (which detected several public procurement irregularities), weaknesses identified in the implementation of financial corrections recommended by the winding-up body, and shortcomings in the detection and correction of public procurement-related irregularities at national level. In addition, the slow progress on closure of the Spanish Cohesion Fund projects, in particular due to the high level of public procurement errors found in a majority of projects, and the slow progress of the Spanish authorities in addressing issues raised by the Commission, also resulted in a reputational reservation in the 2011 Annual Activity Report for all Spanish Cohesion Fund projects.

Table 6: Reservations and financial corrections decided/agreed for the Cohesion Fund 2000-2006 by Member State

Member State	Reservation 2010 AAR	Financial corrections decided/agreed (EUR) in 2011 ²	Reservation 2011 AAR
Greece	NO	1 272 734	NO
Ireland	NO		NO
Portugal	NO	4 139 400	NO
Spain	NO	- 5 413 806 ³	YES ⁴
Cyprus	NO		NO
Czech Republic	NO	7 921 142	NO
Estonia	NO	77 353	NO
Hungary	YES - transport sector	2 581 124	YES ⁵
Latvia	NO		NO
Lithuania	NO	206 765	NO
Malta	NO		NO
Poland	NO	4 796 351	NO
Slovakia	NO	922 150	NO
Slovenia	NO		NO
Bulgaria	YES - 1 project	690 206	NO
Romania	NO	221 356	NO
TOTAL		17 414 784	

4. IRREGULARITIES NOTIFIED BY THE MEMBER STATES

As the Annual Report on the Cohesion Fund covers the implementation during 2011 of Cohesion Fund projects adopted in the 2000-2006 programming period, only notifications made under Regulation (EC) 1831/1994 are taken into account.

64 notifications of irregularities involving a total amount of EUR 42 168 842 in respect of projects co-financed by the EU related to the above mentioned period have been reported to the Commission. Some EUR 20 315 177 still remains to be recovered. Most of the cases were reported by Portugal, Greece and Lithuania (19, 14 and 8 respectively). However, Poland and Greece reported the highest amounts (EUR 16 million and 11 million respectively), i.e. approximately 64 % of the total (see Table 7).

² No amount to be reported in 2011 for 1994-1999 programming period.

³ The negative amount is the result of an adjustment of the Fund imputation in relation to what was wrongly reported in 2010 for the Cohesion Fund. The amount of EUR 34 784 766 has been effectively corrected.

⁴ Reputational Reserve for Spain.

⁵ Reputational Reserve for Hungary.

The two main types of reported irregularities are infringements of public-procurement rules and ineligible expenditure, which concern 54 of the 64 notified irregularities (85 %).

Table 7: Irregularities and EU financial impact reported by Member State in 2011 under Regulation (EC) 1831/1994 - programming period 2000-2006

Member State	Number of irregularities	Affected amounts		Amounts to be recovered	
		EUR	%	EUR	%
Greece	14	11 298 028	26.79	592 581	2.92
Ireland	3	1 552 044	3.68		
Portugal	19	5 404 973	12.82		
Spain	3	483 353	1.15		
Cyprus					
Czech Republic	6	4 684 545	11.11	1 761 729	8.67
Estonia					
Hungary					
Latvia					
Lithuania	8	569 966	1.35	43 548	0.21
Malta					
Poland	5	15 998 132	37.94	15 739 519	77.48
Slovakia	6	2 177 800	5.16	2 177 800	10.72
Slovenia					
Bulgaria					
Romania					
TOTAL	64	42 168 842	100.00	20 315 177	100.00

5. EVALUATION

The Commission and the Member States carry out appraisal and evaluation of all co-financed Cohesion Fund projects. In 2011, the Commission continued to carry out the ex-post evaluation of the Cohesion Fund, including ex-ISPAs, for the 2000-2006 programming period. A set of 5 interlinked 'work packages' was prepared to:

- a) Assess the contribution of the Cohesion Fund and ISPA to the development of the EU transport system and to achieving the EU *acquis* in the environment field, while also assessing the effect of ISPA as a preparation for Structural Fund and Cohesion Fund programmes:
 - The contribution of the two instruments towards the development of the TEN-T network during the 2000-2006 period is viewed as significant and as exceptional in the case of the EU-10. This is because the EU-10 acceded halfway through the 2000-2006 programming period and faced the biggest challenge in terms of bringing their national infrastructure up to a basic standard comparable with other Member States.
 - In the road sector, the 99 approved road projects provided 4,214 km of new or rehabilitated road on the TEN-T network, contributing approximately 10% towards its total length. This contribution was greatest for the EU-10 Member States, in which the 57 projects contributed approximately 20% towards the TEN-T network within these countries.
 - For rail, the 112 approved projects provided 8,477km of new or rehabilitated track/infrastructure on the TEN-T network, or approximately 21% of its total length across these countries. Again, the greatest contribution was to the TEN-T

networks within the EU-10 countries, in which the ISPA projects improved almost 40% (over 6,000km).

- The assessment of EU *acquis* was limited to the fields of water quality and management (including wastewater treatment), and solid waste collection and treatment. The analysis demonstrated that the Cohesion Fund and ISPA provided a significant contribution to countries' needs and their compliance with the environmental *acquis*. New assets, or extensions or upgrades of infrastructure in water provision, sanitation services and solid waste management, as required by countries to meet the EU Directives, were provided. Although countries received differing amounts in terms of funds per sector, the average contribution to sectors' needs is quite similar, with a contribution of around 30% in the drinking water sector and 38% in the wastewater sector. For solid waste, where countries' needs differed more significantly and the nature of the projects was more diverse, the contribution was 25%.
- b) Carry out ex post cost-benefit analyses for a sample of transport and environment projects, identifying lessons for future programming periods:
- Transport CBA: With regard to the impact of the projects, the analysis showed that all projects delivered value for money. The Cohesion Fund contribution was needed to unlock the economic benefits of these projects. Benefits from these projects covered 8 categories (travel-time savings, vehicle operating costs, safety improvements, carbon-dioxide emissions, air and noise reduction and others). Generally, the utilisation rates found are compatible with the objective to build in sufficient spare capacity to give room for growth over a project's lifetime. It was difficult to establish a direct causal link between the transport-infrastructure investments and the wider socio-economic impacts (especially relevant for GDP).
 - Environment CBA: The analysis showed that many of the environment-infrastructure projects were carried out to meet legal requirements. Legal compliance in itself did not ensure positive impacts in economic-welfare terms - in most cases, this was achieved at costs that exceeded the benefits that could be monetised. This is why it may be impossible to demonstrate a positive economic net present value at project level. In the two projects with objectives other than compliance, the environmental focus was found to be relevant to the needs of the region. Generally, assessments found that projects generated positive side effects in terms of environmental awareness and institutional learning.

Further to a contract modification to the first of these 'work packages', two further evaluations were launched in 2011, focusing on management and implementation of the Cohesion Fund, as well as an expert review and synthesis of the overall evaluation.

6. INFORMATION AND PUBLICITY

As from 1 January 2007, all issues concerning the Cohesion Fund have been tackled within the Coordination Committee of the Funds (COCOF, established in accordance with Regulation (EC) No 1083/2006). The Commission presented an update of the 2000-2006 Cohesion Fund closure process during the 44th meeting of the Coordination Committee of the Funds, in Brussels on 21 September 2011.

In 2011, the Directorate-General for Regional Policy continued to report in great detail on the Cohesion Fund in its Annual Activity Report⁶ and to publish details of major projects, including those financed by the Cohesion Fund, for both of the periods 2000-2006 and 2007-2013. To this date, the details of 238 major projects have been published in a specific searchable database on the INFOREGIO website. Further Cohesion Fund projects are also available on the website, together with hundreds of examples of other projects. Furthermore, a specific publication showcases 150 examples of projects co-financed by the Cohesion and Structural Funds.

⁶ Published at http://ec.europa.eu/atwork/synthesis/aar/index_en.htm.