

3.10 The EESC agrees with the Commission that the vast array of national rules is a major obstacle for SMEs. As the bilateral agreements concluded between 25 Member States would, in theory, all differ from each other, this will make it necessary for SMEs to restrict themselves to a limited number of such agreements. The diversity of the agreements would not therefore bring SMEs the hoped for simplification.

3.11 Moreover, the EESC is concerned about the practical consequences of the Commission's stated desire not to lay down more detailed provisions for the proposed pilot experiment. How will it be possible to harmonise tax rules (which is

desirable in the long term) after the implementation of numerous bilateral agreements, if agreement has not first been reached on certain basic convergence criteria?

3.12 Finally, the EESC notes that no detailed research has been undertaken to determine whether schemes already exist in the Europe between states or regions, such as Switzerland, Lichtenstein or the Vatican, or with principalities such as Monaco, San Marino, Andorra, etc., to eliminate or reduce the impact on companies (especially SMEs) of the plethora of national, regional and local tax rules.

Brussels, 17 May 2006.

The President  
of the European Economic and Social Committee  
Anne-Marie SIGMUND

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**Opinion of the European Economic and Social Committee on the Amended Proposal for a Council Regulation establishing a Cohesion Fund (Codified version)**

(COM(2006) 5 *final* — 2003/0129 (AVC))

(2006/C 195/15)

On 28 February 2006 the Council of the European Union decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the above-mentioned proposal.

The Section for Economic and Monetary Union and Economic and Social Cohesion, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 28 April 2006. The rapporteur was Mr Grasso.

At its 427th plenary session, held on 17-18 May 2006 (meeting of 17 May), the European Economic and Social Committee adopted the following opinion by 146 votes to one with two abstentions.

1. The European Economic and Social Committee supports the Commission's initiative to undertake the codification of Council Regulation (EC) No 1164/94 establishing the Cohesion Fund.
2. The EESC confirms its opinion, previously expressed on several occasions, that the codification of EU rules helps to bring the European public closer to the EU's instruments. This is all the more important in the case of cohesion policy, which is central to the process of European integration.

Brussels, 17 May 2006.

The President  
of the European Economic and Social Committee  
Anne-Marie SIGMUND

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