

2005 Cross Border Co-operation between Romania & Serbia

1. OBJECTIVES AND PRIORITIES

The global objective of the RO-SCG Neighbourhood Programme 2004-06 is:

"to achieve the balanced socio-economic development of the eligible area in Romania and Serbia by developing the principle of cross-border co-operation"

Two strategic objectives will reinforce the global objective:

- To increase the overall competitiveness of the regional economy, and
- To improve the quality of living standards for the areas' population.

In the light of above objectives, the partners agreed priorities and measures which constitute the backbone of their CBC development strategy for 2004-06

Neighbourhood Programme Priorities and Measures	
Priority 1	Local Economic and Social Development
Measure 1.1:	Business and Agricultural Support Co-operation.
Measure 1.2:	Co-operation between local public services
Measure 1.3:	Support for small-scale environmental and local infrastructure development
Measure 1.4:	Co-operation in tourism development
Priority 2	People to people actions
Measure 2.1:	Joint Small Projects Fund
Priority 3	Technical assistance
Measure 3.1	Project preparation, programme management and implementation
Measure 3.2	Programme publicity and evaluation

The projects of the programme for 2005 are:

PHARE/2004/016-784. <u>Phare/2005/017-538</u>	<u>01.01 Local Economic and Social development</u>
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The Phare contribution to this project may amount to a maximum of €4.200 Mio.

Grant Scheme for Promoting Local Socio-Economic Development

A feature of the Neighbourhood Programme is to encourage regular interaction between businesses (including agriculture) located across the entire border area, via sustainable business-to-business networks, quality business support services, professional assistance and other important services, especially for SMEs.

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This measure, therefore, is aimed at establishing networks of various business oriented facilities, offering high quality business services, with special emphasis on cross-border business-to-business co-operation. It will facilitate co-operation and institution building between agricultural sector support services to sustain the sector's viability.

This 2005 Phare project will contribute to implementing the following specific tasks:

Tasks in the 2005 CBC programme
Business and Agricultural Support co-operation establishing network of various business oriented facilities
facilitate co-operation and institution building between agricultural sector support services
Co-operation between local public services
Support for small-scale environmental and local infrastructure development
Co-operation in tourism development
Small scale Transport and border infrastructure projects: preparation and implementation support
Setting up/reinstalling monitoring networks for air and water quality in border regions
Natural park management
Local environment education programmes

Basic eligibility criteria, generic selection criteria and potential beneficiaries of this grant scheme, are to be found in § 6.5.

In addition the project fiche identifies specific criteria for each of the tasks identified for 2005.

PHARE/2004/016-784. Phare/2005/017-538 01.02 Joint Small Project Fund

The Phare contribution to this project may amount to a maximum of €0.550 Mio.

This project addresses priority² mentioned in the above table and consists of only one measure "Joint Small Project Fund" to implement people to people actions including Cross-Border networks and local contacts.

The people to people actions are aimed at supporting the establishment and development of co-operative networks on both sides of the border and the creation of linkages between these networks and wider European Union networks.

The selected projects under this fund shall fall within the priority fields set out in the Joint Programming Document for the period 2004-2006. The projects will encourage new forms of cross-border co-operation and strengthen existing ones.

Tasks of the Joint Small Project Fund for the 2005 programme
Strengthening local co-operation across the border
Stimulation and support to creation of permanent structures among the local and regional organisations in the border regions
Building and development of specialist resources of local and regional institutions involved in regional development and cross-border co-operation;
Development of local/regional economic and employment;
Development and strengthening of an effective implementation structure.
Providing on-going assistance for participants in the identification and preparation of projects; increase personal and institutional capabilities for co-operation and participation in future development programmes in particular for the preparation of future Neighbourhood Programme activities;

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Basic eligibility criteria, generic selection criteria and potential beneficiaries of this grant scheme, are to be found in § 6.5.

In addition the project fiche identifies specific criteria for each of the tasks identified for 2005.

PHARE/2004/016-784. Phare/2005/017-538 01.03 Technical assistance

The Phare contribution to this project may amount to a maximum of €0.250 Mio.

The technical assistance comprises two specific measures: (i) support for Programme management and implementation, which will provide the necessary support to management structures, including covering the operational costs of the Joint technical Secretariat to be set up on the Romanian eligible border area; (ii) support for programme publicity and evaluation (studies, seminars, information and publicity measures, evaluation, etc.) and providing assistance for projects preparation,. The Implementing Agency in Romania will be responsible for the implementation of this project in co-operation with the PCU in Serbia.

2. FINANCIAL TABLE FOR THE BUDGETARY YEAR 2005

1.1. 2.1 INDICATIVE FINANCIAL TABLE FOR THE BUDGETARY YEAR 2005

The distribution of figures in this table is indicative within the limits of Art. 5 MoU National Fund. The figures are given in Mio €

The implementing project split into three components	Phare support			National Public Funds	Beneficiary contribution	Total Cost
	INV	IB	Total			
Local Economic & Social Development (Priority 1)	4.200	0.000	4.200	1.400	0.623	6.223
People-to-people(JSPF) actions (Priority 2)	0.000	0.550	0.550	0.184	0.082	0.816
Technical Assistance (Programme support) Priority 3)	0.000	0.250	0.250	0.000	0.000	0.250
Total project 2005	4.200	0.800	5.000	1.584	0.705	7.289

Beneficiary Contribution minimum shall be calculated as one-ninth of the total of Phare and national public support. That contribution shall be in cash and in any event additional to national co-finance.

Each Neighbourhood Programme provides for a technical assistance financial envelope (capped at 5% of total Phare funds, i.e. €0.25 Mio). The implementing agency shall ensure that the funds allocated to this purposes will be used in the most effective way for the benefit of Romanian Neighbourhood Programmes.

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1.2. 2.2 PRINCIPLE OF CO-FINANCING:

In accordance with the Phare Guidelines, all investment ('INV') projects supported by Phare must receive co-financing from national public funds. The Community contribution may amount to up to 75% of the total eligible public expenditure. Taxes are not an element eligible for co-financing.

Co-financing for Institution Building ('IB') projects is provided at least by the Beneficiary Country bearing certain infrastructure and operational implementation costs, through financing the human and other resources required for effective and efficient absorption of Phare assistance. This does not exclude that co-financing may also be provided from the national funds

The projects selected through the grant schemes (investments and institution building) will be jointly co-financed between Phare, the beneficiary and government resources. The beneficiary has to provide at least 10 % of the total costs. The remaining eligible costs will be shared by Phare support up to a maximum of 75% with the Romanian government contributing the remaining costs.

1.3. 2.3 OUTLOOK FOR THE YEAR 2006

In line with recommendations of the Phare Management Committee to step forward to Multi-Annual Programming, the Romania – Serbia Neighbourhood Programme outlook for the year 2006 is described in the Joint Programming Document.

3 INSTITUTIONAL AND SPECIFIC IMPLEMENTATION ARRANGEMENTS

1.4. 3.1 IMPLEMENTING AGENCY

The Romanian CBC Implementing Agency is the Ministry of European Integration (MIE), which retains overall responsibility for the implementation of the project.

Ministry of European Integration
Cross Border Cooperation Directorate
Bdul Libertatii nr 12, sector 5
Bucuresti, Romania.

3.1.1 CBC REGIONAL OFFICE

For the Romanian side, the Ministry of European Integration may delegate a considerable part of its responsibilities for implementing the NP to a regional body, situated in the border area. For that purpose, the Regional Development Authority ('RDA') V West and RDA IV South-West will establish a **CBC Regional Office**.

1.5. 3.2 JOINT CO-OPERATION COMMITTEE (JCC)

The JCC is the strategic body of the Neighbourhood Programme. With members from both countries and from national, regional and local level, the JCC will ensure a joint management of the programme and thus ensure a policy and financial overview of the operation of the NP.

The main responsibilities of the JCC are:

- To adopt the JPD and any further adjustment of it, as appropriate
- To adopt the project fiches for the Financing Proposal to be put forward for the yearly programming exercise
- To consider and approve the joint annual and final progress and implementation reports before they are sent to the Commission.
- To approve the framework for the Joint Technical Secretariat's tasks.

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The JCC consists of representatives of national, regional, and local authorities.

The JCC will also include representatives from civil society, NGOs, economic and social actors, sectoral organisations – e.g. Chamber of Commerce, Unions, etc. They may participate in the JCC in an advisory capacity, i.e. not as voting members.

Representatives of the European Commission participate in the JCC in an advisory capacity.

The JCC will be co-chaired by the Romanian IA and the Serbia Programme Co-ordination Unit.

JCC will meet at least once a year in order to monitor the implementation of the programme and to approve project fiches for the annual Financing Proposal.

1.6. 3.3 JOINT STEERING COMMITTEE (JSC)

The JSC is the operational body of the NP. The main responsibilities of the JSC are:

- To prepare the project fiches for the yearly programming exercise, to be forwarded to the JCC for adoption;
- To oversee the calls for proposals and Application Packs (drafted by the JTS), to be forwarded to respective Contracting Authorities for publication;
- To oversee the joint selection of projects;
- To supervise the activities of the Joint Technical Secretariat (JTS) and the Evaluation Committee;
- To review periodically, progress made towards achieving the specific (and quantified) objectives of the programme and to analyse the results of implementation (achievement of the targets set for the different measures).

The JSC consists of:

- Representatives of national, regional and local authorities. Given its specific role, and in order to enhance local ownership, regional and local authorities should be largely represented.
- Representatives of the European Commission, acting as observers.

1.7. 3.4 JOINT TECHNICAL SECRETARIAT (JTS)

The Implementing Agency (IA) and the Programme Co-ordination Unit (PCU) will jointly establish a **Joint Technical Secretariat (JTS)** located in the eligible area of the Romanian side of the border, which will include staff from Serbia. The JTS shall in particular be responsible for the secretariat function of the JCC and the JSC, and for assisting the IA and PCU.

The JTS will be responsible for the day-to-day management tasks related to the NP, with due account of the roles and responsibilities of the IA and PCU.

The JTS will assist the JCC and the JSC in their administrative and practical tasks; it will supervise the Technical Assistance provided under this programme, will prepare projects with the help of a project preparation facility and undertake the tasks concerning preparing, monitoring, controlling and evaluating projects under the NP.

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1.8. 4 RULES AND PROCEDURES SPECIFIC TO THIS PROGRAMME

4.1 IMPLEMENTING GUIDELINES

This Neighbourhood Programme shall be implemented according to the NP Implementing Guidelines for Phare CBC/Cards borders, issued by the Commission on 15 July 2004.

4.2 BASIC ELIGIBILITY CRITERIA

In the meaning of the Neighbourhood Programme, the following should be considered as joint projects:

- Simple projects with a cross-border effect taking place mostly or exclusively on one side of the border but for the benefit of both partners;
- Complementary projects where an activity on one side of the border is accompanied by a similar activity on the other side;
- Integrated projects where partners on either side of the border contribute different elements to a single project

To be eligible under the Neighbourhood Programme, a project must fall into one of these categories.

4.3 GENERIC SELECTION CRITERIA FOR GRANT SCHEMES IN THE CBC PROGRAMMES

Activities under CBC financed grant schemes must be coherent with national policies, or demonstrate coherence with the relevant chapters of the National Development Plan, or the Association process. Activities should complement, but not overlap activities foreseen or implemented through the National (Phare) Programmes.

Activities must clearly demonstrate a cross border character via the involvement of a partner institution in the other country, or by benefits accruing to communities on both sides of the border. Activities should be implemented close to the border

Activities which are eligible under the Phare National Programmes should in priority seek financing under that programme. Only genuine CBC projects are to be financed under the Neighbourhood Programme.

4.4 GENERIC LIST OF POTENTIAL BENEFICIARIES OF GRANT SCHEMES

The potential beneficiaries for grant schemes under this CBC programme may include (non-exhaustive list):

- Local and regional authorities in the border regions concerned;
- NGO's and NPO's such as Business Support Organisations, Local Enterprise Agencies, Development Agencies, Chambers of Commerce, Tourism Agencies, Educational and training institutions; Producers Associations, Labour Unions;
- County and regional water management, waste water management, river protection and flood protection companies and public bodies; county and regional environment protection agencies; natural park administrations; (responsible at central, regional and municipal level) local forestry directorates
- Public road and rail management companies;
- Employment Agencies.

The list of eligible beneficiaries will be detailed in the Call for proposals/Guidelines for applicants

4.5 PROGRAMME MONITORING AND EVALUATION

Neighbourhood Programme's monitoring of funding will be conducted at project level by the Contracting Authorities of both countries.

Nevertheless, as a Neighbourhood Programme is a joint co-operation programme, every effort should be made to report on progress across the whole programme. Since projects should, as far as possible, produce single progress reports covering the use of Phare CBC and CARDS funding, the Joint Co-operation Committee should have all necessary information in order to report to the Commission on the entirety of the programme on a yearly basis.

A joint progress report should be prepared, covering both Phare CBC and CARDS activities, and submitted to the Commission by the JCC on a yearly basis. The report should be available in English. This report should be available to all concerned parties.

When an evaluation is conducted under the aegis of the JCC, every effort should be made to evaluate all elements of the programme (Phare CBC and CARDS).

These provisions also incorporate the general implementation rules common for all CBC programmes 2005 Annex C6