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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,
C(2008)

NOT FOR PUBLICATION

COMMISSION DECISION

C(2008)911 of 13/03/2008

**adopting the „Hungary – Croatia IPA Cross-border Co-operation Programme” for
Community assistance from the Instrument for Pre-Accession Assistance for the Cross-
border Co-operation component**

CCI 2007 CB 16 IPO 003

(ONLY THE HUNGARIAN TEXT IS AUTHENTIC)

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No. 1085/2006 establishing an Instrument for Pre-Accession Assistance (IPA)¹, and in particular Article 14(2)(a) thereof,

Whereas:

- (1) Regulation (EC) No 1085/2006 lays down the objectives and main principles for pre-accession assistance to candidate and potential candidate countries for the period from 2007 to 2013.
- (2) In accordance with Article 91(1) of Commission Regulation (EC) No 718/2007 implementing Council Regulation No 1085/2006², the assistance under the Cross-border cooperation component should be implemented through multi-annual operational programmes, pursuant to Article 91(1) of that Regulation called "cross-border programmes".
- (3) These programmes should be drawn up in accordance with the general policy framework referred to in Article 4 of Regulation (EC) No 1085/2006, the applicable multi-annual indicative financial framework referred to in Article 5 of that Regulation and the relevant multi-annual indicative planning documents referred to in Article 6 of that Regulation.
- (4) The Council has established an Accession Partnership for Croatia³.
- (5) The Commission adopted on 8 November 2006 the multi-annual indicative financial framework for 2008 to 2010⁴, confirming the 2007 figures.
- (6) The Commission adopted on 20 June 2007 the multi-annual indicative planning document for the years 2007-2009 for Croatia⁵ which presents the main priorities for pre-accession assistance to this country.

¹ OJ L 210, 31.7.2006, p. 82.

² OJ L 170, 29.6.2007, p. 1.

³ Council Decision 2006/145/EC of 20 February 2006, OJ L 55, 25.02.2006, p. 30.

⁴ COM (2006)672 of 8 November 2006.

- (7) On 18 July 2007, Hungary on behalf of Hungary and Croatia submitted to the Commission a proposal for a multi-annual cross-border programme called „Hungary – Croatia IPA Cross-border Co-operation Programme”. At the request of the Commission, Hungary submitted additional information on 22 November 2007.
- (8) Pursuant to Article 91(3) of Regulation (EC) No 718/2007, the cross-border programme has been drawn up by the participating countries within the framework of the partnership referred to in Article 11 of Council Regulation (EC) No. 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999⁶.
- (9) The proposal for a cross-border programme contains all the components referred to in Article 94 of Regulation (EC) No 718/2007 and is consistent with all the relevant documents referred to in Recitals 3 to 6. The draft cross-border programme contains, in particular, a description of the chosen co-operation strategy and the priorities and measures chosen for assistance as well as the designation of a single managing authority, a single certifying authority, a single audit authority and a joint technical secretariat.
- (10) Furthermore the proposal contains a single financing plan, specifying for each year covered by the applicable multi-annual indicative financial framework and for each priority axis, the amount of the Community contribution and its rate, as well as the amount financed by the national public counterparts.
- (11) Pursuant to Article 94(1) (a) of Regulation (EC) No 718/2007, the cross-border programme contains a list of the eligible areas covered by the programme. The areas under the cross-border programme are covered as eligible by Annex I (Member State) and Annex II (beneficiary country) of Commission Decision 2007/766/EC of 14 November 2007 drawing up the list of regions and areas eligible for financing under the Cross-border Cooperation Component of the Instrument for Pre-accession Assistance for the purpose of cross-border cooperation between Member States and beneficiary countries for the period 2007 to 2013⁷.
- (12) Pursuant to Article 94 of Regulation (EC) No 718/2007, in addition to the list of eligible areas, the cross-border programme contains a list of NUTS level 3 areas, or equivalent, adjacent to these eligible areas, as referred to in Article 97 of that Regulation; it is necessary to establish the list of those flexibility areas, which have been duly justified.
- (13) It is appropriate to set the maximum indicative amount of the Community contribution to the cross-border programme and the subsequent maximum rate for each priority axis, as referred to in Article 38(2) of Regulation (EC) No. 718/2007.
- (14) Pursuant to Article 99 of Regulation (EC) No 718/2007 the implementing modalities vary in function of the readiness of the participating countries to implement the whole

5 C(2007)2566 of 20 June 2007.

6 OJ L 210, 31.7.2006, p. 25. Regulation as amended by Council Regulation (EC) No 1989/2006 (OJ L 411, 30.12.2006, p. 6).

7 OJ L 310, 28.11.2007, p. 15

cross-border programme through shared management, it is appropriate to clarify the set of rules applicable to the present cross-border programme.

- (15) Aid granted under the cross-border programme should comply with the applicable ceilings on State aid to enterprises in the meaning of Article 87 of the Treaty and with any other applicable provision of Community law.
- (16) In accordance with Article 8(1) of Regulation (EC) No 718/2007 this decision meets the requirements of Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002⁸ and constitutes thus a financing decision within the meaning of Article 75 (2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁹.
- (17) The measures provided for by this Decision are in accordance with the opinion of the IPA Committee.
- (18) The proposed cross-border programme should therefore be adopted,

HAS ADOPTED THIS DECISION:

Article 1

The „Hungary-Croatia IPA Cross-border Co-operation Programme” for Community assistance under the IPA Cross-border Co-operation component in Hungary and Croatia as set out in Annex I and containing the following priority axes is hereby adopted:

- 1) "Sustainable Environment and Tourism";
- 2) "Co-operative Economy and Intercommunity Human Resources Development"; and
- 3) "Technical assistance".

Article 2

1. The programme referred to in Article 1 covers the following eligible areas:
 - Zala, Somogy and Baranya in Hungary and
 - Međimurje, Koprivnica-Križevci, Virovitica-Podravina and Osijek-Baranja in Croatia.
2. Notwithstanding paragraph 1, expenditure incurred in implementing operations or parts of operations up to a limit of 20 % of the amount of the Community

8 OJ L 357, 31.12.2002, p. 1. Regulation as last amended by Regulation (EC, Euratom) No 1478/2007 (OJ L 111, 28.4.2007, p. 13).

9 OJ L 248, 16.9.2002, p.1. Regulation as amended by Regulation (EC, Euratom) No 1995/2006 (OJ L 390, 30.12.2006, p.1).

contribution to this operational programme may be financed in the following eligible areas:

- Varaždin, Bjelovar-Bilogora, Požega-Slavonija and Vukovar-Srijem in Croatia.

Article 3

1. The maximum amount of assistance granted under the IPA cross-border programme, as calculated with reference to the public eligible expenditure, is set at EUR 19,307,299.

In the budget year 2007, a maximum amount of EUR 4,219,237 may be committed on budget line 13 05 03.

In the budget year 2008, a maximum amount of EUR 7,208,564 may be committed on budget line 13 05 03.

In the budget year 2009, a maximum amount of EUR 7,879,498 may be committed on budget line 13 05 03.

2. The national counterpart of EUR 4,997,183 may be partly met by Community loans from the European Investment Bank and other lending instruments.
3. The total amount of the Community assistance and the resulting co-financing rate for each priority axis under the cross-border programme shall be as set out in the second, third and fourth subparagraphs of this paragraph.

The total amount of the Community contribution for priority axis "Sustainable Environment and Tourism" is set at EUR 11,584,379 and the resulting co-financing rate is set at 85%.

The total amount of the Community contribution for priority axis "Co-operative Economy and Intercommunity Human Resources Development" is set at EUR 5,792,190 and the resulting co-financing rate is set at 85%.

The total amount of the Community contribution for priority axis "Technical Assistance" is set at EUR 1,930,730 and the resulting co-financing rate is set at 50%.

4. The corresponding financing plan is set in Annex II.

Article 4

The present decision will be implemented by means of a multi-annual Financing Agreement to be concluded between the Commission and the Government of Croatia. This Financing Agreement shall cover the elements set out in Article 8(4) of Regulation (EC) No 718/2007, without specifying the share of Croatia in the assistance of the Community granted from the IPA under this cross-border programme, and shall cover the years 2007 to 2009.

Article 5

Any public support under the cross-border programme shall comply with the procedural and substantive State aid rules applicable at the time when the public support is granted and in accordance with Article 90(6) of Regulation (EC) No 718/2007.

Article 6

This Decision is addressed to the Republic of Hungary.

Done at Brussels,

For the Commission
Danuta Hübner
Member of the Commission

ANNEX I

The "Hungary-Croatia IPA Cross-border Co-operation Programme"

ANNEX II

Financing plan of the "Hungary-Croatia IPA Cross-border Co-operation Programme"