0. SUMMARY PROJECT FICHE

1. BASIC INFORMATION

1.1 Project: 2002/000-307-02 and 2002/000-308-02
1.2 Title: Joint Small Projects Grant Scheme
1.3 Sector: Economic and Social Cohesion
1.4 Geographical location: Pomurje region (NUTS III) in Slovenia and Counties (NUTS III regions) Vas and Zala on the Hungarian-Slovenian border in Hungary

2. OBJECTIVES

2.1. Overall objectives

The overall purpose of the Small Projects Grant Scheme is to support local development activities of a cross-border nature by involving local actors from the border regions. The ultimate objective will be to enhance the capability of local and regional authorities to develop and implement joint projects within the border region.

Key issues for the JSPGS include:

- encouragement and support for the creation of sustainable co-operation networks between local and regional actors in the border region;
- assistance to the local organisations for the development of capabilities and capacities for developing and implementing projects within the border region;
- development of a common project implementation structure, unifying historically and culturally different regions.

In pursuing these objectives, the JSPGS provides a flexible approach for funding smaller scale actions, which are defined on the basis of local/regional needs, and which have a cross-border impact.

2.2. Project purpose

To strengthen co-operation in the following fields:

1. Local economic development, including tourism
2. Promotion of co-operation in the field of health, particularly the sharing of resources and facilities on a cross-border basis
3. Development or establishment of facilities and resources to improve the flow of information and communication between border regions, including support for cross-border radio, television, newspapers and other media
4. Cultural exchange
5. Local employment, education and training initiatives
6. Environmental protection

These actions include joint activities across the borders, including service and supply contracts.
2.3. Accession Partnership and NPAA priority

Slovenia

With reference to the Accession Partnership, this project aims to support the integrated approach by addressing regional disparities in the border region. By strengthening and development of people-to-people initiatives, this project stimulates real cross-border co-operation in the regions, seen as one single unit.

In relation to the National Programme for the Adoption of the Acquis, the project meets the following objectives and targets that are in connection with the fields 1.2.12.1, 1.2.12.3 (Regional Development):

- strengthen the institutions within the specific programme for the adjustment in the field of structural policy, based on consultancy, education and exchange of experts
- ensure conditions for monitoring the effectiveness of regional policy measures

Hungary

The Joint Small Projects Grant Scheme will play a substantial role in Hungary’s preparation for the accession to the EU and the absorption of Structural Funds support primarily by building up capacities at local and regional level. The JSPGS will also contribute to the cultural, social and economic cohesion in the border regions of the two candidate countries.

2.4 Contribution to National Development Plan (draft version Dec.01)

Slovenia:

The proposed Grant Scheme is in line with the National Development Plan. The grant scheme aims at supporting the cross border, “people to people” activities and mainly contribute to the priority No. 5 of the NDP - Promotion of Balanced Regional development. However, due to horizontal impact it contributes also to other four priorities: 1: Promotion of corporate sector and competitiveness, 2. Knowledge, human resource development and employment, 3. Information society, infrastructure and quality of living, 4. Reconstructing of agriculture and rural development.

Hungary:

☐ The project proposal is in line with the priorities identified in the National Development Plan.
☐ This project is geographically located in the NUTS III regions identified by the Hungarian Government for Economic and Social Cohesion under the Phare National Programme.

2.5. Cross-border impact of the project

The project is in accordance with the objectives identified in the Joint Programming Document Slovenia – Hungary 2000-2002 (chapter 7).

The projects financed by the Joint Small Projects Grant Scheme will increase the contacts amongst the people living in the cross-border region and create sustainable co-operation networks between the CBC actors. These activities will have a positive impact on the reduction of historical and cultural barriers between the inhabitants of the border regions.
The priority fields of the JSPGS, tourism, culture, sport, environment and health related activities are especially relevant elements of cross-border co-operation. The experiences gained during the implementation of previous small projects funds has shown, that this people-to-people approach has a significant catalytic effect on the co-operation between people on the two sides of the border. The intensification and further promotion of these activities will be a key element in creating a joint economic and life space in the border regions, in order to enable them to function as one single unit after the accession of Hungary and Slovenia to the European Union.

3. DESCRIPTION

3.1. Background and justification

The inclusion of a funding mechanism like Small Project Grant Schemes is an efficient instrument which aims at small scale intervention and addresses identified local needs. The approach is popular among the local/regional actors and has a relatively quick implementation period.

The Phare 2002 Joint Small Projects Grant Scheme follows similar operations carried out under the HU/AU 1995, 1996, 1997 and the HU/SL 1995 Phare CBC programmes in Hungary as well as the Joint SPGS SLO/HU 2000 and 2001. Approximately 50 projects received support each year. Their success has greatly contributed to the positive image of the Phare Programme and EC among the population in the target region. The assessment of the CBC Phare Programmes HU9502, HU9610 and HU9701 carried out by the OMAS Consortium (Report No. R/HU/CBC/98033) states as an overall conclusion on the financed Small Projects that:

"The Small Projects Fund has broadened the field of activity of the CBC Programmes by encouraging local involvement and provided a firm basis for developing larger initiatives."

The Slovenian projects under the Phare CBC SLO/A/H in 1995 and 1996 programmes attracted 44 applicants during the first year and in next year 72 applicants. Besides the increased number of projects the quality of the prepared project proposals increased significantly. The JSPGS is in the society in the border region one of the most popular instruments of funding. Many joint actions have been introduced and resulted in a number of concrete results such as CDs, books, leaflets etc.

This project involves joint actions in the field of economic, cultural and social life of the border area. The positive impact is reflected by a large number of long-term direct links between non-profit, decentralised organisations such as professional and special interest associations in the regions. The JSPGS proves to remain a flexible instrument, managed at local level to ensure a maximum level of subsidiarity.

3.2. Linked activities

The JSPGS forms an integral part of the Phare CBC Programme. It complements other projects of the CBC Programme primarily by creating a flexible mechanism for the support of small-scale activities and in some cases by preparing future large-scale CBC projects. The JSPGS of the 2002 programme will be based on the experience of the Small Project Funds supported by previous programmes in 1995, 1996, 1997, 1999 and 2000.

3.3. Results

- Improved knowledge of staff in regional and local development agencies for the preparation and implementation of projects
- Sustainable co-operation networks between local and regional actors in the border regions (partnership building) guaranteed.
- Some 20 to 30 individual small cross-border co-operation measures in line with the priorities of the Joint Programming Document for the period 2000-2006 completed

The results of the individual funding operations will depend on the outcome of the planned Call for Proposals. It can be expected that the overall structure of results will be similar to those of the previous Joint Small Projects Grant Schemes as well as in line with the priorities set out in the Joint Programming document for the period 2000-2006, namely:

- Sustainable Spatial Development
- Human Resources Development
- Regional Cohesion and Economic Co-operation

The projects are to encourage new forms of cross-border co-operation and strengthen existing ones, since according to the Programming Guide Phare 2002, the JSPGS remains the only financing tool to support initiatives with high CBC impact covered under points (j) to (n) of Art 5(1) of Commission Regulation 2760/98.

3.4. Activities

Joint Small Project Fund Grant Scheme will be implemented in line with the provisions of the PRAG and the Vademecum on Grant Management.

The Joint Small Project Grant Scheme 2002 will be implemented as part of the Cross-Border Co-operation Programme. The Fund will provide Phare grants to projects with a required rate of co-financing of the beneficiaries in the following sectors:

1. Local economic development, including tourism
   - analysis of cross-border area
   - preparation of guidelines and joint planning for the management of the area including the cross-border areas as an integrated geographical unit
   - preparation of joint guidelines for the planning and management of areas between agglomerations located close to borders, paying particular attention to the principles and guidelines of "Sustainable urban development: a framework for action" (COM(98)605 final)
   - planning of cross-border industrial areas
   - renovation and development of historic urban centres using a joint cross-border strategy (excluding housing)
   - development of quality and environmentally friendly tourism (including farm tourism) through projects for investment, design and introduction of new tourist products (cultural tourism, environmental tourism) which create sustainable jobs.
   - promotional measures, market studies and establishment of shared reservation systems.
   - Management for tourism of natural sites straddling a border, in particular those of Community interest.

2. Promotion of co-operation in the field of health, particularly the sharing of resources and facilities on a cross-border basis
   - Encouraging co-operation between research, technology and development centres, in the area of health through the creation and/or joint use of resources and institutions and facilities to promote employment and raise competitiveness in cross-border areas.
3. Development or establishment of facilities and resources to improve the flow of information and communications between border regions, including support for cross-border radio, television, newspapers and other media

- Encouraging co-operation between research, technology and development centres, in the areas of culture (including the media) and communications through the creation and/or joint use of resources and institutions and facilities to promote employment and raise competitiveness in cross-border areas.
- Increased communication and co-operation between citizens, private or voluntary organisations and administrations and institutions to develop the relations and institutional basis underlying cross-border integration in border areas, and the introduction of general and targeted language training to that end to promote employment.

4. Cultural exchange

- Encouraging co-operation between research, technology and development centres, in the areas of education (school, higher and university and vocational training) and culture through the creation and/or joint use of resources and institutions and facilities to promote employment and raise competitiveness in cross-border areas.
- Cross-border cultural exchanges (including media and sports) generating lasting co-operation and employment. As a rule, therefore, one-off events cannot be financed. Regular events can be supported only during the start-up phase. The aspects supported will be mainly organisational rather than artistic (production, purchase of works, payments to artists).

5. Local employment, education and training initiatives

- Encouraging co-operation in vocational training
- Development of cross-border territorial pacts for employment
- Cross-border social integration
- Establishment of networks of neighbourhood services or services on other topics under the LDEI (A European strategy encouraging local development and employment initiatives; Commission Communication COM (95)273, OJ C 265, 12.10.1995)
- Encouraging co-operation between research, technology and development centres, in the areas of education (high schools, universities and vocational training), through the creation and/or joint use of resources and institutions and facilities to promote employment and raise competitiveness in cross-border areas.
- Improved access of the local population to cross-border facilities in these fields
- Measures in education and health which have a local and job-creating dimension
- Encouraging co-operation between research, technology and development centres, in the area of civil protection through the creation and/or joint use of resources and institutions and facilities to promote employment and raise competitiveness in cross-border areas.

6. Environment protection

- Support to natural development
- Linkage to the nature protection
- Joint nature protection actions
- Protection of flora and fauna

The maximum level of project support will be generally 50,000 EUR. A minimum level of project support will be 5,000 EUR. No resources, which have been assisted by Phare or other EU support, may be taken into account as own contribution.
The types of eligible expenditures as well as the list of organisations, which are entitled to apply for JSPGS support will be defined in the Joint Guidelines – in accordance with the rules of PRAG and the Vademecum on Grant Management.

The criteria on the basis of which projects will be assessed and selected are presented below. The Joint Small Project Grant Scheme Evaluation Committee shall interpret these in the manner, which best serve transparency, and in line with the overall development policies of the regions under discussion.

Criteria concerning the proposing organisation
1. Experience of proposing organisation
2. Experience of proposed Project Manager and Accountant

Criteria concerning the proposed project
1. Expected Outputs/Results
2. Foreseen Activities
3. Joint breakdown of Prices
4. Cross-border impact
5. Other Organisation Involved in Project
6. Relationship to other projects and programmes
7. Relevance to border region strategy/priorities

4. INSTITUTIONAL FRAMEWORK

The six elements in the Small Project Grant Scheme structure are:

- The National Agency for Regional Development (NARD), body within the Ministry of the Economy in Slovenia and the National Agency for Regional Development in Hungary acting under the Ministry of Agriculture and Regional Development, have overall responsibility for administrative, technical and financial management of the Fund. In Hungary, the NARD is acting as an Implementing Agency with an overall control and final responsibility for the implementation of Small Project Funds.

- The Central Finance and Contract Unit (CFCU) of the Ministry of Finance in Slovenia – acting as an Implementing Agency on the Slovene side with an overall control and final responsibility for the implementation of Small Project Funds.

- A Joint Small Project Grant Scheme Evaluation Committee (JEC) is set up with the approval of the Contracting Authorities. The JEC shall be co-chaired by the two Implementing Agencies. There must be observers from the EC Delegation. The JEC will oversee the operation of the JSPGS and will take final decisions regarding the project selection and funding. The Implementing Agencies may appoint assessors in each country to assess project proposals (technical and financial quality). The assessors should be independent in organizational terms from the members of the Joint Evaluation Committee and have to fulfil the criteria laid down in the PRAG concerning the evaluators of Grant Schemes.

- A Secretariat will provide technical and professional support to JEC in relation to the operation of the JSPGS. The Secretariat will provide office facilities and expertise to manage the calls for proposals; assist with the project preparation, process the projects received, as well as monitoring the project implementation and other roles.
- A Steering Committee may be established jointly by the contracting authorities in order to ensure a joint monitoring of project's implementation.
- The Project Applicants or Beneficiaries.

The tasks of the Secretariat will be carried out on the Hungarian side by the Sopron regional office of NARD (Hungary).
The NARD in Slovenia will ensure the necessary human resources for the technical management of the Grant Scheme and may outsource some tasks of the Secretariat of the Grant Scheme in accordance with PRAG rules. The secretariat has to have capacity to manage the implementation of grants locally. The nominated Secretariat will not be eligible for a grant under this Scheme.

5. BUDGET (IN MEUR):

<table>
<thead>
<tr>
<th>Budget Items</th>
<th>Investment</th>
<th>Institution Building</th>
<th>Total Phare (=1+IB)</th>
<th>National Co-finance</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Hun</td>
<td>Slo</td>
<td>Hun</td>
<td>Slo</td>
</tr>
<tr>
<td>Joint Small Projects Grant Scheme</td>
<td>0.744</td>
<td>0.372</td>
<td>0.372</td>
<td></td>
<td>0.037</td>
<td>0.037</td>
</tr>
<tr>
<td>Operating costs 7%</td>
<td>-</td>
<td>0.056</td>
<td>0.028</td>
<td>0.028</td>
<td>0.007</td>
<td>0.007</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0</td>
<td>0.800</td>
<td>0.400</td>
<td>0.400</td>
<td>0.044</td>
<td>0.044</td>
</tr>
</tbody>
</table>

Up to 7% of the total of Slovene and Hungarian Small Project Fund allocation can be used by NARD for technical assistance costs related to the management of the JSPGS.

Co-financing includes

JSPGS: At least 9% contribution from the beneficiaries both in Hungary and Slovenia that should be provided in cash. In Slovenia in addition to 9% contribution, VAT will be considered as co-financing if applicable (according to the “Law on VAT, OJ of the RS 89/98 and 30/01).

Operational costs: 20% contribution of the total operational costs is necessary from NARD in Hungary acting under the Ministry of Agriculture and Regional Development and from NARD in Slovenia, body within the Ministry of Economy. It will be provided in cash.

6. IMPLEMENTATION ARRANGEMENTS

6.1 Hungary
The Implementing Agency for the Small Projects Grant Scheme is the National Agency for Regional Development within the Ministry of Agriculture and Regional Development. The National Agency for
Regional Development retains overall responsibility for the implementation of the whole programme. The following are the particulars of the responsible persons involved:

**PAO:** Dr. Péter Szaló  
**Address:** Hungary, 1054 Budapest  
**Kossuth tér 4**  
**Telephone:** 36-1-3015934  
**Fax:** 36-1-3014729  
**e-mail:** szalo@fvm.hu

**DPAO:** Uszta József  
**Address:** Hungary, 1016 Budapest  
**Gellérthegy u. 30-32**  
**Telephone:** 36-1-488-7171  
**Fax:** 36-1-488-7188  
**e-mail:** Uszta@pharereg.hu

**Slovenia**

**Implementing Agency**  
Ministry of Finance - CFCU  
Mr. Peter Škofić, PAO  
**Address:** Beethovenova 11, 1502 Ljubljana, Slovenia  
**Tel:** +386.1.478.63.05  
**Fax:** +386.1.478.62.04

**Contracting Authority**  
National Agency for Regional Development  
Mr Bojan Dejak, Acting Director  
**Address:** Kotnikova 28, 1000 Ljubljana, Slovenia  
**Tel:** +386.1.478.36.70  
**Fax:** +386.1.431.33.60

6.2 Twinning  
Not applicable.

6.3 Non-standard aspects  
The JSPF will be operated along the rules set out in the Specific Guidelines. The relevant Commission standards for the management of Grant Scheme described in the PRAG manual will apply during the implementation of the JSPF.

6.4 Contracts  
**JSPGS:**  
The JSPGS will be implemented through an open call for project proposals according to the stipulations of the PRAG on Grant Schemes. Tendering and contracting of the required services and supplies will follow the PRAG manual.  
**Service contract-Simplified procedure:**
For contracting the TA for Slovene Secretariat simplified procedure will be used. Derogation from the framework will apply since the targeted providers of these services are Slovene institutions from CBC region and the duration of contract is expected to be 24 months. The awarded company will not be eligible for grant support.

### 7. IMPLEMENTATION SCHEDULE

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>TD preparation and submission</td>
<td>1/2003</td>
</tr>
<tr>
<td>First Call for Proposals (both Hungary and Slovenia):</td>
<td>2/2003</td>
</tr>
<tr>
<td>Establishment of the JEC</td>
<td>3/2003</td>
</tr>
<tr>
<td>Contracting</td>
<td>5/2003</td>
</tr>
<tr>
<td>Completion of projects</td>
<td>11/2004</td>
</tr>
</tbody>
</table>

### 8. EQUAL OPPORTUNITY

Only such projects will be selected for support by the Joint Small Project Grant Scheme that do not contain discriminatory elements and that are open for women and men on an equal basis.

### 9. ENVIRONMENT

Only projects without any negative impact on the environment will be selected for funding.

### 10. RATES OF RETURN

Not applicable.

### 11. INVESTMENT CRITERIA

#### 11.1 Catalytic effect:

The Phare contribution will help meeting the development needs outlined in the Joint Programming Document (JPD) of the Hungarian–Slovenian border region. Without Phare support, the steps and objectives included in the programme could be implemented only much later and at a much slower speed.

Support to joint co-operation projects will raise the awareness of common concerns and chances across the border region. It will also strengthen the positive attitude towards co-operation in solving common concerns and utilise potentials and thereby catalyse common development efforts.

#### 11.2 Co-financing:

In line with the requirements of the previous Small Projects Funds, and according to the JPD, project beneficiaries must contribute a minimum of 9 percent of the total single project value on Hungarian side. On Slovenian side minimum of 9% of the total project costs must be provided by beneficiary in cash, plus VAT if applicable (for tax payers).

20% of the total operational costs will be co-financed by NARD in Slovenia and NARD in Hungary.
11.3 Additionality:
No other financiers will be displaced by the Phare intervention.

11.4 Project readiness and size:
The institutional structure to be used under the JSPGS is defined in the Joint Programming Document and is in accordance with the provisions of the PRAG and the Vademecum on Grant Management.

Projects will only be financed by if they are ready for contracting and for completion within the period of 18 months. Readiness of projects is one of the criteria, which will be taken into account in the evaluation process.

Maximum size of projects will be 50,000 Euro. The minimum size of the project will be 5,000 Euro.

The Joint Programming Document for the period 2000-2006 introduced changes in the decision-making structures and implementation rules of the JSPGS. New Detailed Guidelines are developed based on the JPD and PRAG issued by the Commission in January 2001. Detailed Guidelines are developed jointly by both countries and include a standardised application form, common eligibility and selection criteria and common rules of publicity. All this in line with the PRAG. The Detailed Guidelines are valid for the Programming Period 2000-2002.

11.5 Sustainability:
All beneficiary institutions will be required to prove that they are able to operate their projects effectively in the long run or over a clearly defined period.

11.6 Compliance with state aids provisions:
Should there be investment components incorporated into an individual funding operation these will respect the state aids provisions of the Europe Agreement if these are applicable to the project.

11.7 Contribution to National Development Plan
☐ The project proposal is in line with the priorities identified in the National Development Plan.
☐ This project is not geographically located in the NUTS II regions identified by the Hungarian Government for Economic and Social Cohesion under the Phare National Programme.

See also point 2.4 of the current document.

12. CONDITIONALITY AND SEQUENCING
On the Slovenian side, the National Agency for Regional Development will ensure the necessary human resources for the technical management. The NARD in Slovenia may delegate particular tasks of the Secretariat to relevant CBC organisations in accordance with PRAG rules.

The Sopron Phare Regional Office will ensure the necessary human resources for the technical management of the Hungarian projects within the Joint Small Project Grant Scheme. The Office will ensure that the project staff is fully conversant with the target group requirements and with the operation
of the Phare Programme. The Office will make certain that the recipients make their financial contributions as planned.

The new Specific Guidelines on the implementation of the SPF were elaborated by the CA for the SPF 2000 and approved by the Joint Co-operation Committee as well as by the Commission services in Hungary and Slovenia. The implementation of the JSPGS 2002 shall also follow this document.

ANNEXES:

1. Logframe planning matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
4. Reference to feasibility studies
5. List of relevant laws and regulations
6. Map of the area eligible for the JSPGS
7. Template for the institutional framework /implementation arrangements in case of small project funds
## ANNEX I

### LOGFRAME PLANNING MATRIX

<table>
<thead>
<tr>
<th>Programme name and number:</th>
<th>Phare CBC SLO/H 2002  2002/000-307-02 and 2002/000-308-02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of drafting:</td>
<td>March 2002</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Joint Small Project Grant Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting period expires:</td>
</tr>
<tr>
<td>30.06.2004</td>
</tr>
<tr>
<td>Disbursement period expires:</td>
</tr>
<tr>
<td>30.11.2005</td>
</tr>
</tbody>
</table>

| Total Budget:                     |
| 0.888 MEUR                        |
| Phare budget:                     |
| 0.8 MEUR                          |

### Overall Objectives

- Support local development activities of a cross-border nature, involving local actors from the border regions
- Enhance the capability of the local and regional authorities to develop and implement joint projects within the border region

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of joint events, workshops and trainings in the border region</td>
</tr>
<tr>
<td>Number of local and regional institutions involved in cross-border activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secretariat Reports</td>
</tr>
<tr>
<td>Implementation Agency reports.</td>
</tr>
</tbody>
</table>

### Project Purpose

- Existing co-operation across the border strengthened and new co-operation arrangements initiated in the fields of:
  - Local economic development, including tourism
  - Co-operation for health promotion, sharing of resources and facilities
  - Encouraging flow of information and communication
  - Cultural exchange
  - Local employment, education and training initiatives
  - Environmental protection

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of formally constituted partnerships and other long-term co-operation arrangements across the border increasing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress report of Regional Development Agency of Western Transdanubian</td>
</tr>
<tr>
<td>Progress reports of Implementation Agencies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued political support to cross-border co-operation in Hungary and Slovenia.</td>
</tr>
<tr>
<td>Continued support to accession policies in Hungary, Slovenia and the European Union</td>
</tr>
</tbody>
</table>

### Results

- Improved knowledge of staff of regional and local agencies for the preparation and implementation of projects
- Sustainable co-operation networks between local and regional actors in CBC region
- Some 20 to 30 individual small cross-border co-operation measures in line with the priorities of the Joint Programming Document for the period 2000-2006 completed

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased number of the staff of RDA’s, LDA’s to take part in managing EU programmes</td>
</tr>
<tr>
<td>Number of eligible organisations receiving Phare support</td>
</tr>
<tr>
<td>Number and type of projects successfully carried out</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress report of Regional Development Agency of Western Transdanubia</td>
</tr>
<tr>
<td>Progress reports of the Slovene partner agencies</td>
</tr>
<tr>
<td>Progress reports of Implementation Agencies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued interest in cross-border co-operation among the Hungarian and Slovenian target population</td>
</tr>
<tr>
<td>Sufficient project management skills on the part of the beneficiaries</td>
</tr>
</tbody>
</table>

### Activities:

### Means:

### Preconditions
| Implementation of the Joint Small Project Grant Scheme programme, in line with the provisions of the PRAG and the Vademecum on Grant Management. |
| 0.8 M EUR as Phare contribution supplemented by 0.088 M EUR as contribution from the beneficiaries |
| Grant contracts |
| Service contract for TA to NARD |
| Financing Memorandum approved on time |
| Staff in place |
ANNEX 2

Joint Small Project Grant Scheme

DETAILED IMPLEMENTATION CHART

<table>
<thead>
<tr>
<th>Year</th>
<th>2003</th>
<th></th>
<th>2004</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>J</td>
<td>F</td>
<td>M</td>
<td>A</td>
</tr>
<tr>
<td>TD preparation and approval</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Call for Proposals</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment of the Small Projects Grant scheme Evaluation Committee</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Contracting</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Implementation of projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


ANNEX 3

Joint Small Project Grant Scheme

CONTRACTING AND DISBURSEMENT SCHEDULE
(Million Euro)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Disbursement</td>
<td>0.0</td>
<td>0.64</td>
<td>0.64</td>
<td>0.64</td>
<td>0.64</td>
<td>0.8</td>
</tr>
</tbody>
</table>
Annex 4

Joint Small Project Grant Scheme

Reference to Feasibility Studies

- TRI-D Strategy and Action Plan
- White Paper on Regional Development in Slovenia (available at the Ministry of the Economy)
- Act XXI/1996 on Regional Development and Physical Planning in Hungary
- Regional strategy for Pomurje (Prekmurje and Prlekija), Vas and Zala Counties
ANNEX 5:
List of relevant laws and regulations:

| *Zakon o društvih (ZDru), (U.r.l. RS, št. 60/95 in 49/98) | Societies Act (U.r.l. RS, No 60/95 and 49/98) |
| *Zakon o preprečevanju omejevanja konkurence (ZPOmK), (U.r.l. RS, št. 56/99) | Prevention of Restriction of Competition Act (U.r.l. RS, No 56/99) |
| *Zakon o spodbujanju skladnega regionalnega razvoja (ZSRR), (U.r.l. RS, št. 99) | Act on Promotion of Balanced Regional Development (U.r.l. RS, No 99) |
| *Zakon o spodbujanju razvoja demografsko ogroženih območij v Republiki Sloveniji (ZSRDO), (U.r.l. RS-I, št. 48/90, 03/91; U.r.l. RS, št. 12/92) | Act on Development Promotion in Demographically Endangered Areas (U.r.l. RS-I, No 48/90, 03/91; U.r.l. RS, No 12/92) |
| *Zakon o urejanju prostora (ZUreP), (U.r.l. SRS, št. 18/84, 15/89; U.r.l. RS, št. 71/93) | Spatial Planning Act (U.r.l. SRS, No 18/84, 15/89; U.r.l. RS, No 71/93) |
| *Zakon o varstvu konkurence (ZVK), (U.r.l. RS, št. 18/93) | Protection of Competition Act (U.r.l. RS, No 18/93) |
| *Zakon o varstvu kulture dediščine (ZVKD), (U.r.l. RS, št. 07/99) | Cultural Heritage Protection Act (U.r.l. RS, No 07/99) |
| *Zakon o varstvu okolja (ZVO), (U.r.l. RS, št. 32/93, 44/95, 01/96 in 09/99) | Environment Protection Act (U.r.l. RS, No 32/93, 44/95, 01/96 and 09/99) |
| *Zakon o naravi in kulturni dediščini (ZNKD), (U.r.l. SRS, št. 01/81, 42/86, 05/90; U.r.l. RS-I, št. 08/90, 10/91, 17/91; U.r.l. RS, št. 26/92, 13/93, 75/94, 29/95, 20/97 in 07/99) | Natural and Cultural Heritage Act (U.r.l. SRS, No 01/81, 42/86, 05/90; U.r.l. RS-I, No 08/90, 10/91, 17/91; U.r.l. RS, No 26/92, 13/93, 75/94, 29/95, 20/97 and 07/99) |
| *Zakon o ohranjanju narave (ZON), (U.r.l. RS, št. 56/99) | Nature Conservation Act (U.r.l. RS, No 56/99) |
ANNEX 6

MAP OF THE AREA ELIGIBLE FOR THE JSPGS
(Slovenia: Pomurje Region, Hungary: counties Zala and Vas)
Annex 7

Joint Small Project Fund

TEMPLATE FOR THE INSTITUTIONAL FRAMEWORK/IMPLEMENTATION ARRANGEMENTS IN CASE OF Small Projects Fund

- The Hungarian (National Agency for Regional Development within the Ministry of Agriculture and Regional Development.) and Slovenian (National Agency for Regional Development in the Ministry of Economics) retain full responsibility of the programme implementation.

- **Two Secretariats** shall be identified: on the Hungarian side, the Sopron Regional Office of the National Agency for Regional Development and on the Slovenian side the secretariat selected by tendering (arranged by the Slovenian NARD) will prepare the meetings of the Joint Evaluation Committee. The Sopron Regional office of the National Agency for Regional Development shall undertake the task of day-to-day technical management of implementation of projects and monitoring activities under the authority of the IA.

- **Rules, procedures and formats:** New Specific Guidelines on the implementation of the JSPF will be elaborated by the IA for the JSPF 2000 and approved by the Joint Co-operation Committee as well as by the Commission services in Hungary and Slovenia. The implementation of the JSPF 2001 shall also follow this document.

1. **PREPARATION OF THE PACKAGE OF CALL FOR PROPOSAL, GUIDELINES FOR APPLICANTS AND APPLICATION FORM ACCORDING TO THE PRACTICAL GUIDE**

- The IAs draft the call for proposals, the guidelines for applicants and the application form in agreement and on the basis of the recommendations of the Joint Co-operation Committee.

- The IAs submit the final version of the documents to the respective EC Delegation for approval

- EC Delegations endorse the documents

2. **PUBLICATION OF THE CALL FOR PROPOSAL**

The IAs take all appropriate measures to ensure that the nationally and regionally publicised call for proposals reaches the target groups in line with the requirements of the Practical Guide.

3. **PROJECT SELECTION PROCESS**

- The Secretariats collect and registers incoming project proposals

- The IAs select and approve the assessor team for the assessment of administrative compliance, eligibility and assessment of technical and financial quality of proposals. On the basis of the recommendations of the Joint Co-operation Committee, The IAs (PAOs) nominate the Joint Evaluation Committee (non-voting chairman, secretary, and voting members).

- The IAs nominate the members of the team of assessors and the Joint Evaluation Committee exclusively on the basis of technical and professional expertise in the relevant area.

- The EC Delegation to Hungary and Slovenia endorses the teams of assessors respectively as well as the composition of the Joint Evaluation Committee. The EC Delegations nominate
observers to follow all or part of the proceedings of the Joint Evaluation Committee. Prior approval is needed from the Delegations for the participation of other observers.

- The Joint Evaluation Committee draws up its recommendations and decisions according to the assessor team's written assessment of each proposal on the basis of the published evaluation grid.

- The PAOs approve the evaluation report prepared by the Joint Evaluation Committee and forwards the evaluation report and any award proposals to both EC Delegations, respectively.

- The EC Delegations endorse the evaluation report on the selection process and the final list of grants to be awarded.

- The IAs notify each applicant in writing of the result of the selection process.

Shall the IAs be classified by the European Commission services as organisations entitled to manage Phare grant schemes with ex-post control, this process shall be changed according to the relevant stipulations of the PRAG, Chapter 6.

4. **Contracting (PAO Designated in the Responsible Implementing Agency):**

- The format of the grant contract is drafted by each IA according to the Practical Guide using the standard grant contract format and its annexes.

- The format of the grant contract is to be approved by the Delegations, respectively (in cases where the call for proposals results in the award of a large number of grants which all have the same grant contract conditions).

- The PAOs sign the grant contracts with the selected beneficiaries based on the final list of grants approved by the Delegation. The language of the grant contract is English and the official Hungarian translation of the contract is attached to the signed English language contract.

- Copy of the signed grant contract is sent to the Delegations, respectively.

Shall the IAs be classified by the European Commission services as organisations entitled to manage Phare grant schemes with ex-post control, this process shall be changed according to the relevant stipulations of the PRAG, Chapter 6.

**Implementation of the Selected Projects by the Beneficiaries:**

- Beneficiaries subcontract suppliers of goods, services or works, in line with Phare procurement regulations annexed to the Grant Contract and under the Practical Guide.

- The Projects will be subject to ex-post control by the EC Delegations pursuant to the Practical Guide.

5. **Financial Management of the Selected Projects**

- The IAs receive and verify the invoices and requests payment by the National Fund.

6. **Monitoring of the Projects Implemented by the Beneficiaries**
Standard Phare monitoring instruments will be used for monitoring purposes. Attention is drawn to the special duty of the Secretariats with regard to the day-to-day monitoring of the selected projects.

The Delegations reserve the right to organise field visits and to monitor on a case-by-case basis the projects selected under the JSPF exercise.