STANDARD SUMMARY PROJECT FICHE

PROJECT NUMBER HU0104-02

1. Basic Information
1.1 Désirée Number: HU0104-02
   Twinning Number: HU/IB/2001//SO/02
1.2 Title: Tackling the gender gap in the labour market
1.3 Sector: Employment and Social Affairs
1.4 Location: Hungary

2. Objectives
2.1 Overall Objective(s):
Equal opportunities for men and women in the labour market enhanced through promoting reintegration and late integration of economically inactive women into the workforce.

2.2 Project Purpose
• EU best practices in developing and implementing positive measures in employment action plans transferred to respond to the fourth pillar of the European Employment Strategy 1997-2002;
• Self-employment among women absent from the labour market supported through training, assured services for trained self-employed women and implementation of innovative pilot grant projects.

2.3 Accession Partnership and NPAA priority
• AP 4.2: “transpose and implement EU legislation in the fields of …equal treatment of women and men”
• NPAA 5.3 3/3: “initiating so-called positive measures, facilitating the implementation of equal opportunities principle; launching experimental programmes (within PHARE)”

2.4 Contribution to the National Development Plan
The project’s results will provide an important basis for the economic and social cohesion policies of the National Development Plan. The project aims to improve links between professional and family life and to promote labour market reintegration of women who would like to return to the paid workforce after an absence. This is in line with the Development objectives of Human Resources Development chapter of the PNDP (Area 3A, Employment and Social Inclusion, priority 2 Improving equal opportunities and participation of women in the labour market). In that context 3 specific measures will be supported through the project:
• Measure 2.1: Improving policy environment to support a gender mainstreaming approach;
• Measure 2.2: Improving links between professional and family life;
• Measure 2.3: Promoting labour market reintegration of women who after an absence would like to return to the paid workforce.

3. Description
3.1 Background and justification:
In 1990, the share of economically active women in Hungary (63,5%) exceeded European averages (49%). By 1998 however, the activity ratio had sunk well below the European average. Both the number (2,255,400) and ratio (55,9 %) of women withdrawing from the labour force was high by international standards and compared to the earlier situation (inactivity increased by 6,9% between 1992 and 1998).
Currently, the two most affected sub-groups among economically inactive women are those facing difficulties while returning from parental leave (parental leave is registered as insured and service period and entitles one to child home care allowance) and unemployed women over 40 years of age. According to the Central Statistical Office’s (CSO) survey, in 1999 10.1% of working age women (298,900) were absent from the labour market due to parental leave. Prior to the parental leave, 74% of them had been employed, 1% had been self-employed, while the rest (25%) had been inactive or unemployed. Although return to the workplace after parental leave is guaranteed from legal point of view among those, who had been employed before, 46.6% could and wished to return to the same job, 42.4% could not, while 11.2% wished not to return. Although 42.4% is a high percentage in itself, the fact is, however, that 32.4% of the women could not return to the previous employer, because the employer did not employ them again. 10% became unemployed, because the employer does not exist anymore.

According to Labour Database of CSO, the rate of inactive women over 40 years of age in 1992 was 51.7% which increased to 57.8% by 1998. Based on surveys, women who have left the labour market for different reasons are more likely to remain inactive than men.

Returning to labour market is often hindered by lack of access to social infrastructure and personal services which could help women to reconcile family and working life. Access to social infrastructure could be broadened by increasing potential demand and by widening the range of available services delivered by for-profit organisations or non-profit initiatives. Services would include home help, household works, child minding, supporting children with learning difficulties, organising free time activities and sport programmes for children.

In the European Union, extra jobs have been created mainly in non-traditional forms of employment, such as self-employment, part-time jobs, temporary jobs, fixed-term contracts and teleworking. Jobs created in the service sector belong mainly to these groups. Similarly, alongside growing labour costs in Hungary, the demand of employers for atypical, non-traditional forms of employment made it necessary to recognise these new forms of employment.

A Joint Assessment of Employment Policy Priorities of Hungary is being finalised describing the policy framework in Hungary. Based on the 1040/2000 (V.31) Government Decision about employment priorities, a National Employment Action Plan for 2000-2001 has been developed by the Ministry of Economy which takes due account of the four pillars of the European Employment Strategy and the Employment Guidelines for 2001 for Member States’ employment policies.

3.2 Linked activities:
- Phare HU9606 Regional Development System Programme -02-02 Pilot Fund
  -52: Action programme of the Public Employment Services of the Southern-Transdanubian Region to decrease women’s unemployment;
- “Introduction of part-time labour in Hungary” MATRA bilateral aid programme of the Netherlands 1999-2000;

3.3 Results:
- Analysis of the current Hungarian situation regarding to the barriers women face in returning to the labour market,
- Comprehensive survey carried out on EU best practices in developing and implementing positive measures in employment action plans of Member States responding to the fourth pillar of the European Employment Strategy 1997-2002
- Draft Action plan on positive measures prepared and disseminated for discussion
• Modular curriculum on management training and operation of single owner and community enterprise, with special emphasis on providing personal services
• Trained trainers for further programmes supporting women’s self-employment
• Training courses for women concerning the management of single owner and/or joint enterprise, with special regard to the involvement of those returning to the labour market from maternity leave or unemployed above age 45
• Mentoring network (help desks) and subsidiary services for launching and continuous supporting enterprises initiated by women operating of legal aid for those women facing difficulties in their returning to the labour market after absence
• Grant programme incubating single owner or joint enterprises providing personal services creating employment for those women who underwent training within the framework of the project

3.4 Activities:
The project will be carried out through one twinning arrangement and one grant scheme as follows.

3.4.1 Twinning arrangement

Overall objective
The twinning arrangement will provide the professional framework for the assessment of Member States’ positive measures and their adaptability promoting equal opportunities of men and women and supporting integration and re-integration women in the labour market, and for implementation of them through pilot programmes.

Immediate objectives
• Transferring best practice of the Member States regarding development of positive measures in national employment action plans responding to the fourth pillar of the European Employment Strategy 1997-2002;
• Networking between potential Hungarian and European governmental and non-governmental partner organisations implementing positive measures;
• Development of national action plan promoting equal opportunities between men and women;
• Development of a module based, two-level training curriculum for supporting women’s self-employment, management and operating of single owner or joint enterprises, with special regard to the assurance of personal services;
• Training of trainers and mentors in accordance with the above objective;

Expected outputs
• Needs assessment regarding to the barriers women face in the Hungarian labour market
• Comprehensive survey, information material and Internet site on positive measures and their efficiency in EU Member States
• Know-how transfer in connection with developing positive measures in employment action plans, programme development and programme implementation
• Study and action plan on suggested positive measures regarding their adaptability
• Widened relations with European partner institutions, organisations as preparation for future transnational co-operations within the framework of the Community Initiative EQUAL
• Module based training curriculum for the women’s self-employment programme developed and available for implementation within the framework of the grant scheme
• Trained trainers and mentors are available for supporting pilot project implementations.

Scope of twinning assignment
The secondment of the long-term pre-accession advisor is envisaged for 18 months starting from January 2002. The PAA will be available for the entire duration of the project to assist
and monitor implementation. The PAA will be hosted by the Office for Women Issues of the Ministry of Social and Family Affairs.

**Required inputs of twinning institution**

- The twinning institution has to be experienced in planning and implementing positive measures in the field of employment strategies and professional advising and training regarding these
- The twinning institution should have wide relations in the Member States and experience in implementation bilateral programmes
- The twinning institution should be linked to the structure of the governmental administration of an EU member state.

**Profile of the Pre-accession Adviser**

The adviser should

- have sound theoretical and practical experience in areas related to EU regulations of non-traditional employment and promotion of equal opportunities of men and women in the labour market
- be experienced in planning, programming and/or implementing positive measures, promoted in national employment action plans
- be experienced in organising training, know-how programmes, curriculum development
- be fluent in English and have strong communication skills.

**Short- and medium-term experts**

Areas not directly covered by the PAA can be taken over by medium and short-term experts. The concrete assignments and further topics will be subject to the preparation of the technical covenant and the recommendations.

**3.4.2 Grant Scheme**

The grant scheme will support regional consortia or NGOs implementing “preparation and support for self-employment” programmes. It will also provide support to pilot projects provide temporary employment. The applicant consortia or NGOs should endeavour to achieve the following tasks:

- **Module-based training programme**, supporting return to the labour market, with an additional follow-up and mentoring network in the region that
  - improves necessary skills for increasing employability, and
  - ensures general (legal, economical, financial) knowledge for launching and operating joint or single owner enterprises,
  - adds special information on providing human and personal services, with special attention to the difficulties of women returning from parental leave and/or inactive or unemployed women above age 40, during returning to the labour market.
- Assuring mentoring, subsidiary services and legal aid during project period for women who launch own or joint enterprises, or return to the open labour market, graduated from the training;
- Implementing *pilot projects* that supports joint non-profit enterprises providing personal services (day care, home care for elderly, etc.) or provides employment for those women who underwent training within the framework of the project;
- Supporting law enforcement by providing legal aid service for women facing difficulties in their return to the labour market after absence.

The representatives of the supported organisations will prepare themselves in the framework of the “train the trainers” training of the twinning component for acquiring and transmitting the basis of the curriculum. The local training provided by the organisations will be implemented through a modular system. Besides the transmission of the basic curriculum, the organisations will be entitled to carry out their own initiatives. This may include the use of the curricula
prepared and successfully used in the frame of their earlier implemented programmes, as long as they meet the objectives of the current programme. The modules will be designed as independent units serving the special needs of different target groups. However, those modules targeting the basic curriculum will offer a complex preparation for returning the labour market.

During the preparation of the projects the local demand and individual skill needs will be surveyed to select sustainable forms of employment or enterprises.

4. Institutional Framework

In 1995 Government Resolution No. 2268/1995. (IX.8.) established the Hungarian national mechanism assuring equal status of women. Its administrative body was set up in the former Ministry of Labour in 1996, following the IV. UN World Conference of Women in Beijing under the name of Secretariat for Women’s Policies and operated as an independent department. Later its name was changed to Office of Equal Opportunities. In 1998, the new government affiliated the Office of Equal Opportunities to the Social Community Relations Department under the name of Office of Women’s Issues within the successor of the Ministry of Labour, re-organised as Ministry of Family and Social Affairs. The Office at present operates as an independent unit of the Ministry of Social and Family Affairs. Its scope of activity includes promoting the development of government policies for equal opportunities for men and women, promoting legislation for the advancement of equal opportunities, contributing to the legal approximation strategy in view to EU and international standards, as well as monitoring enforcement of equal treatment for men and women.

Government Resolution No. 1059/1999. (V.28.) ordered the establishment of the Council for Women’s Issues as an advisory and conciliation body involved in preparation of action and research programmes and previewing draft legislation concerned with gender equality. The Council comprises NGOs with nation-wide scope of activities of the field and ministries. The governmental side functions as an inter-ministerial committee to initiate proposals for decision making to advance equal opportunities for women and to monitor and co-ordinate the implementation of government measures.

The programme will be implemented under the supervision of the Ministry for Social and Family Affairs, responsible for promoting equal opportunities of men and women, with the involvement of Ministry of Economy. A Programme Co-ordination Committee will be set up to assure professional supervision. It will be chaired by the Deputy State Secretary responsible for equal opportunities in the Ministry for Social and Family Affairs.

The beneficiaries of grant scheme programme will be NGOs or NGO led consortia. Members of the consortia can be: professional organisations, chambers, organisations or institutes supporting enterprise, for-profit organisations, training organisations and institutes, country or local public employment offices etc.

5. Detailed Budget (€ Million)

<table>
<thead>
<tr>
<th>Contract</th>
<th>Phare Support</th>
<th>National Cofinancing</th>
<th>I F I</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phare Support</td>
<td>Institute Building</td>
<td>Total Phare (=I+IB)</td>
<td></td>
</tr>
<tr>
<td>Twinning</td>
<td>0.9</td>
<td>0.9</td>
<td>0.225</td>
<td>-</td>
</tr>
<tr>
<td>Grant Scheme</td>
<td>2.0</td>
<td>2.0</td>
<td>1.05</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>2.9</td>
<td>2.9</td>
<td>1.275</td>
<td>-</td>
</tr>
</tbody>
</table>
The total amount of the twinning covenant will be € 0.9 million of Phare support. The Government will allocate 0.225 million € co-financing contribution from the national budget to cover the necessary counterpart costs generated by the implementation of the project.

The Grant Scheme component of the project will be jointly co-financed between Phare and Government resources. The Phare amount is binding as a maximum amount available for the project. The ratio between the Phare and national amount is also binding.

6. Implementation Arrangements

6.1 Implementing Agency:

The Implementing Agency of the project is the Central Finance and Contracting Unit (CFCU). The CFCU will be the Contracting Authority and in that capacity will issue and evaluate tenders, conclude contracts and authorize the treasury to make contractually related payments. The Director General of the CFCU will act as PAO of the project. Her contacts are:

**PAO: Judit Rózsa**
- Address: H-1052 Budapest Deák Ferenc utca 5.
- Telephone: +36 (1) 327-3652
- Fax: +36 (1) 327-3572
- e-mail: jozsa.cfcu@sdi.hu

**SPO: Noémi Danajka**
- Address: H-1051 Budapest Roosevelt tér 7/8
- Telephone: +36 (1) 332-3311
- Fax: +36 (1) 311-7085
- e-mail: noemi.danajka@szcsm.gov.hu

6.2 Twinning:

The Ministry of Social and Family Affairs (Office for Women Issues) will ensure the professional and physical background, infrastructure of the twinning operation.

Contact person: Erzsébet Szita Zöldyné, head of Office.

6.3 Non-standard aspects

During the implementation of the project the Practical Guide for Phare, ISPA and SAPARD contracts and the Twinning Manual will be strictly followed.

The grant scheme will have a total amount of € 3.05 million for the training programme implemented by selected NGOs, and the support services for enterprises and pilot projects. The number of supported measures is expected to be in the range of 20. The implementation of the scheme will follow the Practical Guide for Phare, ISPA and SAPARD contract procedures. Annex 6 provides operational guidelines for implementation arrangements.
6.4 Contracts
The project shall be implemented through one grant scheme of a value of 3.05 MEUR and one twinning arrangement in the value of 1,125 MEUR.

7. Implementation Schedule

<table>
<thead>
<tr>
<th>Component</th>
<th>Start of tendering</th>
<th>Start of project activities</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning</td>
<td>4/2001</td>
<td>01/2002</td>
<td>06/2003</td>
</tr>
<tr>
<td>Grant scheme</td>
<td>06/2002</td>
<td>10/2002</td>
<td>06/2004</td>
</tr>
</tbody>
</table>

8. Equal Opportunity
Women are the project target group. Providing Equal opportunities to women in relation to their access to the labour market is the very thrust of the project.

9. Environment
Not applicable

10. Rates of return
Not applicable

11. Investment criteria

11.1 Catalytic effect:
The grant support will help developing and mobilising support for non-traditional employment strategies. They will benefit women returning to the labour market. Without Phare support the problems would be tackled on the national level only a much later date.

11.2 Cofinancing:
The project has a co-financing contribution of 30 percent including Hungarian national and local resources.

11.3 Additionality:
The Phare support does not displace other financiers from private sector or from IFIs

11.4 Project readiness and Size:
The grant scheme will be fully developed and ready for implementation through the twinning operation. The grant scheme has a size of € 3.05 million.

11.5 Sustainability:
All supported activities will comply with EU norms and standards. The project is fully in line with social sector policy of the European Union. Actions supported by the Phare grant will be sustainable after accession. Proper financial resources to cover operational costs will be made available for financing from national and local resources.

11.6 Compliance with state aids provisions
All actions to be financed under this project will respect the competition and state aid provisions of the Europe Agreement.
12. Conditionality and sequencing

- As soon as finalised, the Draft Action Plan will be discussed at the appropriate Government level with a view to a rapid adoption.
- Twinning arrangements made and activities implemented
- Technical facilities necessary for the work of the PAA, including appropriate office space, PC, telephone, Internet access will be provided by the Ministry of Social and Family Affairs, Office for Women’s Issues.
- Following approval of the Call for proposals tender will be launched by the ESFIA
- Following approval of evaluation of proposals, contracts will concluded for the implementation between the ESFIA and selected Contractors
- Implementation will be monitored by the ESFIA, CFCU and EC
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
4. List of relevant Laws and Regulations
5. Reference to relevant surveys and studies
6. Template for the institutional framework/implementation arrangements in case of Grant Schemes
## LOGFRAME PLANNING MATRIX FOR

### Project:

**Tackling the Gender Gap in the Labour Market**

### Programme Name and Number

**Tackling Gender Gap**

**HU0104-02**

### Contracting Period Expires

**June 2003 for the Grant scheme**

**November 2003 for the IB component**

### Disbursement Period Expires

**November 2004**

### Total Budget:

**€ 4,175 Million**

### Phare Budget:

**€ 2,9 Million**

### Overall Objective

Equal opportunities of men and women in the labour market enhanced through promoting re-integration and late integration of economically inactive women into the workforce.

### Objectively Verifiable Indicators:

Growing activity rates of women, especially of those returning from maternity leave or over 45 and unemployed.

### Source of Verification

- Reports and statistics of the Central Statistical Office
- Independent monitoring report on efficiency of the programme

### Project Purpose:

- EU best practices in developing and implementing positive measures in employment action plans transferred to respond to the fourth pillar of the European Employment Strategy 1997-2002;
- Employment and self-employment among women absent from the labour market supported through training, services for trained self-employed women, and implementation of innovative pilot grant projects ensuring employment.

### Objectively Verifiable Indicators:

- Professional quality of documents, number of reprints, data on distribution.
- At least 25% of the projects became self-sustaining, at least 25% of the training participants found job.

### Source of Verification

- Independent monitoring report on efficiency of the programme
- Sociological surveys

### Assumptions

- Positive measures for promoting equal opportunities of women and men in the labour market remain valid on long term

### Results

- Survey of Member States action plans responding to the fourth pillar of the European Employment Strategy 1997-2002
- Draft Action plan on positive measures prepared and disseminated for discussion
- Disseminated information materials
- Modular curriculum on management training and operation of enterprises, with special emphasis on assuring personal services
- Trained trainers for supporting women self-employment
- Management training courses for women throughout the country
- Mentoring network and subsidiary services initiated by women
- Grant programme successfully incubating enterprises

### Objectively Verifiable Indicators:

- Number of trained trainers is at least 40, drop-out rate does not exceed 10%.
- Number of participants in the training are at least 1,000 with a drop-out rate not exceeding 25%.
- Tasks of twinning partner and beneficiaries delivered on time, in proper quality and within the planned budget.
- Adoption procedure for Action Plan initiated

### Source of Verification

- Handing-over notes
- Statistical data
- Twinning reports

### Assumptions

- Efficient co-ordination among the beneficiaries.

### Activities

- Completion of twinning covenant, implementation of the twinning arrangement:
  - Preparation of national action plan, information materials, Internet site
  - Curriculum development
  - Implementation of training of trainers
- Final determination of grant scheme rules, selection and supervision of some 20 supported measures
- Training for launching and operating joint or single owner enterprises, with an additional follow-up and mentoring network; including personal services;
- Assuring mentoring and subsidiary services for launching women’s enterprises, graduated from the training;
- Implementing pilot projects that supports or employs women who underwent training within the framework of the project
- Supporting law enforcement by providing legal aid service for women facing difficulties in their return to the labour market after absence.

### Means:

- € 2.9 million of Phare support to be matched by co-finance contributions of € 1,275 million from the central and local budgets

### Source of Verification:

- Monthly / Quarterly reports of beneficiary organisations

### Assumptions

- Suitable Twinning partner, beneficiary organisations, trainers available.
- Participant women are motivated and capable for training.
- High quality project management
- Necessary equipment is available

### Preconditions

- Financing Memorandum will be signed by the latest of June 30, 2001.
- Co-finance contributions available when required.
### IMPLEMENTATION CHART

<table>
<thead>
<tr>
<th>COMPONENTS (RESPONSIBLE)</th>
<th>YEAR AND MONTH (m/y)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2001</td>
</tr>
<tr>
<td>Twinning (twin partner)</td>
<td>T T</td>
</tr>
<tr>
<td>Grant scheme (beneficiaries)</td>
<td>D D D D</td>
</tr>
</tbody>
</table>

**Notes:**
- D - design,
- T - tendering and contracting,
- I - implementation,
CUMMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (€ Million)

<table>
<thead>
<tr>
<th>Date</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>III</td>
<td>IV</td>
<td>I</td>
<td>II</td>
<td></td>
</tr>
<tr>
<td>Contracted</td>
<td>0.9</td>
<td>2.9</td>
<td>2.9</td>
<td>2.9</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>0.3</td>
<td>0.4</td>
<td>0.7</td>
<td>1.3</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td>2.2</td>
<td>2.5</td>
<td>2.5</td>
<td>2.7</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>2.7</td>
<td>2.9</td>
<td>2.9</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Phare contribution: €2,9 Million
Annex 4

List of relevant Laws and Regulations

Reference to relevant surveys and studies

- Situation of women in the Hungarian labour market – entrepreneurship, as an alternative, SEED Foundation, survey supported by Center for International Private Enterprise, 1997, edited by Zsuzsa Laczkó and Anikó Soltész
- Nagy, Gyula: Women in the Hungarian labour market, April 2000 (survey made in the frame of “Promoting Equal Opportunities for Women and Men” Community Programme, implemented by National Labour and Methodological Centre)
- Frey, Mária: Study about the unequal opportunities of women in the labour market, 1995.
- Frey, Mária: Job-making home from home-making job, 1999 (article)
Annex 6

TEMPLATE FOR THE INSTITUTIONAL FRAMEWORK/IMPLEMENTATION ARRANGEMENTS IN CASE OF GRANT SCHEMES

• **IA (Implementing Agency):** Retains full responsibility for programme implementation

• **Intermediary:** shall be identified either as a Regional Development Agency (RDA) or any Technical Assistance Organisation (TAO) to be contracted by the IA. Undertakes the task of day-to-day technical management of implementation of projects and monitoring activities under the authority of the IA. The relationship between the IA and the Intermediary shall be defined either in a Cooperation Agreement (RDA) or in a service contract (TAO) which will reflect the institutional framework given in this fiche.

• **Rules, procedures and formats:** The grant section of the Commission Practical Guide will be strictly followed.

1. **Preparation of the Package of Call for Proposal, Guidelines for Applicants and Application Form According to the Practical Guide**

   • IA drafts the call for proposal, the guidelines for applicants and the application form in consultation with the entities concerned in the given field (at national – e.g. Ministries - and regional level)

   • IA submits the final version of the documents to EC for approval

   • EC Delegation endorses the documents

2. **Publication of the Call for Proposal**

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

3. **Project Selection Process**

   • RDA (or TAO) collects and registers incoming project proposals

   • The IA selects (in agreement with the co-financing ministry/ies involved, if relevant) and approves the assessor team for the assessment of administrative compliance, eligibility and assessment of technical and financial quality of proposals

   • The IA (PAO) nominates the evaluation committee (non-voting chairman and secretary, and voting members) with the co-financing ministry/ies involved, if relevant

   • The IA nominates the members of the assessment team and evaluation committee exclusively on the basis of technical and professional expertise in the relevant area

   • The Delegation endorses the team of assessors and the composition of the evaluation committee. The Delegation nominates an observer to follow all or part of the proceedings of the Evaluation Committee. Prior approval is needed from the Delegation for the participation of other observers
• The 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 PAO approves the evaluation report prepared by the evaluation committee and forwards the evaluation report and any award proposals to the Delegation

• The Delegation endorses (ex-ante) the evaluation report on the selection process and the final list of grants to be awarded

• The IA notifies each applicant in writing of the result of the selection process

4. **Contracting (PAO designated in the responsible implementing agency)**

• The format of the grant contract is drafted 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 Delegation (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 PAO signs 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

• In case of a scheme which results in a small number of larger grant contracts (defined as those with a Phare contribution of over 300,000) the Delegation endorses the individual contracts (after its signature by the PAO and the beneficiary)

• Copy of the signed grant contract is sent to the Delegation

5. **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

• Projects under 300,000 Euro (Phare contribution) will be subject to ex-post control by the EC Delegation pursuant to the Practical Guide

• Tender documents and contracts above 300,000 Euro (Phare contribution) will be subject to the ex-ante endorsement of the EC Delegation pursuant to the Practical Guide

6. **Financial management of the selected projects**

• The IA with the technical assistance of the RDA / TAO receives and verifies the invoices and requests payment by the National Fund
7. 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 RDA / TAO with regard to the day-to-day monitoring of the selected projects.