STANDARD SUMMARY PROJECT FICHE

1. Basic Information
1.1 Désirée Number: 2003/004-347-05-01
1.2 Title: Preparation for the implementation of Community Initiative EQUAL 2004-2006 in Hungary
1.3 Sector: Employment and Social Affairs
1.4 Location: Hungary

2. Objectives

2.1 Overall Objective(s):

To prepare the Hungarian administrative system for the successful participation in the Community Initiative EQUAL funded by the European Social Fund in order to provide real equal opportunities for future job seekers.

2.2 Project purpose:
- Development of the management and monitoring structure of EQUAL in Hungary (the EQUAL Managing Authority)
- Development of the delivery and support structure of the programme (the EQUAL Technical Assistance Organisation)

2.3 Accession Partnership and NPAA priority

2.3.1. Accession Partnership

Ability to assume the obligations of membership Regional Policies and co-ordination of structural instruments., Ensure effective inter-ministerial co-ordination and appropriate partnership at central and regional level with a view to both programming and future implementation of Structural and Cohesion Funds assistance.

2.3.2. NPAA

Chapter 5.2 A continuation of comprehensive institutional preparations for developing and managing ESF type programmes
6/1: Practical learning of operation of the present ESF support system and dissemination of this information;
6/2: Harmonisation of subsidy systems of development goals in the areas of employment policy, educational and vocational training which are entitled to receive support from ESF, with special regard to the Labour Market Fund;
6/3: Preparation for programme planning and implementation;

2.3.3. Priorities in the Action Plan for Reinforcing Hungary’s administrative and judicial capacity
• **3.11. Regional policy an co-ordination of structural instruments**

• **3.11.2. “Complete the preparation of the operational programmes (including ex-ante evaluation) and a development plan in line with the Structural Funds regulation and establish structures required for implementing Structural and Cohesion Funds Assistance.”**

### 2.4. Contribution to National Development Plan

Not applicable.

### 2.5. Cross border impact:

Not applicable.

### 3. Description

#### 3.1 Background and justification:

The objective of the EQUAL Community initiative funded by the European Social Fund is to create trans-national co-operation in order to find new pathways of combating discrimination and all types of inequalities in connections with the labour market. As part of the European Union’s employment strategy the Community Initiative EQUAL seeks to find and test new, integrated and innovative ways that will successfully improve the current practice of training and employment and make job opportunities accessible equally for all.

Together with the Czech Republic Hungary already participates in EQUAL on a pilot basis, with activities funded through the PHARE programme. In Hungary, pilot activities are financed in a value of 2 MEUR within the framework of the HU0101-01 programme *Social integration of disadvantaged youth, with particular emphasis on the Roma minority*, sub-programme 01-03 *Experimental initiatives for improving the chances of the Roma population on the labour market (participation in the EU Community Initiative ‘EQUAL’)*

The main aim of the Hungarian EQUAL pilot programme under the professional supervision of the Ministry of Education is to pilot activities under thematic field “A” *Facilitating access and return to the labour market for those who have difficulty in being integrated or reintegrated into a labour market which must be open to all.*

The objective of the sub-programme is to help the integration of the Roma population into the labour market, help their stable employment and contribute to the fight against discrimination based on ethnic grounds, gender or age by supporting pilot projects. It is also an objective of this sub-programme to promote exchange of information and sharing of experience between the EU member states and Hungary and to lay the foundations for designing common strategies to tackle similar problems. At the present stage of implementation of the sub-programme 5 development partnership have been selected for support and these partnerships are in search for trans-national co-operating partners and are being assisted in the elaboration of the conditions of co-operation with the trans-national partners.
The implementation of the sub-programme will gather experience and disseminate information on the overall objectives of the initiative and the operation of DFs in practice in a selected thematic field, as well as on participation in a thematic network, in disseminating information for potential future participants of Development Partnerships on the overall objectives and practical operation of the Community Initiative.

By September 2003, programming for Hungary’s participation in EQUAL Community Initiative has to be completed by submitting the Single Programming Document and the Programme Complement to the Commission Services. Assistance in EQUAL programming exercise is required with a view to other planning activities underway related to future use of SFs to reach a synergy of measures.

Besides programming assistance development of the delivery structure and capacity building in the intermediary body designated for the management of EQUAL in Hungary is required to be able to finalise the implementation structure before the second round of application is launched by the European Commission.

A twinning light programme to be financed under COP 2001 unallocated envelope will ensure MS input in the planning phase of the preparation for the implementation scheduled for the first half of 2003. The programme aims at identifying the areas of future activity of EQUAL in Hungary and designing the programming documents covering the implementation period 2004-2006. The twinning light co-operation will specifically render support to the Ministry of Labour and Employment in preparing and designing the future Hungarian EQUAL programming documents, the SPD and the Programme Complement. MS assistance shall be based on the analysis of the Hungarian National Development Plan, the HRD OP, the ESF policy frame of reference and the ESF ex-ante evaluation. Advice offered will ensure compliance with European Employment Strategy, draft National Action Plan (NAP) for employment and the ESF policy fields. Furthermore MS input will help to identify the indicators for the ex-ante and mid-term evaluation of the programming document and of the implementation.

The present programme provides MS administration input and TA assistance drawn from a TA organisation for EQUAL with a special focus on development the administrative and procedural set-up for the Hungarian TA organisation for EQUAL.

3.2 Linked activities:

- **HU9808 Special Preparatory Programme to the Structural Funds in Hungary**: provides a comprehensive framework for structural and regional development within the context of the SFs
- **HU0105-01: Completing preparations for management of EU structural and Cohesion Funds** aims at the strengthening of institutional structures in order to achieve, upon accession, sound and efficient management of EU Structural and Cohesion Funds. One part of the project (covered by one twinning covenant) provides a set of PAA-s to assist the different line ministries in developing structures and human resources that can fulfil the functions of Managing Authorities for the Community Support Framework, for the Economic Development Operational Programme (OP), for the Human Resource Development OP, for the Infrastructure Development OP and the Regional Development OP.
- **HU0101-01 Promoting Social Integration of disadvantaged groups with particular emphasis on the Roma minority** continues successful initiatives of HU9904-01 in the field of education, supports pathways to integrated education of Roma and non-Roma children, training...
of mediators, development of Romology curriculum and training. Sub-project HU0101-01/03 launches a grant scheme which support experimental initiatives to help reintegration of Roma to the open labour market and to combat discrimination based on ethnic reasons in the labour market in partnership with EU MS organisations.

- **HU0104-02 Tackling the gender gap in the labour market** the twinning operation aims at widening relations with European partner institutions, organisations as preparation for future transnational co-operations within the framework of the Community Initiative EQUAL.

- **Programming preparation for the implementation of Community Initiative EQUAL 2004-2006 in Hungary** - twinning light operation under COP 2001 unallocated envelope to be implemented in 2003 to identify the future activity fields of EQUAL in Hungary and render assistance in the development of the programming documents.

### 3.3 Results:

- institutional development strategy for future Hungarian EQUAL Managing Authority and for the EQUAL Technical Assistance office developed
- two-year work programme for MA and TA Office prepared
- training plan for the staff of future MA and TA Office designed
- manual for general staff training on EQUAL, trained future staff members of MA and TA available
- mainstreaming and information dissemination strategies for EQUAL developed for 2004-2006
- strengthened inter-sectoral co-operation in the implementation of EQUAL
- guidelines for financing trans-national co-operations prepared
- IT system requirement analyses for EQUAL developed
- guidelines to the systematic analysis of local pilot projects implemented
- basic tools to fulfil the management and monitoring tasks of the future Hungarian EQUAL Managing Authority are ready and operational
- basic tools to run efficiently an EQUAL Technical Assistance Office ready and operational

### 3.4 Activities:

The programme will be implemented in the framework of a service contract.

**Programme implementation period: max. 18 months**

**Technical assistance through a service contract: 12 months**

The task of the TA contractor will be two fold: (1) it will consist in providing advice and support in setting up the EQUAL Managing Authority, by taking due account of the recommendations of the MS Twinning expert; (2) Set up the EQUAL Technical Assistance Office. The work and skills of both entities will need to be conceived in such a way as to ensure full complementarity between them.

The TA provider will have to accomplish the following tasks within the framework of a service contract:
Task 1
Elaboration of an institutional development strategy outlining benchmarks for successful preparation for the participation in the second round of CfPs management and monitoring of the programme. The strategy encompasses both the Hungarian Equal Managing Authority and the Technical Assistance Office.

Task 2
Elaboration of a two-year work programme for realizing the institutional development and in preparation for the implementation for both the MA and the TA Office.

Task 3
Development of a training plan for the staff of the future Hungarian EQUAL MA and the TA Office.

Task 4
Implementation of the first phase of the training plan (manual for general staff training on EQUAL, organisation and implementation of internships for specific sub-tasks for min. 4 future staff-members of the future Hungarian EQUAL MA and TA Office).

Task 5
Assistance in the development of an EQUAL mainstreaming strategy.

Task 6
Development of an information dissemination strategy for EQUAL for 2004-2006 with a special view to inter-sectoral co-operation.

Task 7
Development of a mainstreaming and information dissemination strategy for EQUAL for 2004-2006 with a special view to inter-sectoral co-operation.

Task 8
Development of practical guidelines for financing trans-national co-operations and the interpretation of the financial accounting systems of the MSs based on the experience of the first round for CfPs in the MSs and pilot co-operation in the Czech Republic and Hungary.

Task 9
Development of an IT system requirement analyses for the support of the future Hungarian EQUAL MA and the TA Office with a view to the IT based monitoring system of SF operations operated by Office for National Development Plan and EU Support for the monitoring of the operations of DPs and to the HRD OP MA IT system requirements.

Task 10
Development of guidelines to the systematic analysis of local pilot projects implemented in the past years in Hungary in the thematic fields of EQUAL in order to set up a database of local potential partners.

The service Contractor is expected to be or to have direct links to a MS TA body for EQUAL and possess direct experience in related TA tasks.
4. Institutional Framework

The institutional framework to be followed during the implementation will be in accordance with annex 7 of this fiche, with the following specific characteristics:

- **IA (Implementing Agency):** (See 6.1) Retains full responsibility for programme implementation.

- **Programme Monitoring Committee:** involving major stakeholders including MoEL, MoE, MoHSFA, IA, National Employment Service, Prime Minister’s Office - Office for National Development Plan and EU Support. A representative of the Delegation of the European Commission to Hungary, as well as the CFCU shall be invited as observers to the meetings.

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

5. Detailed budget

<table>
<thead>
<tr>
<th>COP 2003 IB</th>
<th>Phare Support</th>
<th>Total Phare (=I+IB)</th>
<th>National co-financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Tender</td>
<td>-</td>
<td>0,738</td>
<td>0,738</td>
<td>0,2214</td>
<td>-</td>
</tr>
<tr>
<td>Total COP 2003 IB</td>
<td>-</td>
<td>0,738</td>
<td>0,738</td>
<td>0,2214</td>
<td>-</td>
</tr>
</tbody>
</table>

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 the national amount is also binding and has to be applied to the final contract price.

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 authorise the Treasury to make contractually related payments. The Director General of the CFCU will act as PAO of the project. Her contacts are:

PAO: Ms. Judit Rózsa, director of the CFCU  
State Budget Office  
H-1052 Budapest, Deák Ferenc utca 5.  
Phone: (36-1) 327-3652  
Fax: (36-1) 327-3572  
E-mail: judit.rozsa@ahh.gov.hu

The SPO will be responsible for co-ordination and supervision of the project. His/her contacts are as follows:
6.2. Twinning

Not applicable.

6.3. Non-standard aspects

The rules of the Practical Guide for Phare, ISPA and SAPARD contracting procedures will be strictly followed during the implementation.

6.4. Contracts

Service contract in the value of 0.9594 M Euro.

7. Implementation Schedule

<table>
<thead>
<tr>
<th>Contract</th>
<th>Start of Tendering</th>
<th>Start of Project Activity</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service contract</td>
<td>April 2003</td>
<td>November 2003</td>
<td>November 2004</td>
</tr>
</tbody>
</table>

8. Equal Opportunity

Equal access to participation of men and women will be assured in the programme.

9. Environment

Not applicable.

10. Rates of return

Not applicable.

11. Investment criteria

11.1. Catalytic effect:
Phare support will help to mobilise and develop administrative capacity required for the implementation of EQUAL. Without Phare support the development could utilise more limited resources.

11.2. Co-financing:
The project has a co-financing contribution of 23 percent provided by the Hungarian national and local resources. Further national co-financing will be secured by in-kind contribution.

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

11.4. Sustainability:
The project complies with EU norms and standards. It is also fully in line with social sector policy of the European Union. Proper financial resources will be made for sustaining and further developing the capacities built within the framework of the programme. The operation of EQUAL MA and TAO will be supported by state budget.

11.5. Compliance with state aids provisions
All actions financed by Phare will respect the state aid and competition provisions of the Europe Agreement Contribution to National Development Plan: see above under 2.4

12. Conditionality and sequencing

- Adequate co-financing provided by the Hungarian government when needed.
- Sequencing will be scheduled as stated in implementation chart of Annex 2
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

Annex 1.
<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Preparation for the implementation of Community initiative Equal in Hungary between 2004-2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting period expires:</td>
<td>30 June 2004</td>
</tr>
<tr>
<td>Disbursement period expires:</td>
<td>30 November 2005</td>
</tr>
<tr>
<td>Overall budget:</td>
<td>€ 0,9594 Million</td>
</tr>
<tr>
<td>Phare budget:</td>
<td>€ 0,738 Million</td>
</tr>
</tbody>
</table>

**Project objective**

To prepare Hungarian administration for the successful participation in the Community Initiative EQUAL funded by the European Social Fund in order to provide real equal opportunities for future job seekers.

- CIP for Hungary approved by the Commission
- Regular reports of MoEL
- Communication on behalf of the EC
- External assessment on behalf of the European Commission

**Project purpose**

- Development of the management and monitoring structure of EQUAL in Hungary
  - Reliable operation of EQUAL Management Authority
  - Delivery structure is ready for operation
  - Reliable operation of EQUAL Technical Assistance Office
- Regular reports of MoEL
- Communication on behalf of the EC
- External assessment on behalf of the European Commission
- Progress reports of the Contractor

**Assumptions**

- Economic growth preserved in Hungary, stable socio-economic environment
- Stable institutional framework
- Stable regulatory framework

**Results**

- Development of the delivery structure of EQUAL in Hungary
  - Reliable operation of EQUAL Management Authority
  - Delivery structure is ready for operation
  - Reliable operation of EQUAL Technical Assistance Office
- Regular reports of MoEL
- Communication on behalf of the EC
- External assessment on behalf of the European Commission
- Progress reports of the Contractor

**Assumptions**

- Efficient inter-sectoral and inter-professional co-operation on regional and national levels

**Activities**

- Elaboration of an institutional development strategy
- Elaboration of a two-year work programme
- Development of a training plan
- Development of the first phase of the training plan
- Development of an EQUAL mainstreaming strategy
- Development of an information dissemination strategy
- Development of a mainstreaming and information dissemination strategy for EQUAL
- Development of practical guidelines for financing trans-national co-operations
- Development of an IT system requirement analyses for the support of the future Hungarian EQUAL MA and the TA Office
- Development of guidelines to the systematic analysis of local pilot projects

**Means**

€ 0,738 million of Phare support to be matched by co-finance contributions of € 0,2214 million from the central and local budgets

**Assumptions**

- Hungarian state budget approved by Parliament; adequate financial resources for co-financing are available in the programme period.
Annex 2.

## Detailed Implementation Chart

<table>
<thead>
<tr>
<th>Component</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service component</td>
<td></td>
<td></td>
</tr>
<tr>
<td>J F M A M J J A S O N D</td>
<td>D D T T T T I I I I I I I I I I I I I</td>
<td></td>
</tr>
</tbody>
</table>

**Legend:**
- **D**: Design (15%)
- **T**: Tendering and contracting (30%)
- **I**: Implementation (50%)
## CONTRACTING AND DISBURSEMENT SCHEDULE (million EURO)*

<table>
<thead>
<tr>
<th>Component</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td>Contracting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service contract</td>
<td>0</td>
<td>0,9594</td>
</tr>
<tr>
<td>(Phare contribution)</td>
<td>(0,738)</td>
<td>(0,738)</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0,9594</td>
</tr>
<tr>
<td>(Phare contribution)</td>
<td>(0,738)</td>
<td>(0,738)</td>
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<tr>
<td>Disbursement</td>
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<td></td>
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<tr>
<td>Service contract</td>
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<td>0</td>
</tr>
<tr>
<td>(Phare contribution)</td>
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<tr>
<td>Total</td>
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<tr>
<td>(Phare contribution)</td>
<td>(0,4428)</td>
<td>(0,6642)</td>
</tr>
</tbody>
</table>

*Phare and co-financing contribution without in-kind co-financing*
Annex 4.

List of relevant Laws and Regulations

1. Government Decision No. 1194/2002 (XI.9.) on Tasks Related to the Budgetary Planning of European Union Aid Programmes
2. Government Decision No. 2213/2002. (VII. 24.) on Certain Implementation and Monitoring Tasks Related to the Access to EU Structural Funds and the Cohesion Fund