COMMISSION DECISION
OF 1999

Establishing a global authorisation for a Technical and Administrative Assistance Facility (ATA)

The Commission of the European Communities,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) N° 3906/89 of 18 December 1989 on economic aid to certain countries of Central and Eastern Europe, as last amended by Regulation (EC) No 1266/99 of 21 June 1999, and in particular Article 9 thereof,

Whereas Regulation N° 3906/89 lays down the rules and conditions for the granting of economic aid to certain countries of Central and Eastern Europe,

Whereas the measures provided for by this Decision are in accordance with the opinion of the Committee on Aid for Economic Restructuring in certain countries of Central and Eastern Europe,

HEREBY DECIDES AS FOLLOWS:

**Article 1**

The Programme described in the Annex to the present decision is hereby adopted.

**Article 2**

The maximum amount of Community assistance shall be 23.77 million € to be financed through Budget line B7-500

Done at Brussels,
For the Commission
FINANCING PROPOSAL

GLOBAL AUTHORISATION UNDER THE PHARE PROGRAMME FOR A TECHNICAL AND ADMINISTRATIVE ASSISTANCE FACILITY (ATA)

1. IMPLEMENTATION

Beneficiary states: Phare partner countries
Programme: Technical and Administrative Assistance Facility (ATA)
Year: 1999
Cost: 23.77 million €
Sector: AA
Group: M
Budget line: B7-500
Task Manager Programming: DG IA Andrew Rasbash
Task Manager Implementation: SCR A.1 Michael Ralph

2. SUMMARY

The funds authorised under this proposal will be used to supply technical support and to cover relevant administrative expenditure for the mutual benefit of the Commission and the Phare partner countries, in support of the implementation of the Phare Programme.

3. BACKGROUND

The 1999 budget includes a budgetary comment for the Phare programme, allowing up to 5% of the Phare budget to be used for “expenditure on administrative and technical assistance for the mutual benefit of the Commission and Phare beneficiaries, which are not included under the permanent tasks to be performed by the civil service, and are linked to the identification, preparation, management, follow-up, audit, and control of programmes or projects. The duration of this technical and administrative assistance cannot go over or beyond the expiry dates of these programmes and projects”. Hereafter this budget is referred to an ATA (Administrative and Technical Assistance). This comment builds on the previous budgetary comment, which was first introduced in the 1996 BRS procedure to introduce more transparency in the Commission’s use of operational credits.

The budget of the ATA is proportionate to the overall budget of the Phare programme, i.e. 5%.

The total budget for ATA 1999 is 53.82 million €, calculated on the basis of a Phare budget (budget line B7-500) for 1999 of 1188.5 million €. It is proposed to use 23.77 million € (i.e. 2% of 1188.5) for those activities funded under ATA in previous years, i.e. activities developed under this ATA financing proposal, whereas the remaining funds will be allocated as necessary
to cover the ATA costs of multicountry and horizontal programmes to be proposed under the 1999 budget. This allocation will be used to support the BATs (bureaux d'assistance technique) required for the implementation of these programmes.

In previous years the general ATA component was in principle focused on supporting the implementation of programmes in the year in question. In practice it has proved difficult to respect this distinction. Thus the general ATA component will now be used to finance support for the implementation of all ongoing Phare programmes. The normal rules for the duration of the contracting and disbursement periods will be followed.

With the decentralisation of the implementation of Phare to the partner countries and the increased role of the Delegations in the supervision of the implementation, a number of instruments are required in order to meet the SEM 2000 principles. These instruments are:

* Technical assistance directly linked to programme implementation provided by international and local experts recruited by the Delegations for the duration of the programme,

* Short term technical assistance directly linked to programme preparation and implementation, including activities such as programming, monitoring, assessment and audit, tender evaluations, and general project supervision,

* Audits, monitoring and assessment.

4. **OBJECTIVE**

The objective of the funds is to ensure the efficiency and the effectiveness of Phare programmes by supplying technical support for the mutual benefit of the Commission and the partner countries. The funds will be used to contract experts to be responsible for activities including preparing terms of reference for projects, participation in tender evaluations as an observer on behalf of the Commission, supervision of tendering and procurement processes, undertaking monitoring and assessment and audit activities, and carrying out training activities on Phare implementation and rules and procedures.

5. **DESCRIPTION AND COST**

The budgetary comment refers to the following:

(i) the facility applies to contracts concluded by the Commission for technical support and related administrative expenditure linked directly to the identification, preparation, management, follow-up, audit and control of programmes or projects.

(ii) the activities should be to the mutual benefit of both parties.

(iii) technical and administrative assistance should not go beyond the duration of the programmes or projects concerned
The ATA will finance a number of different types of actions. The main types of actions and the related budget breakdown is found in the table below.

Table  Envisaged activities under ATA 1999

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget (in €)</th>
<th>Type of expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical support linked directly to programme implementation through ALAT contracts to the Delegations</td>
<td>4</td>
<td>ATA intra-muros</td>
</tr>
<tr>
<td>Short term technical assistance directly linked to programme preparation and implementation: DG IA HQ, Delegations, SCR</td>
<td>7.77</td>
<td>ATA extra-muros</td>
</tr>
<tr>
<td>Monitoring and Assessment in 1999-2000</td>
<td>6</td>
<td>BAT</td>
</tr>
<tr>
<td>Audits</td>
<td>6</td>
<td>ATA extra-muros</td>
</tr>
<tr>
<td>Total</td>
<td>23.77</td>
<td></td>
</tr>
</tbody>
</table>

Monitoring & Assessment:

Monitoring and assessment (M&A) is a process which carries out regular and independent checks on the implementation of Phare programmes and activities in terms of the objectives laid down in the Financing Memoranda and other programme documents. Phare M&A assesses the performance of programme management at all levels (implementation, contractors and beneficiaries). The resulting reports provide management information and include recommendations which allow corrective actions to be taken during the lifetime of a programme to ensure that identified objectives are attained. Moreover, M&A reports form the basis of information for ex-post evaluations. Since 1996, M&A has been financed under the successive STAP programmes.

Audits:

Funds will be used to undertake audits of Phare programmes, as well as specific audits of individual projects and contracts contained within these programmes. Activities will consist of:

- compliance audits, both for on-going programmes and programmes that have closed, to determine the regularity and legality of expenditure, verification of assets, certification of final accounts and compliance with the existing Phare DIS rules;

- systems audits of financial and operations procedures to assess the extent to which EU funds are safeguarded and to identify any further measures to ensure adequate control of these funds

- audits to investigate allegations of mismanaged funds
6. IMPLEMENTATION

The programme will be implemented by the Commission on behalf of the national authorities in accordance with the standard tendering and contracting procedures.

In cases where individual experts are recruited this will be done following a competition in which at least three suitable candidates are interviewed and assessed for each position. Assignments will be linked to the duration of the 1999 programme, which generally has a maximum duration of 3 years. Experts’ contracts will in principle be subject to good performance and to the continuation of the programme to which they are assigned. This policy will help to ensure continuity, and to attract and motivate good applicants. The Commission will also be responsible for contracting secretarial and support services (including office accommodation and transport) where necessary.

The ATA for 1999 will be implemented following the Commission decision through an exchange of letters with the partner countries as is usual for programmes implemented from Brussels.

7. DISBURSEMENT SCHEDULE (million € ACCUMULATED)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3.8</td>
<td>7.6</td>
<td>11.4</td>
<td>15.2</td>
<td>19</td>
<td>22.8</td>
<td>23.77</td>
</tr>
</tbody>
</table>

8. AUDIT, MONITORING AND EVALUATION

The Commission Services shall:

a. monitor the implementation of the programme on the basis of regular reports from all relevant Delegations.

b. follow the progress of the programme and its components and carry out an ex-post evaluation after completion of the programme.

All contracts, agreements and legal commitments between the Commission and recipients of payments provide for in situ checks by the Commission and the Court of Auditors. The accounts and operations of the ATA may be checked at the Commission's discretion by an outside auditor contracted by the Commission without prejudice to the responsibilities of the Commission and the European Union's Court of Auditors.

Recipients of support under specific actions are under the obligation to provide a report and financial statement which are analysed from the point of view of content and eligibility of expenditure in accordance with the objective of Community funding and bearing in mind the contractual obligations and the principles of sound and efficient management.