COMMISSION DECISION
OF 2004

Establishing a Phare multi-beneficiary programme on Networking in 2004,

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 3906/89 of 18 December 1989 on economic aid to certain countries of central and eastern Europe\(^1\), as last amended by Regulation (EC) N\(^o\)769/2004\(^2\), and in particular Article 8 thereof,

Whereas:

(1) Regulation No 3906/89 lays down the rules and conditions for the granting of economic aid to certain countries of Central and Eastern Europe,

(2) 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,

HAS DECIDED 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 € 5 million to be financed through Budget item 22.0201 in 2004.

Done in Brussels,

For the
Commission

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\(^1\) OJ L 375, 23.12.1989, p. 11.

FINANCING PROPOSAL 2004

NETWORKING PROGRAMME

1. IDENTIFICATION

Country: Bulgaria and Romania
Programme: Networking Programme
CRIS number: 2004/016-820
Year: 2004
Phare contribution: € 5 million
Implementing Authority: European Commission
Expiry Date: 31 December 2005 (contracting)
31 December 2007 (execution of payments)
Sector: AA
Group: L
Budget line: 22.0201
Task Manager: Henk Visser

2. SUMMARY

The Networking Programme will provide acquis-related assistance in priority areas where it is in the nature of the problems that country-specific action cannot cover the needs and meet the objectives. This is the case in particular where the targeted result itself implies communication and networking between the candidate countries or between these and the Member States.

In addition, the programme also reflects the idea that enlargement is a social project involving all citizens and proposes support to co-ordinators and beneficiaries of pre-accession assistance to publicise its impact. The output generated will be complementary to the Communication Strategy for Enlargement and can be fed into its dissemination channels. It will also enhance the effectiveness of assistance by providing project participants with the opportunity to learn from the successes (and failures) of their peers in other candidate countries.

The Networking Programme is composed of the following components:

- **Fight against fraud affecting the financial interest of the EU**
  Under this component the beneficiary countries’ structures and services combating fraud will be further strengthened with the aim to ensure that upon accession the level of protection of the financial interests of the European Communities in the new Member States is equivalent to what exists within the Union today as emphasised by the ECOFIN Council of 23 November 1998.

- **Internal Market: quality infrastructure**
  This component builds further on the 2003 Phare Networking Facility Programme, by strengthening the quality infrastructures, expertise and professional standards of staff in the two candidate countries. Furthermore, it will broaden the base for
mutual confidence between the Member States and the two countries, which is a precondition for the smooth functioning of the internal market.

- **Civil Society**
  This component aims at assisting Civil Society Organisations providing assistance to and/or dealing with disadvantaged, discriminated and marginalised groups such as drug addicts, HIV patients, (ethnic) minorities and elderly. All in all areas in which the implementation of the *acquis* is to a large extent in the hands of civil society actors.

  In this context, networking with Civil Society organisations in the existing Member States is an important factor for the strengthening of Civil Society organisations in the candidate countries.

3. **STRATEGY**

The measures under this programme have been selected on the basis of the Commission’s “Enlargement Strategy Paper 2000”, the Regular Reports and the Accession Partnerships. The lessons about the efficiency and effectiveness of technical assistance learnt from the implementation of previous Phare programmes have also been taken into account in defining the scope of the Networking Programme.

In particular:

**Fight against fraud affecting the financial interest of the EU**

The importance of ensuring the protection of the financial interests of the European Communities has repeatedly been underlined by the Council, the Commission, the European Parliament and various other institutions.

By setting up anti-fraud co-ordinating services or structures, the candidate countries can demonstrate their efforts to prepare for giving effective and equivalent protection to the Communities’ financial interests, as required by Article 280 of the EC Treaty.

These structures should be able to assist OLAF to carry out administrative checks and inspections in cases of suspected fraud and irregularities affecting EC resources or expenditure.

Even in the case of investigations carried out by the Commission (OLAF) in application of Council Regulation 2185/96 (“on-the-spot checks”), the Commission (OLAF) co-operates closely with the authorities, and this co-operation is essential in cases where an economic operator objects to the on-the-spot checks and police-enforcement is required.

**Internal Market: quality infrastructure**

Raising the efficiency of the quality infrastructure, the expertise and professional standards of staff in the two candidate countries as well as broadening the base for mutual confidence between the existing and future Member States as a precondition for the smooth functioning of the internal market are elements in the Accession Partnerships and NPAA priorities of all candidate countries.
In this context co-operation between the two candidate countries is very important as it increases efficiency and effectiveness. It especially needs to be developed in the fields of market surveillance and metrology.

The Accession Partnerships and National Plans for the Adoption of the Acquis of the candidate countries include references to the issues at stake, and the Enlargement Strategy Paper notes that the candidate countries have not yet made sufficient efforts in the area of market surveillance.

This component will build further upon the result and experience obtained under the 2003 Phare Networking Facility Programme.

Civil Society

Respect for human rights and linked to this equal treatment are fundamentals of Europe. Often ex-convicts, former drug users, disabled, ethnic and other minorities, etc. are being confronted by prejudices leading to discrimination, while on the other hand lack of resources lead to a lower degree of care for those in need. Civil Society organisations play an important role to further advocate the rights of the discriminated, while on the other hand they assist these persons by further strengthening their skills or by providing specialised care.

With this component the EU demonstrates again that the Union is not merely an economic market but also a social area.

4. OBJECTIVES, DESCRIPTION & CONDITIONALITY

Fight against fraud affecting the financial interests of the EU

The immediate objective is to assist the beneficiary countries central structures or services, responsible for the co-ordination of all activities related to the protection of the Communities’ financial interests, in strengthening their operational effectiveness.

These structures or services responsible for the protection of the Communities’ financial interests should be entitled

- to conduct investigations relating to EC resources or expenditure under their own responsibility;
- to request other agencies to conduct such investigations, and to co-ordinate their activities in this respect; and
- to support Community investigators where inspections and on-the-spot checks are led by OLAF;
- to monitor the follow-up of investigations;
- to disseminate information about national and EU anti-fraud legislation to all national services concerned.
The programme is made up of 2 components addressing the needs of the central structures in terms of legal advice, communication links, and operational know-how:

(a) Anti-fraud structures

Assistance under this component supports the beneficiary countries in setting up central structures with these characteristics and in establishing mechanisms for co-operation between the central structures and other law enforcement agencies and control authorities, as well as between these structures and the Commission (OLAF), the Member States and AFCOS's in another candidate country.

The assistance comprises the following activities:

- review of the national anti-fraud and financial control systems, and advice on adjustments required and on the formulation, dissemination and implementation of a national multi-disciplinary anti-fraud strategy;
- advice on the powers, activities and resources of the central structures;
- review of mechanisms for co-ordination between all governmental departments involved in the protection of the Communities’ financial interests and preparation of co-operation agreements;
- preparation of specific co-operation arrangements between the central structure, the Commission’s services (OLAF, in particular) and competent authorities of the Member States, as well as with other national services involved in the protection of the Communities’ financial interests;
- training the competent authorities on the legislative aspects of the protection of the Communities’ financial interests.

(b) Operational know-how

Assistance under this component supports the beneficiary countries in enhancing the operational skills of investigators and of administrative and judicial staff concerned, and in operating IT-supported “case management systems”.

The assistance comprises the following activities:

- development and installation of IT-supported ‘case management systems’ for the investigation of irregularities and follow-up actions in view of recovering funds unduly paid or enforcing the reimbursement of any amount liable to the Communities or to the national budget;
- “on-the-job” training of central structure staff in the use of the “case management system”;
- specialised joint training seminars (case studies) for staff of the central structure and of law enforcement agencies;
- advice to operational staff of the central structure and of law enforcement agencies during administrative investigations concerning the use of PHARE, SAPARD and ISPA conducted upon an OLAF request under the responsibility of the beneficiary country (on-the-job training);
- advice to operational staff of the central structure on how to support investigations led directly by OLAF (on-the-job training);
• training for law enforcement services charged with the recovery of misused funds

It is assumed that the beneficiary countries nominate experienced staff to serve in the central units, that the IT hardware and equipment required for the installation of the “case management systems” is available and that trained staff remain in their job assignments for at least 2 years after having participated in training measures.

Internal Market - Quality infrastructure

The objective of the assistance is to enable the two candidate countries to create a quality infrastructure capable of operating to the same high standards as equivalent structures in the Union, and thus to broaden the basis for mutual confidence between the existing and future Member States as a precondition for the smooth functioning of the internal market.

Introducing benchmarking and peer comparisons as incentives to raise the efficiency of quality infrastructure bodies in the candidate countries, improving their cost-effectiveness through economies of scale resulting from international co-operation, and raising the expertise and professional standards of staff.

The approval of this project is therefore conditional on the commitment of the beneficiary countries to participate in the benchmarking assessments.

The project activities are

• assessments of progress in testing-certification-inspection and market surveillance in the beneficiary countries;
• technical assistance to improve market surveillance (strategy, structures)
• technical assistance for the conformity assessment
• joint proficiency tests in the countries and, where appropriate, Member States as an instrument of benchmarking testing laboratories;
• setting up and supporting a functioning candidate country co-ordination group for establishing joint use of laboratories and expertise;
• joint traineeship of experts from the beneficiary countries in MS laboratories and market surveillance organisations

These will be carried out within the following components:

a. Assessments
Assessments shall be made in the fields of testing-certification-inspection and market surveillance. The assessments shall be supervised by the steering committee of the project.

b. technical assistance
Assistance shall be provided for joint development of general market surveillance strategies, structures and principles including coordination between the market surveillance bodies for different sectors and international cooperation in market
surveillance. Development and application of guidelines for determining the necessary competence of conformity assessment bodies including those that are intended to be notified to the EC.

c. Proficiency tests
It is planned to arrange a maximum of 16 proficiency tests in different sectors. Each laboratory may only participate in one proficiency test. The participating laboratories in each proficiency test are encouraged, if necessary, to arrange a follow up test, at their own cost, to verify that improvements made because of poor results in the proficiency test have lead to better quality.
The proficiency test series shall be planned and supervised by a proficiency test group with one member from each of the beneficiary countries and one member from the project management organisation.
The accreditation bodies will be involved in the choice of the participating laboratories.

d. Joint training
The joint training shall take place in a beneficiary country or a Member State organisation. The groups that are trained shall preferably have to solve real practical problems. One specific training subject could be the necessary improvements needed for laboratories that that have had unsatisfactory results in specific proficiency tests.
The training programme will be designed and supervised by the steering committee.
The project management assists in implementation.
The training programme will be two-fold
a) technical training for the technicians involved in tests
b) business oriented training at laboratory management level

e. Joint use of facilities
A facilities committee will manage the joint use of facilities. It shall appoint small working groups for specific tasks. The facilities committee shall have one representative from each beneficiary country and the project manager as members.

The European Free Trade Association (EFTA) has expressed its interest to participate in and co-finance the Quality Infrastructure project with an amount that is 5% of the Commission funding.

Civil Society
The main objective of this component is to assist the civil society organisations in strengthening their operations and actions aimed at ensuring equal treatment and human dignity of their target communities.

Under this programme regional co-operation projects involving civil society organisations from both Romania and Bulgaria as well as the EU Member States could receive funding.

Particular attention will given to projects which aim at tackling issues that are relevant for their target population in an integrated manner by involving relevant stakeholders in activities such as education, care, employment support, advocacy and management.
Furthermore, projects dealing with more than one target population with the aim to develop common approaches and/or joint actions will receive priority. The target populations which will have to be served are drug addicts (or persons at risk to become addicted), disabled, ethnic minorities, seriously ill (e.g. HIV) patients and/or elderly with specific needs of care. Other marginalised/disadvantaged groups could be accepted on a case by case basis.

All actions proposed should have as underlying overall aim to reduce discrepancies in order to obtain equal treatment for all, whilst maintaining respect and dignity.

In order to be eligible for support projects should be implemented in a partnership composed out of at least four civil society organisations. Of these four one CSO should originate from Romania and one from Bulgaria, next to the required CSO from an EU Member State. The fourth partner can be coming from either an EU Member State or Bulgaria or Romania.

Apart from the call for proposals the Commission will organise four training events (two per country) dealing with subjects such as advocacy; communication and public relations; fund raising and (project) management. These events will be organised by one single contractor selected under a public service tender procurement procedure and will be held in Bulgaria and Romania (two per country). Participation will be open to all interested not-for-profit organisations and in particular those who have been awarded a grant under the call for proposals.

Key-experts will direct small specific workshops introducing the participants in the basic elements of the advocacy; communication and PR; fundraising and (project) management, receiving further detail in practical exercises and in the second event.

Furthermore, a specifically designed website to be developed by the contractor should allow the participants to continue their exchange and consultations after the workshops, while the contractor would use this tool to collect the exercises and to report on the results within the duration of its contract.

5. BUDGET

The following table specifies the indicative budget for the Networking Programme components:

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Component</th>
<th>Activity</th>
<th>Institution Building</th>
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<tbody>
<tr>
<td>01</td>
<td>Quality Infrastructure</td>
<td>Assessments</td>
<td>114,000</td>
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<td></td>
<td></td>
<td>Proficiency tests</td>
<td>246,500</td>
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<td></td>
<td></td>
<td>TA</td>
<td>200,000</td>
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<tr>
<td></td>
<td></td>
<td>Joint training</td>
<td>190,000</td>
</tr>
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<td></td>
<td></td>
<td>Joint use of facilities</td>
<td>142,500</td>
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<tr>
<td></td>
<td></td>
<td>Project management</td>
<td>152,000</td>
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<td></td>
<td></td>
<td></td>
<td><strong>1,045,000</strong></td>
</tr>
<tr>
<td>07</td>
<td>Anti Fraud</td>
<td>Anti-Fraud structures</td>
<td>750,000</td>
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<tr>
<td></td>
<td></td>
<td>Operational know-how</td>
<td>750,000</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td><strong>1,500,000</strong></td>
</tr>
<tr>
<td>09</td>
<td>Civil Society</td>
<td>Grant scheme</td>
<td>2,000,000</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>Training events</td>
<td>455,000</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td><strong>2,455,000</strong></td>
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<td></td>
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<td></td>
<td><strong>5,000,000</strong></td>
</tr>
</tbody>
</table>
EFTA has expressed its interest to participate in and co-finance the Quality Infrastructure project with an amount that is 5% of the Commission funding.

Components 01 to 06 and 10 will be awarded following a restricted service tender while component 09 will be awarded following a call for proposals. Both the tenders and call are expected to be launched within 6 months following the adoption of this programme. Components 07 and 08, given their sensitiveness, may require an award by private treaty to highly specialised (semi-) public organisations of the Member States, as further detailed in chapter 6.

6. IMPLEMENTATION ARRANGEMENTS


In relation to the individual programme components the following special arrangements shall apply:

Fight against fraud affecting the financial interests of the EU

Under this component the delivery of the assistance is warranted by the sensitive nature of the measures, such as support for developing the operational capacities of law enforcement agencies. Therefore considering the type and nature of the assistance the Commission intends to directly award contracts to such organisations inviting the Member State administrations to present offers, in analogy with the twinning procedures. It is expected that a Member State or organisation offering to act as contractor will be able to mobilise the know-how of officials and agents from different Member States.

The assistance may, amongst other things, be delivered through the presence of long-term experts seconded to the beneficiary countries from Member State administrations. This will be complemented if necessary by short-term or medium-term assistance, as well as by local project assistants.

Internal Market - Quality infrastructure

A single contract covering all project aspects shall be awarded after restricted invitation to tender.

Civil Society

Grant contracts shall be awarded following a call for proposals. The training events and the website will be awarded under one single contract following a service tender procurement procedure.
7. MONITORING AND ASSESSMENT

The accounts and operations of all activities carried out under the programme may be checked at regular intervals by an outside auditor contracted by the Commission without prejudice to the responsibilities of the Commission and the Court of Auditors. Also, the Commission may carry out any necessary audits and on-the-spot checks in accordance with the Practical Guide to EC external aid contract procedures.

To facilitate this, the Commission will keep accounting, financial and operational documents concerning all activities financed under this Programme, and will make available to the competent bodies of the European Commission and the European Court of Auditors on request all relevant financial information.

The Commission will monitor the implementation of the Programme on the basis of reports from the selected contractors and independent assessments.

The Commission services shall ensure that an ex-post evaluation is carried out after completion of the Programme.

8. ANTI-FRAUD MEASURES, AUDIT AND EVALUATION

The Financing Decision for the Networking Programme as well as the resulting contracts are subject to supervision and financial control by the Commission (including the European Anti-fraud Office, OLAF), and the Court of Auditors. This includes measures such as ex-ante verification of tendering and contracting carried out by the Commission. In order to ensure efficient protection of the financial interests of the Community, the Commission can conduct check-ups and inspections on site, in accordance with the procedures foreseen in Council Regulation (Euratom, EC) n° 2185/96, concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities’ financial interests against fraud and other irregularities.

The procedures foreseen in Art. 15 paragraph 3 of the Commission Regulation N°2222/2000 of 7 June 2000 on the communication in case of irregularities and the putting in place of a system to administrate the information in this field shall apply.

The Commission services shall ensure that an ex-post evaluation is carried out after completion of the Programme.

9. VISIBILITY/PUBLICITY

In implementing this Programme, the Commission shall provide for the maximum visibility of EU actions in the Phare candidate countries. In this line, the Commission shall consistently apply the note “Information and publicity for the Phare Programmes of the European Communities” (see Annex ).