1. Basic information
1.1. Désirée number: PL01.03.07
1.2. Title: Eastern border SPF
1.3. Sector: Justice and Home Affairs
1.4. Place: Poland; Euroregions: Bałtyk, Niemen, Bug, Karpacki.

2. Project Objectives
2.1. General Objectives
The Small Project Fund (SPF) supports the key objectives of the Integrated Polish Eastern Border Programme, namely to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economics. The SPF also supports the establishment and development of co-operative networks on both sides of the border and the creation of linkages between these networks and wider European Union networks. The SPF aims: to support the further development of the economic potential of the border regions by strengthening existing structures; to reduce the peripheral character of these areas, thereby improving the quality of life and creating a co-operative network on both sides of the border; to contribute to the development and strengthening of an effective implementation structure for the programme. In pursuing these objectives, the SPF provides a flexible approach to funding smaller-scale actions, which are defined on the basis of local/regional needs, and which have a cross-border impact.

2.2. Specific Objectives
The projects shall support development in particular in the fields of small-scale people-to-people activities across the border. In overall terms, the SPF will seek to: contribute to the development of the eligible districts of the four Euroregions on the Polish eastern border; enhance possibilities for cross-border tourism attraction and linkages between the tourism support infrastructures on either side of the border; the development of cultural co-operation between neighbouring areas in the border region; the support and increase in numbers of cross border meetings of various groups of the population, especially of youth; the support of educational activities for institutions and individuals involved in local/regional development, in local government and in organisations of public interest; the raising of the level of public awareness and information on cross-border co-operation affairs and on the process of European integration; encourage local involvement in the Phare Integrated Polish Eastern Border Programme and to support small-scale actions which may form the basis for larger cross-border co-operation projects; build and develop the specialist resources of local and regional institutions involved in regional development, groundwork and implementation of cross-border projects in line with EU practice; stimulation and support to the creation of permanent structures among the local and regional organisations in the border region in question, particularly organisations with membership for both sides of the border; develop and enhance co-operation between the communities on either side of the border with a view to joint improvement of economic development, living conditions and on-going contact.

2.3. Relationship to EU Integration
The SPF plays a key part in the process of preparation of Poland for accession, in particular through the capacity building dimension of local/regional actors. These funds are part of a process of creating “integration-minded” border regions. The project represents thus an important element in the preparation of Poland for the adoption of Structural Funds. In addition, the project supports the social and economic integration between the border regions of candidate countries.

2.4. Cross-border Impact of the Project
The Programme will contribute to the removal of existing disparities between areas in the Polish eastern border region and thus to the gradual alignment of economic and social development. This is particularly important in view of future integration into the European Union. Full membership will require the approximation of levels of economic activity and living standards in particular in border regions in order to avoid undue problems connected to the removal of borders and the introduction of the principle of free movement. The SPF emphasises projects with a cross-border impact and encourages the development of linkages between the communities/organisations/institutions in the region. The Evaluation Committee may invite representatives of the relevant partners from the Phare and TACIS countries (Russia-Belarus-Ukraine) within the Euroregions to participate in the meetings as observers. The SPF emphasises
projects with a cross-border impact and encourages the development of linkages between the communities /organisations/institutions on the Polish side with their counterparts in the Tacis countries.

3. Project Description

3.1 Project Background

The inclusion of the SPF in the Phare 2001 Integrated Polish Eastern Border Programme reflects the evolution in the overall Phare Programme in Poland from an exclusively project–by-project approach to the gradual inclusion of flexible funding mechanisms, beginning with Small Projects Fund in 1995 on the Polish-German border. The success of the mechanism in addressing identified local needs, popularity with local/regional actors and relatively quick implementation record prompted the inclusion of more funds in the next Phare CBC Programmes (further editions of the Small Project Fund on the Polish-German border, Baltic Small Project Facility). Within the Integrated Polish Eastern Border Programme 1997, the Small Project Fund was established including five Euroregions on the Polish eastern border. Thus all four eligible Euroregions: Baltyk, Niemen, Bug and Karpacki have already gained experience, showing a professional approach and efficiency in managing the Fund. The fund model closely mirrors the INTERREG approach to programming with indicative allocations identified across broad priority areas for intervention and projects decided later by committees of local/regional actors. This approach is particularly useful in the context of pre-accession and the preparation of local/regional administrations for access to the Structural Funds through providing the latter with a framework that more closely mirrors those of their EU counterparts. Moreover, funds are seen as ideal mechanisms for the “maturing” of cross-border co-operation through allowing greater possibilities for the definition and preparation of joint projects. To summarise, the inclusion of the SPF into the programme is a logical step forward in the overall context of the Poland’s future accession to the EU, and in the specific context of the development of cross-border co-operation and evolution of the Phare Integrated Polish Eastern Border Programme in the pre-accession context. A Small Project Fund has been in operation also within the TACIS CBC programme. The SPF within the Phare and TACIS programmes will be harmonised, in particular in terms of project eligibility, methods of selection procedures and schedule of actions.

3.2 Project Content

As noted earlier, the SPF will provide financial support to small-scale actions in the Euroregions.

3.2.1 General Criteria for Eligibility

In general terms the eligible actions should meet the following conditions: have a strong and evident cross-border aspect (joint projects, especially where co-financed jointly by Polish and foreign project partners within the Euroregion, will be particularly prioritised); funding will be used only on the territory of Poland; be financially assessed realistically and transparently; be ready for implementation; contribute to institution and capacity building; be supportive to, but under no circumstances be in contradiction with the long-term development plans of the municipality or the region (projects that are part of an overall strategy/plan for the development of the region/town/municipality will be prioritised); contain innovative approaches (e.g. pilot projects). Eligible actions to be supported under the SPF are defined in more detail below. More detailed operational guidelines will be included in the “Guidelines for the Small Projects Fund” in Poland. The guidelines will respect the provisions of the Phare CBC Regulation, of the chapter 6 of the “Practical Guide for Phare, Ispa and Sapard”, the Communication “Phare 2000 Review” and the Phare programming guide 2001. No small-scale infrastructure projects will be eligible under the SPF.

3.2.2 Small-scale projects

The general aim of the sub-programme is to support small-scale projects within the Integrated Polish Eastern Border Programme. The purpose of the support of these projects is to broaden the field of activity of the Programme, to encourage local involvement and to facilitate the implementation of small-scale actions that constitute the basis for larger cross-border co-operation projects. The Fund will support small-scale actions across the following priority areas.

Cultural Exchanges: Those cultural exchanges that already exist and that are being newly established between local groups on both sides of the border region. Meetings and exchanges among youth; artistic and supporting activities; folk events and similar actions with the emphasis on the establishment of traditions and long-term co-operation, social service projects for family unification;

Local Democracy: Schemes will be supported that help create and intensify the skills of organisational structures in local and regional public administration and other elements of a democratic society (chambers of commerce, trade associations, trade unions, NGOs). Relevant training courses and
information will be provided supporting exchange visits, project preparation and procedural matters. Exchange of know-how and experience in education at various levels will also be supported.

**Planning and development studies:** Projects providing a basis for planning within a border region. Projects can be supported that create the preconditions for joint planning in a border region, for framing joint research programmes, for drawing up joint strategies for regional development in a border area with the aim to jointly define the development priorities and so forth. Development of project applications and feasibility studies are also included;

**Economic Development:** support for small projects focusing on economies, which enhance the economic base of the border region. For example proposals for the development of small-scale enterprise, marketing initiatives, markets, exhibitions and advertising events, and so forth; the creation of cross-border co-operation structures and partnerships among supporting organisations;

**Environment:** Projects focusing on specific problems of the environment of the region, such as the drafting of studies, assessment of problems, training eg. for forest rangers, actions aimed at increasing public environmental awareness and so forth, managing of joint resource problems such as the Bug river pollution, national parks across the border.

**Tourism:** The SPF will provide funding for a range of actions for tourism development such as studies, planning, institutional strengthening measures, establishing tourist information centres, specific SME training and related HRD programmes.

### 3.3 Procedures

The SPF will operate under the “Guidelines for the Small Projects Fund in Poland” which will be developed basing on the provisions of the chapter 6 of the “Practical Guide for Phare, Ispa and Sapard”. The SPF will be oriented towards the Tacis SPF and in so far as possible jointly supported projects (Tacis / Phare) will be given priority. It is intended to work towards a common application procedure and joint project selection so as to encourage this.

### 4. Institutional Framework

#### 4.1 Division of responsibilities

The **IA CBC Phare** is finally responsible for the management of funds allocated to the SPF and reserves therefore certain rights with respect to approving the SPF projects and supervise them: issuing of guidelines; definition of the responsibilities of institutions involved in the SPF; approval of the institutional set-up; specification of the rules for financial management and for regular submission of reports; the IA CBC Phare has the right of veto over certain projects that have been approved in contravention of the established rules; and finally the IA CBC Phare is responsible for the provision of on-going support to institutions in the regions in the form of training or consultation through experts chosen by the IA CBC Phare. Specifically the IA CBC Phare will manage the implementation of horizontal actions in support of institutional development.

The **Evaluation Committee** will be established according to the “Guidelines for the Small Project Fund in Poland” based on the provisions of chapter 6 of the “Practical Guide for Phare, ISPA and SAPARD”. The Committee will consist of representatives of the local/regional public administration in the SPF eligible areas. Representatives of the IA CBC Phare will chair the meetings of the Evaluation Committee and the representatives of the EC Delegation and foreign partners may participate in the meetings as observers.

The **Secretariat** represents the executive SPF body in the region. Its chief function is to provide technical and specialist support to the Evaluation Committee and to ensure the everyday implementation and operation of the SPF. The secretarial services will be performed by Polish secretariats of Euroregions. The responsibilities of the Secretariat include: provide information to beneficiaries on the 2001 Phare Programme and its Sub-Programmes; provision of support for the preparation of Evaluation Committee meetings; organisation of individual round of public calls for the submission of proposals; supporting applicants with project preparation; assist in the preparation of Terms of Reference and associated tender and contracting documents as required; conclusion and control of sub-contracts; monitoring and inspection of implementation; evaluation of benefits; the complete financial management of the SPF; reporting to the IA CBC Phare. The Secretariat will in particular ensure sound and professional financial management of the funds in line with Phare requirements. Overall, the IA CBC Phare through the provision of on-going advice and support and specialist consultancy and training inputs will assist the Secretariat in performing their role. In particular in the case of more complex services or supply procurement, the Secretariat will co-operate closely with the IA CBC Phare. The
Secretariat will need to report regularly to the IA CBC Phare, in particular on the financial management and implementation record of the SPF.

4.2 Involvement of Local/Regional Authorities and TACIS partners

Due to the decentralised nature of the SPF, local/regional authorities will be directly involved in project selection and responsible for the management of the Fund and for the preparation and implementation of the projects. Moreover, local and regional authorities through their participation in the Evaluation Committees will need to integrate the actions funded through the SPF with those supported through the TACIS programme. The IA CBC Phare in close co-operation with the EC services will initiate contacts with the relevant institutions responsible for the managing TACIS CBC Programme in order to ensure the creation of the appropriate joint programming structure.

4.3 Institutional Assessment

Representatives of the eligible border regions have acquired experience of the operations of Steering Committees and the associated project selection and evaluation processes within the framework of the Small Projects Fund. There is a strong commitment on the part of regional/local public administration and other actors in this type of funding mechanism and enthusiasm for their active involvement in an EU Programme. In terms of the technical evaluation of the projects there is a pool of know-how on the defined themes which the SPF will address. Experts from regional/local level should be involved in the project evaluation exercise (as members of the Evaluation Committee and -when necessary- as Assessors). This will help ensure that information on good practice experiences from elsewhere in Poland and other possible funding sources can be available to each committee. The Implementing Authority will sign four contracts with the Euroregions: Baltyk, Niemen, Bug and Carpathian on transferring to them the direct responsibility for the SPF management covering the whole SPF amount of 2 million EURO. The number and size of the projects to be implemented within the SPF will be determined after completion of the project selection procedure.

5. Budget (MEUR)

<table>
<thead>
<tr>
<th>Budget Location</th>
<th>Phare</th>
<th>Poland*</th>
<th>Foreign partners**</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small-scale projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Baltyk Euroregion</td>
<td>0.500</td>
<td>0.170</td>
<td>0.0</td>
<td>0.670</td>
</tr>
<tr>
<td>Niemen Euroregion</td>
<td>0.500</td>
<td>0.170</td>
<td>0.0</td>
<td>0.670</td>
</tr>
<tr>
<td>Bug Euroregion</td>
<td>0.500</td>
<td>0.170</td>
<td>0.0</td>
<td>0.670</td>
</tr>
<tr>
<td>Karpacki Euroregion</td>
<td>0.500</td>
<td>0.170</td>
<td>0.0</td>
<td>0.670</td>
</tr>
<tr>
<td><strong>Total SPF</strong></td>
<td>2.000</td>
<td>0.680</td>
<td>0.0</td>
<td>2.680</td>
</tr>
</tbody>
</table>

*) This is the minimum Polish contribution required (25% of project value). All beneficiaries must confirm in writing their self-contribution before the first payments from the Phare programme are transferred to them.

**) There is no formal requirement for financial support of foreign partners in the SPF. However, projects with financial contribution of foreign partners will be given priority in the Fund. It is envisaged that no operational costs will be financed from the Phare programme.

6. Implementation Arrangements

The project will be implemented under the overall responsibility of the Implementing Authority for the Phare Cross Border Co-operation Programme at the Ministry of Internal Affairs and Administration in Poland (the IA CBC Phare). Address: Krucka 36; 00-522 Warsaw; phone: +48 (0)22 695 99 10/11; fax: +48 22 695 99 12-13; e-mail: Phare@wwpwp.it.pl

PAO: Mr. Piotr Stachanczyk, Under-Secretary of State, Ministry of Internal Affairs and Administration; Address: S. Batorego 5; 02-591 Warsaw, phone: +48 (0)22 621 03 91; fax: +48 22 849 52 13, e-mail: wydzei@die.mswia.gov.pl

The project will be managed in accordance with the Phare Decentralised Implementation System (DIS) and under the overall supervision of the National Fund (NF). The Implementing Authority for the Phare CBC Programme at the Ministry of Internal Affairs and Administration will be the Implementing Authority (IA) for the project. The NF will transfer funds to the IA in accordance with the Financing Agreement signed between the NF and the IA. The IA will be headed by a Programme Authorising Officer (PAO) nominated by the responsible Minister and appointed by the National Authorising Officer. The PAO will be responsible for all the operations carried out by the IA. In addition, the SPF will operate under the “Guidelines for the Small Projects Fund in Poland” which will be prepared in accordance with the chapter 6 of the “Practical Guide for Phare, Ispa and Sapard”.

PL01.03.07 Eastern border Small Projects Fund – p.4
7. Implementation Schedule

| Contracts with Secretariats: | First quarter 2002 |
| First calls for proposals:   | Second quarter 2002 |
| Completion of projects:      | Third quarter 2004 |

8. Equal Opportunity
Equal opportunity principles and practices in ensuring equitable gender participation in the project will be guaranteed.

9. Environmental Impact
Concerns of the environment will be taken into consideration in all regional/local projects to be funded under the SPF. Tourism projects will respect the need to protect the environment and natural heritage.
Annex 1 - LOGFRAME PLANNING MATRIX FOR

<table>
<thead>
<tr>
<th>Overall Objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of the Polish eastern border regions</td>
<td>Improved socio-economic quality of life in the border region</td>
<td>Government’s reports</td>
<td>Continued commitment towards the priorities of the Phare CBC Programme</td>
</tr>
<tr>
<td>Immediate objectives</td>
<td>Cross-border links intensified, number of cross-border activities increased, opinion of inhabitants living in the other part of the border (indicator of approval); Number of local actors involvement in Phare activities, number of specialist involved in designing and implementing CBC projects</td>
<td>IA Phare CBC Poland, reports Monitoring and assessment reports</td>
<td>Continued commitment of regional and local actors</td>
</tr>
</tbody>
</table>

**Results**

Several sub-projects fulfilling the objectives of the programme : local democracy, regional economy and tourism, cultural exchanges, environmental awareness, co-operation in health, and of the flow of information in the cross-border region.

**Activities**

Funding for eligible actions (sub-projects): cultural exchanges, youth and sports, training, conferences and seminars, planning and development studies, tourist information.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D/C</td>
<td>D</td>
<td>C</td>
<td>C/I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
<td>I</td>
</tr>
<tr>
<td>Contracted</td>
<td>0.800</td>
<td>1.400</td>
<td>2.000</td>
<td>0.200</td>
<td>0.400</td>
<td>0.750</td>
<td>0.9</td>
<td>1.200</td>
<td>1.500</td>
<td>1.800</td>
<td>1.900</td>
<td>2.0</td>
</tr>
<tr>
<td>Disbursed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

D: Design / C: Contracting / I: Implementation