1. Basic information

**CRIS number:** HU - PHARE 2003/005-830.03  
RO – PHARE 2003/005-702.02

**Title:** Joint Small Project Fund

**Sector Code (DAC):** 15050

**Geographical Location:** Hungarian Romanian border regions:

The Joint Small Projects Fund is made up of two mirror sections:
- one will finance small projects for the following NUTS III regions: Szabolcs-Szatmár-Bereg, Hajdú-Bihar, Békés and Csongrád counties in Hungary;
- one will finance small projects for the following NUTS III regions: Arad, Bihor, Satu Mare and Timis “judets” in Romania.

2. Objectives

2.1. Overall Objectives

The Joint Small Projects Fund (JSPF) supports the key objectives of the Hungarian-Romanian CBC Programme, namely to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economies. The JSPF 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 overall objective is to:

- Improve cross-border co-operation at local level between the two countries;
- Reduce the peripheral character of the border region, thereby improving the quality of life and creating a co-operative network on both sides of the border.

2.2. Purpose of the project

The projects shall support development in particular in the fields of small-scale people-to-people activities across the border and tourism development. In overall terms, the JSPF will seek:

- to promote institution building and partnership developments among the local actors of the border region
- to 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. Accession Partnership

The JSPF plays a key role in the process of preparation of Hungary and Romania for accession, in particular through the improvement of the administrative capacity of local/regional actors. These funds are part of a creating process of “integration-minded” border regions. The project represents thus an important element in the preparation of Hungary and Romania 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 regions on both sides of the border 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 JSPF promotes the elaboration of projects with a cross-border impact and encourages the development of linkages between the communities/organisations/institutions on both sides of the border. "People-to-people” aspects of the individual projects and the general direction of the fund guarantee a high degree of cross-border relevance of the scheme.

The JSPF Committee will be made up of representatives from the relevant Hungarian and Romanian border regions.

3. Description

3.1 Background and justification

With a view to strengthen the local cross-border co-operation of the two border regions, Romania and Hungary decided in early 2000 to start to implement a JSPF. This scheme will finance “soft” projects: business co-operation, enterprise development, technology transfer and marketing for small and medium size enterprises, training, employment, measures for health and cultural exchanges, improvement of information flow and communications between border regions etc.

In order to reach a sufficient impact, these schemes need to be implemented in a multi annual perspective.

The inclusion of the JSPF into the programme is a logical step forward in the overall context of Romania and Hungary future accession to the EU, and in the specific context of the development of cross-border co-operation and evolution of the Phare CBC Programme in the pre-accession context.

This project is fully in line with the priorities that are indicated in the Joint Programming Document (JPD). The JPD constitutes the general framework for the co-operation between the two countries and was agreed between the Romanian and Hungarian authorities in early 2000. Under the priority 6 “Joint Small Project Fund”, the proposed measure is the creation of a JSPF.

3.2 Linked activities

The JSPF forms an integral part of the Phare CBC Programme. It complements other projects of the CBC Programme primarily by creating a flexible mechanism for the support of small-scale activities and in some cases by preparing future large-scale CBC projects.

This project is a continuation, in a multi-annual perspective, of the first JSPF, which was financed under the Phare CBC RO/HU 2000 programme and the JSPF financed under the Phare CBC RO/HU 2001 and 2002 programmes (Phare allocation of 0.5 MEUR for each border region). These programmes have proved that this kind of flexible funding mechanism addressing identified local needs is an efficient instrument because it enables joint activities in a range of priority sectors.
Since the Phare CBC 2000 the JSPF follows the regulations set by the Practical Guide for Phare, Ispa and Sapard procedures, thus it is approaching to the conditions of project selection and monitoring under of the Interreg programmes.

3.3 Results

Expected results of the planned activities are listed below:

Priority 1

1.1 Efficient co-operation between enterprise supporting organisations, positive attitude to solve common concerns and to utilise potentials.

1.2 Initiatives in the field of activating and attracting attention towards tourist attractions

Priority 2

2.1 Effective theoretical and practical assistance in the field of public health on both sides of the border.

2.2 Greater awareness of common concerns and chances in the target region.

Increase in the quality and quantity of development plans, studies and project proposals

Priority 3

3.1 A deeper knowledge and understanding of the culture of the neighbouring countries (Hungary and Romania).

3.2 Improvement of the quality of information flow in both public and private sectors.

3.3 Development of human resources of the eligible region with strong effect on the economy of the border region.

Priority 4

4.1 Development of environment conscious attitude of the population in the border region.

The selected projects shall fall within the priority fields set out in the Joint Programming Document.

The projects will encourage new forms of cross-border co-operation and strengthen existing ones.

3.4 Activities

The project will support the financing of the selected small-scale “people-to-people” projects (projects located in the relevant Hungarian Romanian border regions, such as:

1. Economic development and co-operation, including tourism

1.1 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;

1.2 Tourism: The JSPF will provide funding for a range of “soft” actions for tourism development - studies, planning, institutional strengthening measures, specific SMEs training and related HRD programmes.

2. Institutional development, institutional co-operation, planning and development studies
2.1 Health: Measures to promote co-operation in health, particularly the sharing of resources and facilities on a cross-border basis.

2.2 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;

3. Human resource development, cultural co-operation, local democracy

3.1 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;

3.2 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.

3.3 Education and training: Local employment, education and training programmes will be supported. Joint projects may also involve the elaboration of materials for distance learning. Exchange of know-how and experience in education at various levels will also be supported.

4. Environment

Projects focusing on specific problems of the environment of the region, such as drafting of studies, assessment of problems, environmental training, actions aiming at increasing public environmental awareness and so forth.

The grants will only be made for projects whose immediate objective is non-commercial and strictly non profit-making. Under no circumstances may grant give rise to profits (i.e. it will be restricted to the amount required to balance income and expenditure for the project).

General Criteria for Eligibility

Projects already part-financed by another EU funded programme may not be granted support from this PHARE programme.

In general terms, the eligible actions in the framework of the JSPF should meet the following conditions:
• have a strong and evident cross-border aspect (joint projects, especially where co-financed jointly by Hungary and Romania project partners, will be particularly prioritised);
• be financially assessed realistically and transparently;
• be ready for implementation;
• comply with the minimum and maximum level of project support
• availability of co-financing. Minimum co-financing will be 10% of the cost of projects (in cash);
• 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),
• if possible, contain innovative approaches (e.g. pilot projects).
On this basis, the Hungarian Implementing Agency and the Romanian Implementing Agency will develop more detailed operational guidelines, including specific project support level/country (minimum/maximum), which will be approved by both EC Delegations in Romania and Hungary.

**Eligible beneficiaries**

Eligible beneficiaries are in principle:
- Non-profit-making organisation;
- Local organisations, associations and foundations;
- Municipalities and Communities within the defined border region;
- County and district level organisations;
- Inter-communal co-operation organisations;
- Euro regions;
- Chambers of Commerce;
- Professional associations;
- Trade Union Organisations;
- NGOs etc ...

Profit making organisations and, national organisations without a distinctive role in the border region will not be eligible, as well as political parties.

**Priority areas**

The Fund will support small-scale people-to-people actions across the following priority areas:
1. Economic development and co-operation, including tourism,
2. Institutional development, institutional co-operation, planning and development studies,
3. Human resource development, cultural co-operation, local democracy,
4. Environmental protection, water management.

**Selection process**

The two Implementing Agencies – Romanian and Hungarian - will issue a call for proposals that must be open and fair to all eligible organisations. An appropriate Team of Assessors will assess the submitted applications for each country. On the basis of these recommendations, a Joint Evaluation Committee will be performed and the final decision will be taken.

The project applicants will, in many cases, need considerable development assistance. Training and information workshops may be organised to inform and assist would-be participants, so as to ensure high transparency and encourage good quality proposals. The Secretariat will also appoint experts to visit would-be project applicants in order to provide assistance, especially in relation to matters such as project cost assessment.

**Administrative costs for operating the fund.**

Concerning administrative support for operating the fund, the Phare contribution may finance indirect (overhead) costs up to 7% of total amount eligible costs (maximum € 35 000 for each country).
3.5 Lessons learned:

During the preparation of this project fiche, the experiences of previous PHARE CBC programmes, especially in the field of cross border co-operation (ZZ9622-04, HU9705-04 Small Projects Fund) were considered. More specifically, the 2000 Joint Small Projects Fund (HU 0009-03) Management has reoriented the joint and transparent character of the tool and this was applied to the 2001 and 2002 Funds (Hu 0107-03 and HU 2002/000-627-02) and will be applied to the present fund. In case of 2000 Joint Small Project Fund the demand for support was four times higher than the size of the Fund. The interest for the different priority fields was balanced, 10 project proposals were selected for support. Implementation period of these projects will be finished by December 2003. The recommendations of the 2002 EMS Interim Evaluation Report were also taken into account during the programming phase and will be carefully watched in course of the implementation of the programme.

4. Institutional Framework

National Authorities Responsible of the Programme

- The key institutions of the Joint Small Projects Fund are the Hungarian and Romanian Contracting Authorities (CA) for the Phare cross-border co-operation programme, the Joint Co-operation Committee (JCC), the Joint Evaluation Committee (JEC), the Secretariats for the Joint Small Projects Fund, and the Team of Assessors for the assessment of project applications (Expert Panel), and the European Commission (EC) represented by the EC Delegations in Hungary and Romania. Under the 2001 and 2002 Phare CBC RO-HU Programme, the CBC Regional Office for JSPF has been appointed by the former Ministry of Development and Prognosis (actual Ministry of European Integration), within the Regional Development Agency, Timis.

- As per Romanian Financing Memorandum, the Romanian authorities defined as responsible at different levels w/ this programme are as follows:
  1. The Ministry of European Integration – MEI through the Directorate for Cross-Border Co-operation as Implementing Agency (IA) and Contracting Authority.
  2. JSPF Regional Office – local representative institution of the MEI in charge of launching and advertising the call for proposals and day-to-day technical management of the projects

- As regards the Hungarian Financing Memorandum, the overall responsibility for programme co-ordination and financial management will rest with the National Agency for Regional Development (NARD) of the Prime Minister’s Office. The CBC Regional Office of Békéscsaba was set up and will participate to the implementation of the grant schemes under the responsibility of the NARD.

- **The Hungarian and Romanian IAs (Implementing Agency):** Retain full responsibility for programme implementation respectively in Hungary and in Romania.

- **Two Secretariats** shall be identified: on the Hungarian side, the CBC Regional Office of the National Agency for Regional Development and, on the Romanian side the JSPF Regional Office of the Ministry of European Integration. The two secretariats will undertake in their respective country, the task of day-to-day technical management of implementation of projects and monitoring activities under the authority of the Hungarian and Romanian IAs.
• **Rules, procedures and formats**: New Specific Guidelines based on the Grant section of the Commission Practical Guide and approved by both EC Delegations will be strictly followed. (see details in Annex 4: Template for the Institutional framework/implementation arrangements in case of grant schemes)

5. **Budget (in M€):**

<table>
<thead>
<tr>
<th></th>
<th>Investment</th>
<th>Institution Building</th>
<th>Total Phare (=I+IB)</th>
<th>National Public Co-financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
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<td>0.500</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0.500</td>
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<tr>
<td>Hungarian component</td>
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<tr>
<td>Joint Small Project Fund</td>
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<td>0.500</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0.500</td>
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<tr>
<td>Romanian component</td>
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<tr>
<td>TOTAL</td>
<td>0</td>
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<td>1.000</td>
<td>0</td>
<td>0</td>
<td>1.000</td>
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</tbody>
</table>

(*) Co-financing is needed and will be one of the criteria for eligibility of projects. Minimum co-financing will be 10% of the cost of the projects to be provided as own resources by the beneficiary.

6. **Implementation arrangements**

6.1 Implementing agency

On the Hungarian side the National Agency for Regional Development of the Prime Minister’s Office retains overall responsibility for the implementation of the whole programme.

The scope of de-concentration of the NARD Activities to its Bekescsaba Regional Office will be approved by the EC Delegation through the Specific Guidelines.

On the Romanian side, the Implementing Agency will be the Ministry of European Integration, through its Cross-Border Co-operation Directorate, which will retain overall responsibility for the implementation of the programme, including: approval of tender documents, evaluation criteria, evaluation of offers, signature of contracts, authorisation of invoices. The payments of invoices will be made by the Payments Directorate within the same ministry.

The CBC Directorate will liaise with the beneficiary institutions and Regional Office for an efficient implementation of the JSPF.

A Regional Office was set-up in May 1997 within the Arad Promotion and Development Agency, under the 1996 Phare CBC Programme, in the border region, ensuring the day-by-day contact and co-operation with the counties and local authorities as well as with the project beneficiaries in the Romanian-Hungarian border region. This office, appointed as Regional Office for JSPF under the 2000 Phare CBC Romania-Hungary Programme, has specific tasks as set-up in the Guidelines for the JSPF including management, monitoring and evaluation of the selected projects. For 2001 and 2002 Phare CBC Romania-Hungary CBC Programme Regional Office is working under the umbrella of Regional Development Agency 5.
6.2. Non-standard aspects

There are no non-standard contracts or tender procedures envisaged within this project. "Practical Guide to contract procedures financed from the general Budget of the European Communities in the context of external actions" will be strictly followed.

6.3. Contracts:

During the implementation of the JSPF the Specific Guidelines will be defined and approved by the EC Delegation. Guidelines and the Practical Guide to Phare, Ispa and Sapard contract procedures will be strictly followed.

7. Implementation schedule

Co-ordination will be ensured so that the calls for proposals are launched in the same time with identical deadlines.

| Updating of the JSPF Guidelines | 03/2004 |
| Establishment of Team of Assessors and JEC | 03/2004 |
| Publication of Call for Proposals | 04/2004 |
| Start of project activities | 08/2004 |
| Completion of projects | 08/2005 |

8. Equal opportunity

In the whole process of preparation and implementation of the projects no discrimination between men and women will be made.

9. Environment

Environmental aspects will be assessed individually for each of the proposed projects.

10. Rates of return

N/A

11. Investment criteria:

11.1. Catalytic effect:

Hungary and Romania according to their geographical position share a common infrastructure and economic problems. The implementation of projects within the Joint Small Projects Fund is extremely important to improve the relations between both countries and to promote cross-border co-operation from both countries as well as preparation of projects ready for financing in the future.

11.2. Co-financing:

The final beneficiaries will contribute with at least 10% of the total budget of the total cost of the projects.

11.3. Additionality:
The Phare support does not replace any other sources of financing.

11.4. Project readiness and size:

All organisational preparations will have been completed, and the first funding operations will be carried out in November 2004. The Fund will provide Phare grants to projects in an amount of € 10 000-50 000. It is expected that approx. 20-40 grants will be made during the life of the programme on each side of the border.

11.5. Sustainability:

The development of the Hungarian–Romanian border region is part of both governments strategy of maintaining good relations with their neighbours. Hungary and Romania have signed several bilateral agreements to underline and intensify bilateral relations.

12. Conditionality and sequencing:

The Békéscsaba Regional Office of the National Agency for Regional Development will ensure the necessary human resources for the technical management of the Joint Small Projects Fund. The Office will ensure that the project staff is fully conversant with the target group requirements and with the operation of the Phare Programme. The Office will make certain that the recipients make their financial contributions as planned.

**ANNEXES TO PROJECT FICHE**

1. Logical framework matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter
4. Feasibility studies and preparatory work
5. Template for the Institutional framework/ implementation arrangements in case of grant schemes
## ANNEX 1 - LOGFRAME PLANNING MATRIX

**Logframe planning matrix – Joint Small Projects Fund – Hu-Ro 2003**

<table>
<thead>
<tr>
<th>Overall objectives</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Improve cross-border co-operation at local level between the two countries</td>
<td>•</td>
<td>• IAHu and IARo;</td>
</tr>
<tr>
<td>• Reduce the peripheral character of the border region, thereby improving the</td>
<td>•</td>
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<tr>
<td>quality of life and creating a co-operative network on both sides of the border.</td>
<td>• Number of opportunities to create and strengthen partnerships with the</td>
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<td></td>
<td>• Neighbouring local actors will</td>
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<td></td>
<td>increase by 3% in 2 years</td>
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<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
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<tbody>
<tr>
<td>• to promote institution building and partnership development among the local</td>
<td>• Growth of the number of common</td>
<td>• IAHu and IARo;</td>
</tr>
<tr>
<td>actors of the border region</td>
<td>initiatives in the field of HR</td>
<td></td>
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<tr>
<td>• to develop and enhance co-operation between the communities on either side of</td>
<td>development, institutional</td>
<td>Monitoring and</td>
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<tr>
<td>the border with a view to joint improvement of economic development,</td>
<td>co-operation, economic</td>
<td>assessment reports;</td>
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<tr>
<td>living conditions and on-going contact.</td>
<td>development and environmental</td>
<td>reports of the PMU</td>
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<td></td>
<td>protection by 3% in 2 years.</td>
<td>(Hu) and PCU (Ro).</td>
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</table>

<table>
<thead>
<tr>
<th>Results of Project</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
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<tbody>
<tr>
<td></td>
<td>• Efficient programme management</td>
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<td></td>
<td>(implementation, monitoring</td>
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<td></td>
<td>assessment);</td>
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<td></td>
<td>• continued commitment of the</td>
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<td>Government towards the priorities</td>
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<td>of the programme and regional</td>
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<td></td>
<td>development;</td>
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<tr>
<td></td>
<td>• continued commitment of regional</td>
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<td></td>
<td>and local actors;</td>
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<td></td>
<td>• availability of qualified staff</td>
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<td></td>
<td>and institutional support;</td>
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<td>• functioning co-operation between</td>
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<td></td>
<td>all relevant partners;</td>
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<tr>
<td></td>
<td>• functioning co-ordination between</td>
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<td>CBC-HU and CBC-RO;</td>
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<td></td>
<td>• sustained interest of the border</td>
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<td>region’s population in development</td>
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<td></td>
<td>and co-operation.</td>
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<tr>
<td>Priority 1</td>
<td>Priority 2</td>
<td>Priority 3</td>
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<tr>
<td>Efficient co-operation between enterprise supporting organisations</td>
<td>Effective theoretical and practical assistance in the field of public health on both sides of the border.</td>
<td>A deeper knowledge and understanding of the culture of the neighbouring countries ( Hungary and Romania), which is the base of cooperation in the field of economy.</td>
</tr>
<tr>
<td>Initiatives in the field of activating and attracting attention towards tourist attractions</td>
<td>Quality and quantity of development plans, studies and project proposals will increase</td>
<td>Improvement in the quality of information flow in both public and private sectors.</td>
</tr>
</tbody>
</table>

- JSPFs in operation and used;
- Number of CBC people-to-people actions supported (16 projects) in 2 years;
- Increase in regional/local capacities to design and implement development programmes and projects by 3% in 2 years;
- PMU (Hu) and PCU (Ro) reports;
- Project completion reports;
- Monitoring and assessment reports;
- Programme evaluation.

- Sufficient project management skills on behalf of the beneficiaries;
- Availability of qualified experts and contractors;
- Well functioning cooperation and coordination between the Hungarian Implementing Agency and the Romanian Implementing Agency and their regional offices, the Small Projects Fund Committee, beneficiaries and other involved parties.
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Economic development and co-operation, including tourism</td>
<td>0.5 MEUR Phare CBC contribution for Small Projects complemented by 0.05 MEUR from the beneficiaries</td>
<td>• Sufficient number of project proposals&lt;br&gt;• Sufficient project management skills on behalf of the IA.</td>
</tr>
<tr>
<td>1.1 Economic Development:</td>
<td>PMU (Hu) and PCU (Ro) reports;</td>
<td></td>
</tr>
<tr>
<td>1.2 Tourism</td>
<td></td>
<td></td>
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<tr>
<td>2. Institutional development, institutional co-operation, planning and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>development studies</td>
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<td></td>
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<tr>
<td>2.1 Health</td>
<td></td>
<td></td>
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<tr>
<td>2.2 Planning and development studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Human resource development, cultural co-operation, local democracy</td>
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<td></td>
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<tr>
<td>3.1 Cultural Exchanges</td>
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<td></td>
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<tr>
<td>3.2 Local Democracy</td>
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<tr>
<td>3.3 Education and training</td>
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<td>4. Environmental protection, water management</td>
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<tr>
<td>4.1 Environment</td>
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<tr>
<td>Precondition</td>
<td>• Financing Memorandum approved on time</td>
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</tbody>
</table>
## ANNEX 2 – Implementation Time Chart

*Joint Small Project Fund*

<table>
<thead>
<tr>
<th>Components</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
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<tbody>
<tr>
<td></td>
<td>JAN</td>
<td>FMA</td>
<td>JAN</td>
</tr>
<tr>
<td>1. Joint Small Projects Fund (Hungarian component)</td>
<td>D</td>
<td>I</td>
<td>D</td>
</tr>
<tr>
<td>2. Joint Small Projects Fund (Romanian component)</td>
<td>D</td>
<td>I</td>
<td>D</td>
</tr>
</tbody>
</table>

D = Design/preparation  
C = Contracting  
I = Implementation/works  
R = Review/evaluation
### Joint Small Project Fund

#### Cumulative Contracting Schedule by Quarter in EUR (planned)

<table>
<thead>
<tr>
<th>Components</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>Total Phare Allocation</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>III</td>
<td>IV</td>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td>Small Projects Fund (Hungarian Component)</td>
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<td>500.000</td>
<td>500.000</td>
<td>500.000</td>
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<td>Small Projects Fund (Romanian Component)</td>
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<tr>
<td>Total contracting</td>
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#### Cumulative Disbursement Schedule by Quarter in EUR (planned)

<table>
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<th>Components</th>
<th>2003</th>
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<th>2005</th>
<th>Total Phare Allocation</th>
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<td></td>
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<td>IV</td>
<td>I</td>
<td>II</td>
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<tr>
<td>Small Projects Fund (Hungarian Component)</td>
<td>400.000</td>
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<tr>
<td>Small Projects Fund (Romanian Component)</td>
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<td>400.000</td>
<td>400.000</td>
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<tr>
<td>Total disbursement</td>
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ANNEX 4  Feasibility Studies and Preparatory Work

In order to get an overall view of the effects, results and experiences of cross-border co-operation Programmes, the NARD invited a professional company to work out a study. This working paper makes an overview of the priorities for the period between 2000 and 2002 and formulates the objectives for the next Programme. The base of this study are the county-, region-, national- and cross-border regions development concepts and programmes. The experts of this study took into consideration the opinions and experiences of local actors (County Development Councils, Road Management Companies, Water Authorities, Environmental Inspectorates, etc.), in the form of interviews or questionnaire answers.

The study, completed in the above-mentioned way, evaluates the implementation of the Hungarian-Romanian Phare CBC Programmes on the Hungarian side and defines the development needs for the next period in cross-border co-operation.

The following findings of the study have been taken into account in the present project fiche:

Experience of the eligible counties in cross-border co-operation:

- There is great need for economic development projects in the region
- The lack of collection, management and flow of information is identified as one of the biggest problems. Major part of the economic development projects derives from the need for the use of information.
- Hungarian-Romanian joint training projects are still very successful and contribute to the human resource development of the region. Organising such trainings both in Hungarian and Romanian language has to remain a priority in the future.
- The eligible resources that came from the extension of the Phare CBC programme to the Hungarian-Romanian border gave an impetus to cross-border co-operation. Although these co-operations have mostly had positive effects, they have brought up a number of problems too. To handle these difficulties, proposals have been formed to organise forums for exchanging experience, and to make negotiations between Hungarian Romanian parties involved in the implementation of projects more frequent.
ANNEX 5.  *Template for the Institutional framework/ implementation arrangements in case of grant schemes*

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

- The IAs (RO MoEI and the HU NARD) draft the Call for proposals, the Guidelines for applicants and the Application form and other documents related to the implementation of the JSPF in line with Phare procedures.
- Each IA submits the final version of the documents to the respective EC Delegation for approval.
- EC Delegations in Romania and Hungary approve the documents.

**Publication of the Call for Proposal**

The IAs with the assistance of their Secretariats take all appropriate measures to ensure that the nationally and regionally publicised call for proposals reaches the target groups in line with the requirements of the Practical Guide.

**Project Selection Process**

- The Secretariats collect and register incoming project proposals.
- The HU and RO IAs select and approve the assessor teams (one for each country) for the assessment of administrative compliance, eligibility and assessment of technical and financial quality of proposals.
- The IAs will nominate the Joint Evaluation Committee (non-voting chairman, secretary, and voting members).
- The HU and RO IAs nominate the members of the assessment team and evaluation committee exclusively on the basis of technical and professional expertise in the relevant area.
- The EC Delegations endorse the teams of assessors and the composition of the Joint Evaluation Committee. The EC Delegations nominate an observer to follow all or part of the proceedings of the Joint Evaluation Committee. Prior approval is needed from the Delegations for the participation of other observers.
- The Joint Evaluation Committee draws up its recommendations and decisions following the assessor team's written assessment of each proposal on the basis of the published evaluation grid.
- The IA of each country approves the evaluation report prepared by the joint evaluation committee and forwards the evaluation report and any award proposals to the EC Delegations.
• The EC Delegations approve (ex-ante) the evaluation report on the selection process and the final list of grants to be awarded.

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

**Contracting (PAO designated in the responsible implementing agency) for each country:**

• The format of the grant contract is drafted by each IA 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 Delegations (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 Delegations only approves the evaluation report, the list of proposed projects (budget, duration, beneficiaries etc as per Phare Practical Guide), and the standard contract format, not the contracts themselves irrespective of the budget.

• The IAs sign 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 an official Hungarian / Romanian translation of the contract, by case, is attached to the signed English language contract.

• Copy of the signed grant contract will be respectively available at the Hungarian NARD and the Romanian MoEI.

**Implementation of the selected projects by the beneficiaries**

• Beneficiaries subcontract suppliers of goods or services, in line with Phare procurement regulations annexed to the Grant Contract and under the Practical Guide (PRAG).

• The projects will be subject to ex-post control by the EC Delegation pursuant to the Practical Guide.

**Financial management of the selected projects**

• The HU IA with the technical assistance of the Secretariat (CBC Regional Office) receives and verifies the invoices and requests payment to the National Fund.

• The RO IA with the technical assistance of the Secretariat (JSPF Regional Office) receives and verifies the invoices and requests payment to the National Fund.
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 Secretariat with regard to the day-to-day monitoring of the selected projects. The Delegations reserve the right to organise field visits and to monitor on a case-by-case basis the projects selected under the JSPF exercise.