FINANCING MEMORANDUM

The European Commission, hereinafter referred to as "THE COMMISSION", acting for and on behalf of the European Community, hereinafter referred to as "THE COMMUNITY" on the one part, and

The Government of the Slovak Republic, hereinafter referred to as "THE RECIPIENT" on the other part,

HAVE AGREED AS FOLLOWS:

The measure referred to in Article 1 below shall be executed and financed out of the budget resources of THE COMMUNITY in accordance with the provisions set out in this Memorandum. The technical, legal, and administrative framework within which the measure referred to in Article 1 below shall be implemented is set out in the General Conditions annexed to the Framework Agreement of 10 May 1994 between THE COMMISSION and THE RECIPIENT, and supplemented by the terms of this Memorandum and the Special Provisions annexed hereto.

ARTICLE 1 - NATURE AND SUBJECT

As part of its aid programme, THE COMMUNITY shall contribute, by way of grant, towards the financing of the following MEASURE:

Programme number: SR9918
Title: 1999 Cross Border Cooperation Programme – Slovak Republic/Hungary
Duration: Until 31st December 2001

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of 2 MEUR hereinafter referred to as "THE EC GRANT".
ARTICLE 3 - DURATION AND EXPIRY

For the present MEASURE, THE EC GRANT is hereby available for contracting until 31st December 2001 subject to the provisions of this Memorandum. All contracts must be signed by this date. Any balance of funds of the EC GRANT which have not been contracted by this date shall be cancelled. The deadline for disbursement of THE EC GRANT is 31st December 2002. All disbursements must be completed by the deadlines for disbursement. THE COMMISSION may however, in exceptional circumstances, agree to an appropriate extension of the contracting period or of the disbursement period, should this be requested in due time and properly justified by THE RECIPIENT. This Memorandum shall expire at the expiry of the disbursement period of the EC GRANT. All the funds which have not been disbursed shall be returned to the Commission.

ARTICLE 4 - ADDRESSES

Correspondence relating to the execution of THE MEASURE, stating THE MEASURE'S number and title, shall be addressed to the following:

for the COMMUNITY:

Mr. Walter ROCHEL
EC Delegation - Bratislava
Head of Delegation
Panska 3
81101 BRATISLAVA
Slovak Republic

Tel: + 421.7.54431718
Fax: +421.7.54432972

for THE RECIPIENT:

Mr. Pavol Hamzik
Deputy Prime Minister
National Phare Coordinator
Office of the Government
Namestie Slobody 1
81106 BRATISLAVA
Slovak Republic

Tel: 421.7.391284
Fax: 421.7.396.759
ARTICLE 5 - NUMBER OF ORIGINALS

This Memorandum is drawn up in duplicate in the English language.

ARTICLE 6 - ENTRY INTO FORCE

This Memorandum shall enter into force on the date on which it has been signed by both parties. No expenditure incurred before this date is eligible for the EC GRANT.

The Annexes shall be deemed an integral part of this Memorandum.

Done at Bratislava

Date 22/12/1999

for THE RECIPIENT


Done at Bratislava

Date 22-2 55

for THE COMMUNITY

Annex 1 Framework Agreement
Annex 2 General Conditions (Annexes A & B)
Annex 3 Special Provisions (Annex C)
Annex 4 Visibility/Publicity
Annex C – SPECIAL PROVISIONS

1 OBJECTIVES AND DESCRIPTION

1.1. Wider objectives

The general objective of the Hungary-Slovakia Phare CBC Programme is to promote co-operation in the border regions of the two countries. Cross-border co-operation is regarded as a means of stimulating economic activities in these regions and to assist them in overcoming specific development problems which arise from their peripheral position within national economy. In addition, the Phare CBC Programme aims to promote the creation and further development of networks on both sides of the border. The programme supports the process of integrating Hungary and Slovakia into the European Union.

1.2. Immediate Objectives and Programme Results

The following priority area of cross-border co-operation has been agreed with Slovakia for 1999:

- Nature and environment protection

In this first programming year, out of the general cross-border regional development priorities the programme focuses on the objective of nature protection, with environment protection issues as sub-objectives. It is also considered a substantial target of the programme to support preparations for the next programming period.

In Hungary, the proposed Regional Waste Depot project will help to intervene in urgent and endangering situations in order to protect and improve the natural environment in a short term. Hence, the aim and direct impact of this cross border project on the Hungarian side of the border is to drastically improve this situation thereby leading to a more environmental sustainable situation.

In the Slovak Republic, the modernisation of the wasteater treatment plant in Lučenec will improve the quality of the surface water in the Ipeľ river, which is creating a natural border between Slovakia and Hungary and is a tributary of the Danube.

A Small Projects Fund will facilitate contacts between people living in the border region and will support the preparation of feasibility studies, plans etc. in order to get prepared for the coming programming periods.

2. Programme description

Since similar problems occurred on both sides of the Hungarian-Slovak border, similar ideas arose to solve these problems in the development plans of both countries. In accordance with these, from the global objectives and the priorities defined in general, both countries support the developments aimed at improving natural and environmental assets of the cross-border region within the framework of the 1999 programme. In the nature protection
programme/project framework, every sub-priority is in harmony with the natural characteristics of the given region and has been developed jointly with the Hungarian and Slovak partners.

Both the Slovak and Hungarian project proposals are initiated to take actions for the improvement of the natural environment and to create favourable conditions for the future sustainable development of the Slovak-Hungarian border region. It is in these terms that the impact of the proposal has to be seen.

**Priority 01: Environmental Protection**

**Project HU9916.01.01 - Regional Waste Depot**

The Hungarian project proposal is targeted at nature and environmental protection development through investments (regional waste depot) in the cross-border regions.

The project supports nature and environmental protection investments targeted at solving severe problems in the border areas in the short run. Through the nature protection/water management investments, the construction of the regional waste depot in Jánossomorja can be started. The regional waste disposal site in Jánossomorja is targeted at solving acute problems which require immediate measures by relieving the area of the Fertő-Hanság National Park Directorate and surrounding areas under nature protection from the burden of waste problems.

The planned regional waste disposal site at Jánossomorja is to solve the waste disposal problems of the 61 settlements located in the region (110.000 inhabitants altogether). The concerned area is a sensitive and vulnerable lowland with valuable natural assets. Its western part is partly covered by the Fertő-Hanság National Park and its eastern part by the Szigetköz Landscape Protection Area. Despite the fact that the whole area is in the environmentally sensitive category and it is also a groundwater protection zone, waste disposal is still not solved in the region. The regional waste disposal site will indirectly provide a long-term solution for the communal waste disposal problems of the region with partially recovering the utilizable components and providing a maximum utilisation of the available dumping capacity.

With the establishment of the regional waste disposal site, the currently operating 4 non-regulated (without technical protection) and 50 illegal waste dumps can be liquidated. As a consequence, the ratio of waste used as secondary raw material or compost can increase and selective waste collection and management can be introduced in the region.

**Project SR9918.01.01: Modernisation of the wastewater treatment plant in Lučenec**

The town of Lučenec is the biggest district agglomeration discharging the wastewater into the Ipel' river on the Slovak side of the Slovak-Hungarian border. The treated wastewater is discharged into the Krivansky potok, which flows into the Ipel' river. The existing WWTP was build in the year 1966 and with some capacity increase is being working up to present time.

Due to the growth of the town and the stricter legislation in place, the discharged treated wastewater is not fulfilling the quality criteria set by Slovak legislation. According to
urbanistic studies, a further growth of the town and its surroundings is foreseen in the following years. In order to face the increasing needs, it is therefore imperative to modernise the wastewater treatment plant. This will allow to decrease the pollution of surface and groundwater in Lučenec district and neighbouring villages, contributing at the same time to meet EU environmental standards. This project will also have a positive environmental impact on the Ipeľ river and its tributaries and clear cross-border impact on the Hungarian side of the border.

Phare will finance the „equipment” component of the project, complementing in this way the Slovak financing of the construction works.

**Project: Small Projects Fund (HU9916.02.01 – SR9918.02.01)**

The general aim of the JSPF is the support of ‘people to people’ projects and non-investment projects with a genuinely cross-border impact. The purpose of the support of these projects is to encourage local involvement and to facilitate the implementation of small-scale actions which may constitute the basis for larger cross-border cooperation projects. Priority will be given to projects that are planned, selected and realised jointly by Hungarian and Slovak partners and supported from both JSPFs on the Hungarian and on the Slovak side. The JSPF aims also at the building and developing of specialist resources for local and regional institutions involved in regional development, groundwork and implementation of cross-border projects in line with EU practice.

The specific JSPF objectives in Slovakia and Hungary are in accordance with regional priorities: the development of cultural and youth co-operation between neighbouring regions on both sides of the border; support for actions aimed at local and regional socio-economic development, in particular measures in support of tourism development; the support of educational activities for institutions and individuals involved in local/regional development, in local government and in organisations of public interest.

The minimum co-financing contribution of the beneficiary to the project is 10%; the minimum contribution of the beneficiary to the administrative costs (Secretariat) is 5% of the project’s value. The minimum Phare contribution per project is 1,000 EUR, the maximum contribution is 50,000 EUR. Within these limits, the regional Steering Committee may establish differing limits (in particular lowering the maximum contribution of Phare, keeping in view the overall amount available, and increase of the beneficiary’s own contribution).

The JSPF will be implemented following the General Guidelines of the Commission for Small Projects Funds and draw on the Hungarian and Slovak Guidelines for the SPF, endorsed by the Commission. A Regional Steering Committee (RSC) will be established for the whole Hungarian-Slovak border region and will be the principle responsible institution for the operation of the JSPF, under the auspices of the relevant Implementing Agencies identified in Section 6.

The RSC will include *inter alia* representatives of the local/regional public administration and of any other relevant institutions of the eligible regions.

The European Union’s contribution to the JSPF will be 0.5 M€ (0.25 M€ for each country).
An environmental impact assessment will be carried out for all projects.
3. BUDGET

The following table specifies the EU contribution as well as the national co-finance (in MEUR) of the programme.

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<th>No.</th>
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<th>Phare SR</th>
<th>Co-fin. HU</th>
<th>Co-fin. SR</th>
<th>Phare Indicative</th>
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<td>JSPF</td>
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<td>0,250</td>
<td>0,040</td>
<td>0,250</td>
<td></td>
<td>0,250</td>
</tr>
<tr>
<td>SR9918.02.01</td>
<td>JSPF</td>
<td>0,290</td>
<td>0,250</td>
<td>0,040</td>
<td>0,250</td>
<td></td>
<td>0,250</td>
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<tr>
<td>TOTAL</td>
<td></td>
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<td>2,000</td>
<td>0,640</td>
<td>2,263</td>
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</table>

4. IMPLEMENTATION ARRANGEMENTS

In each country, the programme will be managed in accordance with the Phare Decentralised Implementation System (DIS) procedures. The National Aid Co-ordinator (NAC) will have overall responsibility for programming, monitoring and implementing Phare programmes.

The National Fund (NF) in the Ministry of Finance, headed by the National Authorising Officer (NAO), will supervise the financial management of the Programme, and will be responsible for reporting to the European Commission. Appropriate financial control will be carried out by the competent National Control Authority with respect to the implementation of the programme.

The Commission will transfer funds to the NF in accordance with the Memorandum of Understanding (MoU) signed between the Commission and Hungary on 17 December 1998 and between the Commission and the Slovak Republic on 10th December, 1998. Funds will be transferred following requests from the NAO. A payment of up to 20% of the funds to be managed locally will be transferred to the NF following signature of the Financing Memorandum and the Financing Agreement (FA) between the NF and the Implementing Agency (IA). The provisions foreseen in articles 2 and 13 of the MoU on the NF must also be met. The provisions in the articles titled “Implementing Agency and Programme Authorising Officer” and “Bank Accounts” of the FA must also be met. Furthermore, the NAO must submit to the Commission the designation of the PAOs and a description of the system put in place, highlighting the flow of information between the NF and the IAs/CFCU and the manner in which the payment function will be carried out.

Four Replenishments will be made of up to 20% of the funds to be managed locally or the full balance of the budget whichever is the lesser amount. The first replenishment will be triggered when 10% of the budget has been disbursed by the IA. The second replenishment may be requested when 30% of the total budget in force has been disbursed. The trigger point for the third replenishment is 50%, and for the final fourth instalment when 70% is disbursed. Save for express prior authorisation from the Commission HQ, no replenishment request may be made if the aggregate of the funds deposited in the NF and the IA exceeds 10% of the total budget in force of the commitment. Exceptionally the NAO may request an advance payment of more than 20% in accordance with the procedures laid down in the aforesaid Memorandum
of Understanding.

In Hungary, the Ministry of Agriculture and Regional Development will be the Implementing Agency (IA) responsible for all sub-programmes. In the Slovak Republic, the CFCU will be the Implementing Agency for all relevant sub-programmes.

A separate bank account denominated in EUR will be opened and managed by the NF in a separate accounting system in a bank agreed in advance with the European Commission. In principle, all bank accounts will be interest bearing. Interests will be reported to the European Commission. If the European Commission so decides, on the basis of a proposal from the NAO, interests may be reinvested in the Programme. The same procedures will apply to any funds transferred to an IA or the CFCU.

The NAO and the PAO will ensure that all contracts are being prepared in accordance with the procedures set out in the DIS Manual.

The application of the otherwise required minimum size of projects (€ 2Mio) will allow derogations only on the basis of a case by case assessment and under the circumstances of genuine cross-border cooperation falling within the priority measures defined in the joint Phare-INTERREG programming documents.

The following contracts will be prepared with special procedures: The Small Projects Fund will be contracted in accordance with the General Guidelines of the Commission for Small Projects Funds and with the Hungarian and Slovak Guidelines for the SPF endorsed by the Commission.

All funds must be contracted by 31 December 2001. All disbursements must be made by 31 December 2002. Any funds not used by the expiry date of the programme will be recovered by the Commission.

For those contracts with funds retained for a warranty period extending beyond the end of the disbursement period of the programme, the overall total of funds related to those contracts, as calculated by the PAO and established by the Commission, will be paid to the Implementing Agency before the official closure of the programme. The Implementing Agency assumes full responsibility of depositing the funds until final payment is due and for ensuring that said funds will only be used to make payments related to the retention clauses. The Implementing Agency further assumes full responsibility towards the contractors for fulfilling the obligations related to the retention clauses. Interests accrued on the funds deposited will be paid to the Commission after final payment to the contractors. Funds not paid out to the contractors after final payments have been settled shall be reimbursed to the Commission. An overview of the use of funds deposited on warranty accounts - and notably of the payments made out of them - and of interests accrued will annually be provided by the NAO to the Commission.

5. MONITORING AND ASSESSMENT

A Joint Monitoring Committee (JMC) will be established for the programme including the NAO, the NAC and the Commission. The JMC will meet at least once a year to review all Phare funded programmes in order to assess their progress towards meeting the objectives set
out in Financing Memoranda and the Accession Partnership relating to each beneficiary country. The JMC may recommend a change of priorities and/or the re-allocation of Phare funds.

The JMC will be assisted by Monitoring Sub-Committees (MSC) and will include the NAC, the PAO of each IA (and of the CFCU where applicable) and the Commission Services. The MSC will review in detail the progress of each programme, including its components and contracts, on the basis of regular Monitoring and Assessment reports produced with the assistance of external consultants (in accordance with the provisions of the DIS Manual), and will put forward recommendations on aspects of management and design ensuring that these are effected. The MSC will report to the JMC, to which it will submit overall detailed reports on all Phare financed programmes.

6. AUDIT AND EVALUATION

The accounts and operations of the National Fund and all relevant Implementing Agencies 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 Court of Auditors as referred to in the General Conditions relating to the Financing Memorandum attached to the Framework Agreement signed with the Government of each beneficiary country.

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

7. VISIBILITY AND PUBLICITY

The appropriate Programme Authorising Officer will be responsible for ensuring that the necessary measures are taken to ensure appropriate publicity for all activities financed from the programme. This will be done in close liaison with the Commission Delegation in the relevant beneficiary country. Further details are at annex 3.

8. SPECIAL CONDITIONS

The Hungarian and Slovak Governments shall ensure that appropriate counterpart staff and facilities for programme implementation will be provided by the beneficiary institutions, relevant budget appropriations (co-financing resources) will be available within the time schedules foreseen, and appropriate institutional and legislative measures are taken.

The European Union’s financial contribution is limited to 4 M€. This contribution will not cover any additional costs, cost increases or extensions which must be provided for by the implementing and contracting authorities.

In the event that agreed commitments are not met for reasons which are within the control of the Governments of Hungary and the Slovak Republic, the Commission may review the programme with a view, at the Commission’s discretion, to cancelling all or part of it and/or to reallocate unused funds for other purposes consistent with the objectives of the Phare programme.
INFORMATION AND PUBLICITY FOR THE PHARE, ISPA AND SAPARD PROGRAMMES OF THE EUROPEAN COMMUNITIES

1. Objective and scope

Information and publicity measures concerning assistance from the European Community Phare Programme are intended to increase public awareness and transparency of EU action and to create a consistent image of the measures concerned in all applicant countries. Information and publicity shall concern measures receiving a contribution from the Phare Programme.

2. General principles

The appropriate Programme Authorising Officer in charge of the implementation of Financing Memoranda, and other forms of assistance shall be responsible for publicity on the spot. Publicity shall be carried out in co-operation with the EC Delegations, which shall be informed of measures taken for this purpose.

The competent national and regional authorities shall take all the appropriate administrative steps to ensure the effective application of these arrangements and to collaborate with the EC Delegations on the spot.

The information and publicity measures described below are based on the provisions of the regulations and decisions applicable to the Structural Funds. They are:


Information and publicity measures must comply with the provisions of the above mentioned regulation and decision. A manual on compliance is available to national, regional and local authorities from the EC Delegation in the country concerned.

3. Information and publicity concerning Phare programmes

Information and publicity shall be the subject of a coherent set of measures defined by the competent national, regional and local authorities in collaboration with the EC Delegations for the duration of the Financing Memorandum and shall concern both programmes and other forms of assistance.

The costs of information and publicity relating to individual projects shall be met from the budget for those projects.

When Phare programmes are implemented, the measures set out at (a) and (b) below shall apply:

(a) The competent authorities of the applicant countries shall publish the content of programmes and other forms of assistance in the most appropriate form. They shall ensure that such documents are appropriately disseminated and shall hold them
available for interested parties. They shall ensure the consistent presentation throughout the territory of the applicant country of information and publicity material produced.

(b) Information and publicity measures on the spot shall include the following:

(i) In the case of infrastructure investments with a cost exceeding EUR 1 million:

- billboards erected on the sites, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

- permanent commemorative plaques for infrastructures accessible to the general public, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

(ii) In the case of productive investments, measures to develop local potential and all other measures receiving financial assistance from Phare, ISPA or SAPARD:

- measures to make potential beneficiaries and the general public aware of Phare, ISPA or SAPARD assistance, in accordance with the provisions cited at paragraph 3(b)(i) above.

- measures targeting applicants for public aids part-financed by Phare, ISPA or SAPARD in the form of an indication on the forms to be filled out by such applications, that part of the aid comes from the EU, and specifically, the Phare, ISPA or SAPARD Programmes in accordance with the provisions outlined above.
4. Visibility of EU assistance in business circles and among potential beneficiaries and the general public

4.1 Business circles

Business circles must be involved as closely as possible with the assistance which concerns them most directly.

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to potential beneficiaries, particularly SMEs. These should include an indication of the administrative procedures to be followed.

4.2 Other potential beneficiaries

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to all persons who benefit or could benefit from measures concerning training, employment or the development of human resources. To this end, they shall secure the co-operation of vocational training bodies involved in employment, business and groups of business, training centres and non-governmental organisations.

Forms

Forms issued by national, regional or local authorities concerning the announcement of, application for and grant of assistance intended for final beneficiaries or any other person eligible for such assistance shall indicate that the EU, and specifically the Phare, ISPA or SAPARD Programmes, is providing financial support. The notification of aid sent to beneficiaries shall mention the amount or percentage of the assistance financed by the Programme in question. If such documents bear the national or regional emblem, they shall also bear the EU logo of the same size.

4.3 The general public

The media

The competent authorities shall inform the media in the most appropriate manner about actions co-financed by the EU, and Phare, ISPA or SAPARD in particular. Such participation shall be fairly reflected in this information.

To this end, the launch of operations (once they have been adopted by the Commission) and important phases in their implementation shall be the subject of information measures, particularly in respect of regional media (press, radio and television). Appropriate collaboration must be ensured with the EC Delegation in the applicant country.

The principles laid down in the two preceding paragraphs shall apply to advertisements such as press releases or publicity communiqués.
Information events

The organisers of information events such as conferences, seminars, fairs and exhibitions in connection with the implementation of operations part-financed by the Phare, ISPA or SAPARD Programmes shall undertake to make explicit the participation of the EU. The opportunity could be taken of displaying the European flags in meeting rooms and the EU logo upon documents depending on the circumstances. The EC Delegation in the applicant country shall assist, as necessary, in the preparation and implementation of such events.

Information material

Publications (such as brochures and pamphlets) about programmes or similar measures financed or co-financed by Phare, ISPA or SAPARD should, on the title page, contain a clear indication of the EU participation as well as the EU logo where the national or regional emblem is used.

Where such publications include a preface, it should be signed by both the person responsible in the applicant country and, for the Commission, the Delegate of the Commission to ensure that EU participation is made clear.

Such publications shall refer to the national and regional bodies responsible for informing interested parties.

The above-mentioned principles shall also apply to audio-visual material.

5. Special arrangements concerning billboards, commemorative plaques and posters

In order to ensure the visibility of measures part-financed by the Phare, ISPA or SAPARD Programmes, applicant countries shall ensure that the following information and publicity measures are complied with:

Billboards

Billboards providing information on EU participation in the financing of the investment should be erected on the sites of all projects in which EU participation amounts to EUR 1 million or more. Even where the competent national or regional authorities do not erect a billboard announcing their own involvement in financing the EU assistance must nevertheless be announced on a special billboard. Billboards must be of a size which is appreciable to the scale of operation (taking into account the amount of co-financing from the EU) and should be prepared according to the instructions contained in the technical manual obtainable from EC Delegations, referred to above.

Billboards shall be removed not earlier than six months after completion of the work and replaced, wherever possible, by a commemorative plaque in accordance with the specifications outlined in the technical manual referred to above.

Commemorative plaques
Permanent commemorative plaques should be placed at sites accessible to the general public (congress centres, airports, stations, etc.). In addition to the EU logo, such plaques must mention the EU part-financing together with a mention of the relevant Programme (Phare, ISPA or SAPARD).

Where a national, regional or local authority or another final beneficiary decides to erect a billboard, place a commemorative plaque, display a poster or take any other step to provide information about projects with a cost of less than EUR 1 million, the EU participation must also be indicated.

6. **Final provisions**

The national, regional or local authorities concerned may, in any event, carry out additional measures if they deem this appropriate. They shall consult the EC Delegation and inform it of the initiatives they take so that the Delegation may participate appropriately in their realisation.

In order to facilitate the implementation of these provisions, the Commission, through its Delegations on the spot, shall provide technical assistance in the form of guidance on design requirements, where necessary. A manual will be prepared in the relevant national language, which will contain detailed design guidelines in electronic form and this will be available upon request.
SUMMARY PROJECT FICHE

Project Number: SR 9918.01.01

Title: Modernisation of the Wastewater Treatment Plant (WWTP) in Lučenec

Sub-programme: Cross-border co-operation Slovak Republic - Hungary

Geographical Location:

The proposed project is located in the southern region of Slovakia neighbouring with Hungary, namely the town Lučenec, ca. 12 km from the Slovak-Hungarian border.

Objectives:

The wider objective of the project is the improvement of the environmental situation in the Slovak-Hungarian border region.

The immediate objective is the improvement of the quality of the surface water in the Ipel' river, which is creating a natural border between Slovakia and Hungary and is a tributary of the Danube. Phare financial support will focus on the modernisation of the WWTP in Lučenec, namely the 2nd stage – Technological equipment supplies.

Description:

Institutional framework: The institutions involved in this project are mainly the Municipality of Lučenec represented by its mayor and the Waterworks and Sewageworks Company in Lučenec responsible for the operation.

a) Background

Lučenec is situated some 12 km from the Slovak-Hungarian state border being itself a district city with approximately 30,000 inhabitants. Large industrial factories are located in the city – (Novoker and Mäsopriemysel). The town Lučenec presents itself as the biggest district agglomeration discharging the wastewater into the Ipel' river on the Slovak side of the Slovak-Hungarian border. The treated wastewater is discharged into the Krivansky potok, which flows into the Ipel' river. The existing WWTP was build in the year 1966 and with some capacity increase is working up to present time. Due to the growth of the town and changes in the legislation the discharged treated wastewater is not fulfilling the quality criteria set by Slovak laws 138/73 and 238/93. According to the urbanistic studies a further growth of the town is foreseen in the following years. The population of the town agglomeration should reach 32,000 inhabitants in the year 2000 and 45,000 inhabitants in the year 2010. Operating the WWTP without modernisation and capacity increase would mean to exceed the values for treated wastewater discharged set by decision Nr. ŽP –II-341/1994-Hr of the District office for environment.
b) Brief Description

The town Lučenec, knowing the existing situation and aware of the Regulations issued as a part of the general town plan in the year 1994, started the preparatory work on the improvement of the existing WWTP. The complete project documentation for the modernisation of the WWTP Lučenec was finalised in the year 1998.

The proposed solution is to modernise the existing WWTP, the construction and the technology part, replacing where appropriate the existing installations. The following parameters were used for the project: Inflow /day (Qd) = 17885 m$^3$/d composed by the sewage produced by inhabitants and industry and from rain water collected in the sewage system, BDO on inflow 217 mg.l$^{-1}$ and NSC 162 mg.l$^{-1}$. The inflow corresponds to a population equivalent of 65,000 inhabitants. The outflow – discharged treated wastewater should meet the criteria - BDO 8 mg.l$^{-1}$, CDO 60 mg.l$^{-1}$, NSC 15 mg.l$^{-1}$. To meet these criteria the following technological parts are proposed: mechanical purification, wastewater pumping, anaerobic purification, aerobic purification, sedimentation basins, tertiär purification, blowing section, settling and draining of the sludge, sludge and gas management. Technical details on treatment of the wastewater in each section are given in the aggregated technical report (see Annexes).

Specific quantitative indexes of inlet and outlet pollution at the WWTP Lučenec

<table>
<thead>
<tr>
<th>Index</th>
<th>Inlet pollution mg/l</th>
<th>WWTP outlet pollution Values mg/l as of 1992</th>
<th>Outlet after modernisation</th>
<th>Outlet accord. to Slovak gov. decree No. 242/1993 mg/l</th>
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</table>

Pollution Source - Lučenec

<table>
<thead>
<tr>
<th>Pollution Source - Lučenec</th>
<th>Number of PE /Population equivalent/ Recalculated</th>
<th>Amount of wastewater m3/d</th>
<th>Organic Pollution BOD kg/d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current status</td>
<td>64,690</td>
<td>17,885</td>
<td>3,89</td>
</tr>
<tr>
<td>After modernisation</td>
<td>115,850</td>
<td>17,885</td>
<td>6,951</td>
</tr>
</tbody>
</table>

The project, having a total budget of approx. 3.973 MEUR is divided in two parts: construction part and technological part.

The construction part is composed of 33 building works:
- BO-01 Mechanical pre-treatment – reconstruction and extension
- BO-02 Sand catcher – reconstruction and extension
- BO-03 Fat catcher – extension
- BO-04 Measuring trunch - extension
- BO-05 Sedimentation basins – reconstruction
- BO-06 Reconstruction of the activation basins to anaerobic basins
BO-07 Reconstruction of the settling basin to anaerobic basin
BO-08 Biological treatment basin
BO-09 Settling basin 1
BO-10 Settling basin 2
BO-11 Blowing station
BO-12 Tertiary purification
BO-13 Sludge draining machine room – reconstruction
BO-14 Storing basin – extension
BO-15 Pumping station – reconstruction
BO-16 Gasholder and gasholder machine room – reconstruction
BO-17 Gas burner
BO-18 Sludge management machine room – reconstruction
BO-19 Sludge fields – reconstruction
BO-20 Social and operation building – reconstruction and extension
BO-21 Workshop and garage – reparation
BO-22 Caliduct
BO-23 Adapter piping
BO-24 Canalisation
BO-25 Duct
BO-26 Cable distribution low voltage
BO-27 Outer illumination
BO-28 Transformer station
BO-29 Roads
BO-30 Fencing
BO-31 Terrain modification
BO-32 Reconditioning
BO-33 Demolition works

The technological part includes 13 components:
TP-01 Mechanical pre-treatment
TP-02 Pumping of the wastewater and sludge – reconstruction
TP-03 Anaerobic purification
TP-04 Biological treatment and pressair distribution
TP-05 Settling basins
TP-06 Tertiary purification
TP-07 Settling and draining of sludge
TP-08 Sludge and gas management
TP-09 High voltage distribution
TP-10 Measurement and regulation
TP-11 Automatic system of regulation
TP-12 Measurement and regulation for sludge and gas management
TP-13 Automatic system of regulation for sludge and gas management

Only the equipment supplies part will be financed through this programme. The whole project should be completed within two years from the start of the works.
c) Cross-border impact

The realisation of the works will have a positive influence upon the water quality in the Krivansky potok and the Ipeľ river, which discharges itself into Danube river and forms the border between Slovakia and Hungary. The surface water contamination will be reduced in the mentioned streams, giving the floor to more extensive economical growth especially in the sector of tourism on both sides of the border.

d) Current status

The project documentation is complete and a favourable territorial decision (a precondition for obtaining building permits) has been obtained. The building permit are expected to be released by the end of year. The municipality decided to divide the project in two components: procurement of the construction part and procurement of the technological part. The technological part is subject of this project. The construction part is subject to a parallel project financed separately but also following the European public procurement standards.

Budget (MEUR):

<table>
<thead>
<tr>
<th></th>
<th>Investment DIS</th>
<th>IB DIS</th>
<th>Total Phare (I+IB)</th>
<th>Recipient</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment supply</td>
<td>1.75</td>
<td>-</td>
<td>1.75</td>
<td>1.75</td>
<td>1.75</td>
</tr>
<tr>
<td>Works</td>
<td></td>
<td>-</td>
<td></td>
<td>2.223</td>
<td>2.223</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1.75</td>
<td></td>
<td>1.75</td>
<td>2.223</td>
<td>3.973</td>
</tr>
</tbody>
</table>

Implementation arrangements:

Recipient institution: Municipality of Lučenec
Implementing Authority: Municipality of Lučenec under the supervision of the Office of the Government
Implementing Agency: CFCU

Implementation schedule:

Start of tendering: 1st Q/2000
Start of project activity: 2nd Q/2000
Completion: 2nd Q/2002

Environment: The Environmental screening was carried as a part of the territorial decision process. The project will have a definitely positive environmental impact and will contribute to improving the surface water quality of the main rivers in this area.
Rates of return: It is not possible to calculate a separate internal rate of return for the project component co-financed by Phare, because it is a part of the WWTP modernisation in Lučenec. The Internal rate of return of the complete project is positive and is approximately 15%. Economical rate of return is not specified, should be in any case positive considering the improved environment as a condition for further development of the economic and tourism sector in this area and ensuring 22 permanent jobs in the WWTP itself.

Investment criteria: The PHARE co-financing is additional to the own resources of the town Lučenec. The municipality will ensure the operation of the WWTP.

Conditionality and sequencing: The overall success of the project being a part of the complex modernisation of the existing WWTP is conditioned by the successful finalisation of the negotiations on financing the second part of the planned improvements and by sound co-ordination and management of both components.
# LOGFRAME PLANNING MATRIX FOR

<table>
<thead>
<tr>
<th>Programme name and number:</th>
<th>Date of drafting:</th>
<th>Contracting period expires:</th>
<th>Disbursement period expires:</th>
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<tbody>
<tr>
<td><strong>Project Number</strong>: SR9918.01.01</td>
<td><strong>Total Budget</strong>: 3.973 (MEUR)</td>
<td><strong>Phare contribution</strong>: (MEUR) 1,750</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Wider Objective</th>
<th>Indicator of Achievement</th>
<th>How, When and By Whom Indicators Will Be Measured</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement of the environment</td>
<td>% improvement of the water quality in Danube river</td>
<td>Reports on quality of the surface waters in Slovakia</td>
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<tr>
<td>On the Slovak-Hungarian border</td>
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</tr>
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</table>

<table>
<thead>
<tr>
<th>Immediate Objectives</th>
<th>Indicator of Achievement</th>
<th>How, When and By Whom Indicators Will Be Measured</th>
<th>Assumptions and Risks</th>
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</thead>
<tbody>
<tr>
<td>Improvement of the quality of the water in the border river Ipeľ</td>
<td>% improvement of the water quality in Ipeľ river</td>
<td>Reports on quality of the surface waters in Slovakia</td>
<td>A joint Slovak -Hungarian action plan for other border regions prepared</td>
</tr>
<tr>
<td>Water in the border river Ipeľ</td>
<td></td>
<td></td>
<td>Sufficient public resources ensured for further actions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Indicator of Achievement</th>
<th>How, When and By Whom Indicators Will Be Measured</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modernisation of the WWTP in Lučenec</td>
<td>BDO=8 mg/l, CDO=60mg/l</td>
<td>Municipal records</td>
<td>A joint Slovak -Hungarian action plan for Ipeľ river prepared</td>
</tr>
<tr>
<td></td>
<td>up to 18000 m³/d of water treated</td>
<td>WWTP Lučenec records</td>
<td>Sufficient public resources ensured for further actions</td>
</tr>
</tbody>
</table>

| Inputs | |
|--------| |
| Municipalities willing to realise the environmental measures | |
| Equipment supplies specified in the technical documentation | Finalisation of the 1. stage of the modernised WWTP in Lučenec | 1.8 MEUR for 13 technological equipment supplies | A tender for the provision of technological equipment launched in time |
## COST BREAKDOWN FOR PROJECT
### NUMBER SR9918.01.01

**Modernisation of the Wastewater Treatment Plant in Lučenec**

<table>
<thead>
<tr>
<th>Item description</th>
<th>Quantity</th>
<th>Unit Cost (EUR)</th>
<th>Total Cost (EUR)</th>
<th>PHARE (EUR)</th>
<th>Slovak side (EUR)</th>
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</thead>
<tbody>
<tr>
<td><strong>B) Equipment Supplies</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>TP 01 -</td>
<td></td>
<td>140.000</td>
<td>140.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 02 -</td>
<td></td>
<td>164.000</td>
<td>164.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 03 -</td>
<td></td>
<td>25.000</td>
<td>25.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 04 -</td>
<td></td>
<td>280.000</td>
<td>280.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 05 -</td>
<td></td>
<td>80.000</td>
<td>80.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 06 -</td>
<td></td>
<td>88.000</td>
<td>88.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 07 -</td>
<td></td>
<td>180.000</td>
<td>180.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 08 -</td>
<td></td>
<td>464.000</td>
<td>464.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP 09 -</td>
<td></td>
<td>150.000</td>
<td>150.000</td>
<td></td>
<td></td>
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<td>TP 11 -</td>
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<td>TP 12 -</td>
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</tr>
<tr>
<td>TP 13 -</td>
<td></td>
<td>40.000</td>
<td>40.000</td>
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<td></td>
</tr>
<tr>
<td><strong>TOTAL EQUIPMENT</strong></td>
<td></td>
<td>1.750.000</td>
<td>1.750.000</td>
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<td>0</td>
</tr>
<tr>
<td><strong>C) Works</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL WORKS</strong></td>
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<td>2.223.000</td>
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<td>2.223.000</td>
</tr>
<tr>
<td><strong>TOTAL PROJECT</strong></td>
<td></td>
<td>3.973.000</td>
<td>1.750.000</td>
<td>0</td>
<td>2.223.000</td>
</tr>
</tbody>
</table>
TIME IMPLEMENTATION CHART FOR PROJECT No. SR9918.01.01

*Modernisation of the wastewater treatment plant in Lučenec*

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
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<tbody>
<tr>
<td>Tendering and</td>
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<td>x</td>
<td>x</td>
</tr>
<tr>
<td>contracting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Works/Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>supply</td>
<td></td>
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</tr>
</tbody>
</table>
**Annex 4**

**CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (MEUR) - FOR PROJECT No. SR9918.01.01**

*Modernisation of the wastewater treatment in Lučenec*

<table>
<thead>
<tr>
<th>Date</th>
<th>31/03/00</th>
<th>30/06/00</th>
<th>30/09/00</th>
<th>31/12/00</th>
<th>31/03/01</th>
<th>30/06/01</th>
<th>30/09/01</th>
<th>31/12/01</th>
<th>31/03/02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Disbursed</td>
<td>0.3</td>
<td>0.5</td>
<td>0.8</td>
<td>1.0</td>
<td>1.2</td>
<td>1.4</td>
<td>1.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
STANDARD SUMMARY PROJECT SHEET

Project Number: HU9916.02.01
           SR9918.02.01

Title: Joint Small Projects Fund (JSPF)

Sub-programme: Slovak Republic/Hungary Cross Border Co-operation

Geographical location: Slovak Republic » regions: Trnava, Nitra, Banská Bystrica and Košice;
                      Hungary » districts: Western Transdanubia, Mid-Transdanubia, Central Hungary, Northern Hungary

Objectives:

Meeting the wider objective: Development of the Slovak-Hungarian border region, through the establishing of the Small Project Fund in support of the following fields: local democracy, economic development and tourism, cultural exchanges, ecology, health and information and communication links. The project 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.

Description:

Background:

The Joint Small Projects Fund (SPF) will be established in alignment with the Commission Regulation (EC) No 2760/98 concerning the implementation of a programme for cross-border co-operation in the framework of the Phare programme. Together with large-scale activities, supported from the main part of the above mentioned programme, it will be a complementary tool in the framework of pre-accession measures in support of the regional development. The inclusion of the SPF in the 1999 Slovak-Hungarian CBC Programme reflects the overall Phare CBC Programme strategy in the Slovak Republic and Hungary, in this case a gradual inclusion of flexible funding mechanisms, beginning with Small Projects Fund in Bilateral Phare CBC Slovakia – Austria 1995 and 1998 Programmes and Tri-lateral Phare CBC Slovakia-Austria-Hungary 1996Programme.

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 in Hungary and Slovakia. Thus, there is now a considerable body of experience in the Slovak Republic, and significantly in the border regions, of the mechanics of the Small Projects Fund operation. Past experience has demonstrated that the fund approach is an efficient mechanism to address small-scale intervention.

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 Slovak Republic’s and Hungary’s 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.

**Current status:**
The CREDO Programme, realised within the framework of the Phare multi-country programmes, has identified a wide range of project proposals. Due to the limited sources only a small fraction of these could be implemented under the CREDO Programme. Many of the project proposals that could not be taken up due to the limited size of the programme are suitable to be covered under the SPF both with respect to their size and with respect to their content and quality.

**Brief description:**
The SPF will provide financial support to small-scale actions in various fields of activities. Eligible actions to be supported under the SPF are defined in more detail below.
The general aim of the sub-programme is to support “people-to-people” projects and non-investment projects within the Phare CBC Programme. The purpose of the support of these projects is to broaden the field of activity of the CBC 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 people-to-people actions across the following priority areas:

**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. Joint projects may also involve the elaboration of materials for distance learning and so forth. Exchange of know-how and experience in education at various levels will also be supported.

**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;
Tourism:
The SPF will provide funding for a range of “soft“ actions for tourism development - studies, planning, institutional strengthening measures, specific SME training and related HRD programmes.

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;

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

Health:
SPF will provide funding for measures to promote co-operation in health, particularly the sharing of resources and facilities on a cross-border basis.

Flow of informations:
Projects dealing with the development or establishment of facilities and resources to improve the flow of information and communications between border regions, including support for cross-border radio, television, newspapers and other media. Besides activities mentioned SPF can support the projects 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;

Institutional framework:

As the Small Project Fund (SPF) will be a regional development supporting facility, all of the institutions, on both sides of the border, involved in this field, will participate on the project. The CBC PIU, currently under the authority of the Office of the Government, will be in charge of the overall project supervision. The regional state authorities as well as local governments will actively co-operate on the project.

In Hungary the responsible body for regional development is the Ministry of Agriculture and Regional Development.

To co-ordinate the project activities the Regional Steering Committee (RSC) will be established for the whole Slovak-Hungarian border region. RSC will consist of representatives of the associations of municipalities, regional public administration and of other relevant institutions in the regions, such as NGO, public agencies and non-profit organisations. Representatives of PIU Phare CBC Slovak Republic, PMU Phare CBC Hungary and of the Delegations of the European Commission in both countries will participate in the meetings of the RSC as observers. The Regional Steering Committee will become the principal responsible institution for the operation of the Fund. Activities of the RSC are defined in the National Guidelines for the Small Projects Fund in both countries.

The Secretariat represents the executive SPF body in the region. Its chief function is to provide technical and special support to the Steering Committee and to ensure the everyday implementation and operation of the SPF. In Hungary, the Secretariat will in particular ensure
sound and professional financial management of the fund in line with Phare requirements. In the Slovak Republic, the above competence will lie with the CFCU (Implementing Agency).

### Budget (MEUR)

<table>
<thead>
<tr>
<th>Items</th>
<th>Investment DIS</th>
<th>IB DIS</th>
<th>Total Phare (=I+IB)</th>
<th>Recipient Slovakia</th>
<th>Recipient Hungary</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>HU9916.02.01 - JSPF</td>
<td>-</td>
<td>0.25</td>
<td>0.25</td>
<td>-</td>
<td>0.04</td>
<td>0.29</td>
</tr>
<tr>
<td>SR9918.02.01 - JSPF</td>
<td>-</td>
<td>0.25</td>
<td>0.25</td>
<td>0.04</td>
<td>-</td>
<td>0.29</td>
</tr>
<tr>
<td>Total JSPF</td>
<td>-</td>
<td>0.5</td>
<td>0.5</td>
<td>0.04</td>
<td>0.04</td>
<td>0.58</td>
</tr>
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</table>

### Implementation arrangements:
Implementing Authority: Slovak Republic CBC PIU – Office of the Government  
Hungary - Ministry of Agriculture and Regional Development

Implementing agency: Slovak Republic – CFCU  
Hungary – Ministry of Agriculture and Regional Development

### Implementation Schedule:

<table>
<thead>
<tr>
<th>Establishment of the Steering Committee:</th>
<th>01/2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>First calls for proposals:</td>
<td>03/2000</td>
</tr>
<tr>
<td>Contracting</td>
<td>06/2000</td>
</tr>
<tr>
<td>Completion of projects</td>
<td>12/2001</td>
</tr>
</tbody>
</table>

**Conditionality and sequencing:**

*Project assumes creation of the Regional Steering Committee by end of January 2000.*
## LOGFRAME PLANNING MATRIX FOR
### Joint Small Projects Fund

<table>
<thead>
<tr>
<th>Programme name and number:</th>
<th>Date of Drafting: 09/1999</th>
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<tbody>
<tr>
<td>Contracting period expires:</td>
<td>Disbursement period expires:</td>
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<tr>
<td>Total Budget (MEUR):</td>
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</tr>
<tr>
<td>Phare contribution : (MEUR):</td>
<td>0,500</td>
</tr>
</tbody>
</table>

### Project Number: SR9918.02.01 HU9916.02.01

### Wider Objective
- Development of the Slovak-Hungarian border region
  - How, When and by Whom Indicators Will be Measured: Governments reports, Statistical Offices surveys
  - Assumptions and risks:

### Immediate Objective
- Encouraging joint small scale actions, with a strong cross-border co-operation character, involving local actors from the border region in order to enhance their capability to identify, develop and implement such actions
  - How, When and by Whom Indicators Will be Measured: JCC Reports, PIU Phare CBC Slovak Republic reports, PMU Phare CBC Hungarian Republic reports
  - Assumptions and Risks: Continued commitment of both of the Governments towards the priorities of the Phare CBC Programme and the economic development of the region

### Outputs
- 1. Local democracy developed
- 2. Economic development and tourism supported
- 3. Cultural exchanges realised
- 4. Environmental awareness strengthened
- 5. Co-operation in health promoted
- 6. Flow of information facilitated
  - How, When and by Whom Indicators Will be Measured: Minutes of RSC, PIU Phare CBC Slovak Republic reports, PMU Phare CBC Hungarian Republic reports, Regional media
  - Assumptions and Risks: Sustained interest of the local / regional actors in development and co-operation

### Inputs
- Funding for eligible actions
  - How, When and by Whom Indicators Will be Measured: PIU Phare CBC Slovak Republic reports, PMU Phare CBC Hungarian Republic reports
  - Assumptions and Risks: Well functioning co-operation between the RSC, Phare CBC PIU and PMU Availability of qualified staff from all involved institutions

### Indicators of Achievement
- Cross-border links intensified
- Local involvement in Phare activities encouraged
- Number of activities
- Funds implemented in accordance with procedures set out in National Guidelines
### Title: Joint Small Project Fund

<table>
<thead>
<tr>
<th>Items</th>
<th>Investment DIS</th>
<th>IB DIS</th>
<th>Total Phare (=I+IB)</th>
<th>Recipient Slovakia</th>
<th>Recipient Hungary</th>
<th>TOTAL</th>
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<tr>
<td>HU9916.02.01</td>
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<tr>
<td>Total JSPF</td>
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## Joint Small Projects Fund

<table>
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**T:** Tendering  
**C:** Contracting  
**I:** Implementation
### CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (MEUR)
**HU9916.02.01 - SR9918.02.01**

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ANNEX 5

Relation of project with previous Phare activities

The Small Projects Fund will be established under the 1999 Phare CBC programme for the first time in the Slovak-Hungarian border region. Relevant Phare assistance projects under previous programmes are:

1. The CREDO programme implemented in the frame of the multi-country facility of Phare

The CREDO programme supported

- the institutional development in the Slovak-Hungarian border region, in particular through setting up a Regional Border Committee which will become the basis for the formation of the Steering Committee for the Fund.
- Further CREDO assisted in identifying a range of small-scale projects. Some of them will be implemented still with funding from the CREDO facility, but most identified projects will need alternative financial sources. Thus, there is a considerable body of concrete project proposals already available for the utilisation of the SPF.

2. Trilateral Slovak-Austrian-Hungarian CBC Programme

Within the Trilateral CBC Programmes 1996 the amount of 400.000 EUR was earmarked for small projects within the trilateral border region of, Slovakia, Austria and Hungary. The projects selected within this framework referred to the regional and economic development, culture, science, youth exchange, music, sports, and tourism. All the projects selected have been successfully contracted.