

ANNEX 1

Cross-border Cooperation Action Programme Bosnia and Herzegovina – Montenegro for the year 2014

1 IDENTIFICATION

Beneficiaries	<i>Bosnia and Herzegovina, Montenegro</i>
CRIS/ABAC Commitment references	2014/37658
Union Contribution	EUR 0.84 million
Budget line	22.020401
Management mode	Direct management by the European Commission
Responsible Structures	Bosnia and Herzegovina: Directorate for European Integration Montenegro: Ministry of Foreign Affairs and European Integration
Final date for concluding <u>Financing Agreement(s)</u> with the IPA II beneficiary countries (tripartite)	31 December 2015
Final date for concluding <u>procurement and grant contracts</u>	3 years following the date of conclusion of the Financing Agreement (signature of the last party) with the exception of the cases listed under Article 189(2) Financial Regulation
Final date for operational implementation	6 years following the date of conclusion of the Financing Agreement (signature of the last party)
Final date for implementing the Financing Agreement (date by which this programme should be de-committed and closed) after the acceptance of the accounts	12 years following the conclusion of the Financing Agreement (signature of the last party)
Programming Unit	Unit Bosnia and Herzegovina (C1)
Implementing Unit/ EU Delegation	EU Delegation to Bosnia and Herzegovina

2 DESCRIPTION OF THE ACTION PROGRAMME

2.1 OVERVIEW OF THE 2014-2020 CROSS-BORDER COOPERATION PROGRAMME

The following 56 municipalities in Bosnia and Herzegovina and 14 municipalities in Montenegro are eligible under this programme:

Bosnia and Herzegovina: Jablanica, Konjic, Trnovo, Trnovo RS, Pale, Pale Prača, Novo Goražde, Goražde, Čajniče, Foča Ustikolina, Kalinovik, Rudo, Višegrad, Rogatica, Foča, Gacko, Nevesinje, Mostar, Hadžici, Ist. Ilidža, Ilidža, Široki Brijeg, Ljubuški, Čapljina, Čitluk, Stolac, Berkovići, Bileća, Ljubinje, Neum, Ravno, Istočni Mostar, Trebinje, Prozor/Rama, Kupres, Kupres (RS), Tomislavgrad, Posušje, Grude, Livno, Sokolac, Istočno Novo Sarajevo, Sarajevo Novi Grad, Vogošća, Sarajevo Stari Grad, Sarajevo Istočni Stari Grad, Ilijaš, Vareš, Breza, Visoko, Kiseljak, Fojnica, Kreševo, Centar Sarajevo, Novo Sarajevo, Olovo.

Montenegro: Pljevlja, Plužine, Žabljak, Šavnik, Nikšić, Herceg Novi, Kotor, Tivat, Bijelo Polje, Mojkovac, Kolašin, Berane, Petnjica, Danilovgrad.

The situation analysis of this area conducted for the preparation of this programme pointed out the following key challenges and opportunities to be addressed and supported through cross-border cooperation:

Lack of employment opportunities:

Lack of employment opportunities is one of the major threats in the programme area. It does affect the standard of living of the majority of the population and is a crucial cause of migration flows. Short-term improvement of this situation is unlikely and negative impacts might even worsen especially for vulnerable groups and rural population.

Rich natural resources threatened by pollution and natural disasters

While rich in natural resources, the programme area is also considered vulnerable and exposed to several risks ranging from pollution to natural disasters.

Tourism can contribute to economic development

Adequate use and promotion of natural resources and cultural heritage can contribute to opening the area to sustainable tourism as a way for economic growth.

Key recommendations from interim evaluations and audits on the 2007-2013 CBC programmes have been taken on board in the development of this programme. Thus, the 2014-2020 CBC programmes are more focused as regards the number of thematic priorities addressed, which will help to achieve better results and increased impact. Additionally the implementation of the CBC programmes has been simplified mainly by having a single contracting authority and a single financial envelope per programme. Close cooperation between the two countries during every step of the implementation of the programme has been essential and will need to be ensured also for this CBC programme with one single contracting authority. Furthermore, experience has shown that potential applicants need support to identify possible project partners on the other side of the border and in the development of high-quality proposals. This support will be continued to be provided.

2.2 DESCRIPTION AND IMPLEMENTATION OF THE ACTIONS

Action 1	Cross-Border Cooperation Operations	EUR 840 000
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(1) Description of the action, objective, expected results

Description of the action: Cross- Border cooperation operations in the border region in the fields of employment, labour mobility and social and cultural inclusion; environment, climate change adaptation and mitigation, risk prevention and management; tourism and cultural and natural heritage.

Objective: Socioeconomic development and strengthening of the neighbourly relations in the cross border area through the implementation of cross-border cooperation operations aiming at

(a) promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants' communities and vulnerable groups; investment in public employment services; and supporting investment in public health and social services;

(b) protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness;

(c) encouraging tourism and cultural and natural heritage;

Where applicable, the actions related to the aforementioned objectives as developed in the Action Plan of the Adriatic and Ionian macro-regional strategy and the [EU Strategy for the Danube Region](#) where both countries participate shall be taken into account.

Expected results:

Related to objective a):

- Advisory support to and skills of the employment seeking population in the cross border area are advanced.
- Opportunities for creation of new jobs for vulnerable groups and their employability are increased.

Related to objective b):

- The capacity to enforce environmental and energy efficiency standards at local level for water supply, solid waste and wastewater management is strengthened.
- Public awareness of the merits of complying with EU water supply, solid waste and wastewater management, and environment protection practices is increased.
- The capacity of environmental emergency prevention and mitigation services to deal with natural disasters is strengthened.

Related to objective c):

- The number of tourists in rural and natural protected areas is increased.
- The image and tourist attractiveness of the cross-border region as a multi-ethnic and culturally diverse European destination is improved.

These results are to be achieved over the whole programme duration, 2014-2020. For further details see section 3.2 of the programme.

(2) Assumptions and conditions

As a necessary condition for the effective management of the programme, the beneficiaries shall provide proper and functioning offices and staff for the Joint Technical Secretariat to be set up under a separate Financing Decision and the Antenna Office, in case the latter will be established.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

(3) Essential elements of the action

Grant – Call for proposal: EUR 840 000

a) The essential eligibility criteria:

The eligible activities are set out in section 3.2 of the Annex 2 of the programme. They comprise among others training and capacity building, exchange of experiences and best practices among stakeholders, information exchange, organisation of promotional events and communication and publicity campaigns, organisation of joint events, symposiums and workshops, procurement of equipment, small infrastructure works, restoration and preservation of historical and cultural sites. In the context of the implementation of the programme preference may be given to the actions related to the macro-regional strategies where both countries participate.

The beneficiaries shall be legal entities and be established in an IPA II beneficiary participating in the CBC programme.

Potential beneficiaries could be: local authorities, local governments and their institutions, associations of municipalities, development agencies, local business support organisations, economic factors such as SMEs, tourism and cultural organisations, NGOs, public and private bodies supporting the workforce, vocational and technical training institutions, bodies and organisation for nature protection, public bodies responsible for water management, fire/emergency services, schools, colleges, universities and research centers including vocations and technical training institutions.

b) The essential selection criteria are financial and operational capacity of the applicant.

c) The essential award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

d) Maximum rate of EU co-financing for grants under the calls is 85% of the eligible cost of the action.

e) Indicative amount of the call(s): EUR 840 000. The responsible structures may decide to merge the 2014 allocation with subsequent budget allocations.

f) Indicative date for launch of the call(s) for proposals: Q2/2016

3 BUDGET

	Union co-financing*	Grant beneficiary /ies co-financing*	Total expenditure
CBC Operations	840 000	148 235.30	988 235.30
in %	85	15	100

* The Union co-financing has been calculated in relation to the eligible expenditure, which is based on the total eligible expenditure including public and private expenditure. The Union co-financing rate at the level of each thematic priority shall not be less than 20% and not higher than 85% of the eligible expenditure. The co-financing of the thematic priorities will be provided by the grant beneficiaries. Grant beneficiaries should contribute with a minimum of 15% of the total eligible cost of the project

4 IMPLEMENTATION

4.1 IMPLEMENTATION MODALITIES AND GENERAL RULES FOR PROCUREMENT AND GRANT AWARD PROCEDURES

DIRECT MANAGEMENT:

This programme shall be implemented by direct management by the Commission / by the Union Delegations in accordance with article 58(1)(a) of the Financial Regulation and the corresponding provisions of its Rules of Application.

Procurement shall follow the provisions of Part Two, Title IV Chapter 3 of the Financial Regulation No 966/2012 and Part Two, Title II, Chapter 3 of its Rules of Application.

Grant award procedures shall follow the provisions of Part Two Title IV Chapter 4 of the Financial Regulation No 966/2012 and Part Two Title II Chapter 4 of its Rules of Application.

Under the Financial Regulation Parts One and Three of the Financial Regulation apply to external actions except as otherwise provided in Part Two, Title IV.

The Commission may also use services and supplies under its Framework Contracts concluded following Part One of the Financial Regulation.

5 PERFORMANCE MONITORING ARRANGEMENTS

As part of its performance measurement framework, the Commission shall monitor and assess progress towards achievement of the specific objectives set out in the IPA II Regulation on the basis of pre-defined, clear, transparent measurable indicators. The progress reports

referred to in Article 4 of the IPA II Regulation shall be taken as a point of reference in the assessment of the results of IPA II assistance.

The Commission will collect performance data (process, output and outcome indicators) from all sources, which will be aggregated and analysed in terms of tracking the progress versus the targets and milestones established for each of the actions of this programme, as well as the Country Strategy Paper.

The National IPA Co-ordinators (NIPACs) will collect information on the performance of the actions and programmes (process, output and outcome indicators) and coordinate the collection and production of indicators coming from national sources.

The overall progress will be monitored through the following means: a) Result Orientated Monitoring (ROM) system; b) IPA II Beneficiaries' own monitoring; c) self-monitoring performed by the EU Delegations; d) joint monitoring by DG Enlargement and the IPA II Beneficiaries, whereby the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by an IPA II Monitoring committee, supported by the Joint Monitoring Committee, which will ensure a monitoring process at programme level.