

## **STANDARD SUMMARY PROJECT FICHE**

### **Small Projects Fund**

#### **1. Basic information**

<b>CRIS Number:</b>	<b>2002/000-624-05</b>
<b>Title:</b>	<b>Small Projects Fund</b>
<b>Sector:</b>	Socio-Economic Development (SO)
<b>Geographical Location:</b>	Bulgarian - Greek border regions

#### **2. Objectives:**

##### **2.1. Overall Objectives**

The Small Projects Fund (SPF) supports the key objectives of the Bulgarian CBC Phare Programme and the Greek Interreg III A Programme, namely to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economies; the SPF also supports the establishment and development of co-operative networks on both sides of the border and the creation of linkages between these networks and wider European Union networks. The overall objectives based on the JPD are as follows:

- Improve cross-border co-operation at local level between the two countries
- Support the further development of the economic potential of the border regions
- Improve quality of life through promotion of cultural activities

##### **2.2. Purpose of the project**

- Strengthening of local co-operation across the border;
- Stimulation and support to creation of permanent structures among the local and regional organisations in the border regions;
- Capacity building of local and regional institutions involved in regional development and cross-border co-operation;
- Development of local/regional economy and employment;
- Development and strengthening of an effective implementation structure for implementation of cross-border projects in line with EU practice;
- Encourage local involvement in the Phare CBC Programme through support of small-scale actions which may form the basis for larger cross-border co-operation projects;
- Promote development of tourism, as an important contributor to the local/regional economic and employment development of the districts in the Bulgarian-Greece border region.

##### **2.3 Accession Partnership and NPAA priority**

The SPF plays a key part in the process of preparation of Bulgaria for the accession, in particular through the capacity building dimension of local/regional actors. These funds are part of a process of creating "integration-minded" border regions. The project represents thus

an important element in the preparation of Bulgaria for the adoption of Structural Funds. In addition, the project supports the social and economic integration between the border regions of the countries.

NPAA (Medium-term priority):

- Promotion of cross-border co-operation

## **2.4. Contribution to the National Development Plan**

NA

## **2.5. Cross-border Impact**

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 of Bulgaria into the European Union. Full membership will require the approximation of levels of economic activity and living standards in particular in border regions in order to avoid undue problems connected to the removal of borders and the introduction of the principle of free movement.

The SPF promotes projects with cross border impact and encourages development of contacts and linkages between communities (organizations), institutions on both sides of the border. In general, the “people to people” aspect of projects and the general direction of the SPF guarantee a high degree of cross border relevance of the scheme.

The SPF Steering Committee will be composed with representatives of the relevant Bulgarian and Greek 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, Greece and Bulgaria decided during the Joint Co-operation Committee (JCC) meeting (Athens, 20 Nov. 2000) to start to implement a SPF. This scheme provides support to small scale non-investment “people-to-people” projects especially in fields of business co-operation, know-how transfer, consultancy services for SMEs 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 with a multi annual perspective.

Moreover, this project is fully in line with the priorities that are indicated in the Joint Programming Document (JPD) approved by the European Union on 27 Dec. 2000. The JPD constitutes the general framework for the co-operation between the two countries and has been agreed between the Greek and Bulgarian authorities during the JCC meeting (June 2001).

Within the priorities which are included in the JPD, are:

**Axis 2 – Economic Development and Employment** defining the following individual goals:

- Strengthening cross-border entrepreneurship
- Collaboration among agencies to promote cross-border cooperation
- Development of alternative forms of tourism
- Human resources and promotion of employment
- Research for improvement of cross border communication and transport system

**Axis 3 – Quality of life, environment and culture** defining the following goals:

- reduce peripheral character of the region
- support development leading to a better quality of life of the local population
- promote cultural identity and strengthen cultural exchanges

### 3.2 Linked Activities

**BG 9904 CBC programme: “Preparation of Cross-Border co-operation Plan between Bulgaria and Greece” under implementation.**

Under this project, the axes of development for the whole period of CBC are reviewed, and the Joint Programme Complement of the Phare CBC / Interreg III A programme of Bulgaria and Greece is designed. On a practical level, the consultant assists the Implementing Agency in operating the Small Projects Fund (SPF) and in elaborating the existing guidelines for the operation of the SPF. The work includes the development of:

- a set of eligibility criteria for projects,
- a set of selection criteria for eligible projects,
- a clear administrative system including appropriate application and other administrative forms and identification of the roles and responsibilities of different institutions involved in the process,
- workshops if necessary to introduce basic ideas of project management and project proposal writing,
- a promotion campaign of the SPF,
- a clear timetable for implementation and criteria for evaluation of success,
- a first call for proposals for grants under the SPF (Programme 2001, project **BG 01.06.07**).
- training of secretariats, evaluators, assessors and other important actors.

### 3.3. Results

- Implemented small-scale “people-to-people” actions in the border regions in the field of economic development, environment, tourism, local employment, cultural exchanges, local democracy, planning and development studies etc.
- Increased intensity and level of cross border co-operation in the whole scope of the SPF activities
- Strengthening of cross border networks and setting up of new cross border structures to promote social and economic development
- Better level of public awareness on EU integration and cross border co-operation due to improved quality and flow of information and better communication in the border area;
- Development of cross border partnership;
- Higher proportion of cultural exchanges based on permanent and long term co-operation.

### 3.4. Activities:

The SPF project will support:

- The financing of the selected small-scale “people-to-people” projects (project located in the Bulgarian border region, or Bulgarian contribution to common Bulgarian-Greek projects)
- 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 of eligible costs.

#### *General Criteria for Eligibility*

Generally, any actions in the framework of the SPF should meet the following conditions:

- have a strong and evident cross-border aspect (joint projects, especially where co-financed jointly by Bulgaria and Greece project partners, will be particularly prioritised),
- be financially assessed as realistic and transparent,
- be ready for implementation,
- the Phare contribution has to be between 10 000 and 50 000 EUR,
- availability of co-financing. Minimum co-financing will be 10% of the cost of soft projects (up to 50% may be in kind),
- 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/district/municipality will be prioritised),
- if possible, contain innovative approaches (e.g. pilot projects),
- Contribute to institution and capacity building.

#### *Areas eligible for small scale projects under the SPF*

The Fund will support small-scale people-to-people actions across the following priority areas:

- **Cultural Exchanges:** Those cultural exchanges that already exist and that will be newly established between local groups on both sides of the border region. Meetings and exchanges among youth; artistic and sports activities; folk events and similar actions with the emphasis on the establishment of traditions and long-term co-operation.
- **Local Democracy:** Schemes will be supported that help to create and intensify the skills of organisational structures in local and regional public administration and other elements of democratic society (NGOs including civil associations, public benefit corporations, religious institutions, consumer protection organisations, professional chambers and local and regional municipal authorities, trade unions, etc.). Relevant training courses and information will be provided in support of exchange visits, project preparation and procedural matters. Joint projects may also involve the elaboration of materials for distance learning etc. Exchange of know-how and experience in education at various levels will also be supported. Also eligible are such activities in the relevant region which strengthen the measures of information dissemination and awareness-raising, and training activities that encourage links and networking between civil society organisations and local and regional authorities across the border.
- **Planning and Development Studies:** Projects providing a basis for planning within the border region. Projects can be supported that create the preconditions for joint planning in the border region, for framing joint research programmes, for drawing up joint regional development strategies in a border area with the aim to jointly define the development priorities etc. Development of project applications and feasibility studies will also be included.

- **Economic Development:** Support for small projects focusing on development of local economies, which will help to enhance the economic base of the border region. For example proposals for support schemes of small-scale enterprises, marketing initiatives, fairs, exhibitions and advertising events, etc.; establishment of cross-border co-operation structures and partnerships among support organisations; **local employment, education and training initiatives**. Projects directed to local and regional tourism get particular support as an important tool for both cultural and economic cohesion among the border regions.
- **Environment / Quality of Life:** Projects focused on specific regional environment issues, such as drafting studies, problem assessment, environmental training and actions aimed at increasing public environmental awareness, small scale support to wastewater management, environmental management and pollution prevention, dealing with problems exacerbated by the proximity to the border. Cross border **public health actions** will be supported within the quality of life JPD priority (Measure 3.1).

### *Selection process*

The Implementing Agency in co-operation with the District Secretariats (in consultation with the SPF Steering Committee) will announce a Call for Proposals that must be open and fair to all eligible organisations. Where every eligible organisation can be identified (e.g. local authorities only), the Call for Proposals can be undertaken through an individual written invitation to all eligible organisations. Where all eligible organisations can not be pre-defined (e.g. NGOs) the Call for Proposals may be done by other means (e.g. newspapers / media / networking newsletter). The Call for Proposals should allow a reasonable deadline for the submission of proposals (a minimum of 2 months is required) and should indicate where additional information and assistance for preparing a proposal can be found.

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. It will be a role of District Secretariats to provide information and advice to would-be project applicants in preparation of their project proposals.

The submitted applications will be assessed by a Regional Evaluation Committee (REC) according to procedures required by PRAG (section 6.3). The REC may use assessors for the evaluation of both administrative compliance and eligibility of applicants and technical and financial quality of the projects. Representatives of the MRDPW/IA, of the EC Delegation and of the Greek border region will be invited to all REC meetings.

The REC recommendations (List of recommended grants) will be passed onto MRDPW (PAO) for acceptance and through PAO to the EC Delegation for final approval. The SPF Steering Committee will be informed about the project proposals which will be awarded grants.

### **Financial conditions**

The SPF will be implemented in compliance with the Practical Guide to Phare, Ispa and Sapard contract procedures (PRAG), Section 6.

Implementation of the SPF is conditional on prior verification and approval of the scheme by the EC Delegation.

## **People-to-people and other "soft" projects**

The maximum grant per project (Phare contribution) is 50 000 EUR. The minimum grant per project is 10 000 EUR. The beneficiary's co-financing contribution to the project is minimum 10% of the budgeted costs.

## **SPF management costs**

Up to 7% of the Phare Contribution may be used for expenditure relating to the preparation, selection, appraisal and monitoring of the assistance.

## **4. Institutional Framework**

The National Aid Coordinator shall have overall responsibility for programming, monitoring and implementation of the Phare programmes. A National Fund (NF) in the Ministry of Finance, headed by the National Authorising Officer (NAO) shall have overall responsibility for financial management of the Phare funds. The NAO shall have the full overall accountability for the Phare funds of a programme until the closure of the programme.

The NF will transfer funds to the Implementing Agency (IA) in accordance with the Financing Agreement. A Programme Authorising Officer (PAO) nominated by the Minister for Regional Development and Public Works and appointed by the NAO after consultation with the NAC will head the IA.

The project will be implemented under the overall responsibility of the **Implementing Agency**: the Ministry for Regional Development and Public Works (the **CBC IA MRDPW**).

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

The CBC IA MRDPW represented by PAO of the programme is therefore responsible for implementation and procurement of the SPF.

**The SPF Steering Committee (SPF SC)** will be established in the Bg-Gr CBC region. It will consist of the Phare CBC IA representative, a representative from the National Association of Municipalities, and the Deputy District Governors chairing the respective District Councils of Regional Development (representing NUTS III regions). The SPF SC will help in the overall management of the Project, and in particular act as a monitoring body for the MRDPW / IA at its regular bi-monthly meetings and in the final evaluation, give guidance on eligibility criteria, serve as a consultative body to the PAO for the selection of projects, especially by proposing the programme priorities.

On the SPF SC will also sit representatives of the respective Greek border regions, the key Bulgarian line ministries, and the EC Delegation acting as observers.

The **Regional Evaluation Committees (REC)** will be established in the border region. The REC will have a key function in the process of project evaluation and project selection and will have a collective responsibility for decisions on provision of grants.

The REC will have 9 members at maximum: 7 voting members and 2 nonvoting members (a chairman and a secretary). The list of proposed members has to be approved by the Delegation. The representatives of the Greek border regions will be nominated by the relevant INTERREG Committee.

The REC will have the following tasks:

- project evaluation in compliance with the rules of the programme guidelines
- project selection
- decision on provision of grants
- refer to the SPF SC and the CBC IA MRDPW

The **Assessors** may be involved in the project evaluation process if necessary. Assessors are meant to be highly qualified experts with expertise in the fields where the SPF operates.

If Assessors will be involved in the evaluation process the PAO will appoint them on the basis of a proposal made by the SPF SC endorsed by the EC Delegation.

The MRDPW/ IA representatives will be invited to participate in the meetings of all the bodies mentioned above. An EC Delegation representative has to be invited to all the meetings of the REC and Assessors.

The **District Secretariats** are the executive SPF bodies in the regions. Their chief function is to provide technical and specialist support to the recipients in the regions. The leading Secretariat will provide technical support also to both REC and SPF SC.

The IA will provide the Secretariats with on-going advice and support, while specialist consultancy and training inputs will assist the Secretariats in performing their role. Their responsibilities specifically include:

- Provision of information to beneficiaries on the Phare CBC Programme ;
- Provision of support for the preparation of meetings of the REC and SPF SC, as appropriate;
- Co-ordination between the SPF SC and the REC;
- Organization of individual round of public calls for the submission of proposals;
- Supporting applicants with project preparation;
- Assisting in the preparation of Terms of Reference and associated tender and contracting documents as required;
- Assistance to IA in preparation of grant contracts;
- Assistance to the IA in financial management of the SPF;
- Monitoring and inspection of implementation; evaluation of benefits;
- Reporting to the IA CBC Phare and to the SPF SC.

All tasks and responsibilities of the Secretariats will be specified in detail in Interdepartmental Agreement concluded between the MRDPW (PAO) and the District Governor's Administrations in the BG – GR CBC region.

## 5. Detailed Budget (in MEUR):

Bulgarian allocation	Investment	Institution Building	Total Phare (=I+IB)	Recipient (*)	IFI	TOTAL
Small Projects Fund	0.7905	0.0595	0.850	0.095	0	0.945
<b>TOTAL</b>	<b>0.7905</b>	<b>0.0595</b>	<b>0.850</b>	<b>0.095</b>	<b>0</b>	<b>0.945</b>

*(\*) co-financing is needed and will be one criterion for eligibility of projects. Minimum co-financing will be 10% of the cost of soft projects (up to 50% may be in kind)*

## 6. Implementation arrangements:

### 6.1 Implementing Agency

The Bulgarian Implementing Agency is the Ministry of Regional Development and Public Works (MRDPW). A Programme Authorising Officer (PAO) will be nominated for the Programme by the National Authorising Officer (NAO) after consultation of the National Aid Co-ordinator (NAC).

The CBC Implementing Agency retains overall responsibility for the implementation of the whole programme. This includes: approval of terms reference, tender documents, evaluation criteria, evaluation of offers, signature of contracts, authorisation and payments of invoices.

### 6.2 Non-standard aspects

There are no “non-standards aspects”. The “**Practical Guide to Phare, Ispa and Sapard contract procedures**” will strictly be followed.

## 7. Implementation schedule:

Establishment of the SPF Steering Committee	Feb 2003
Interdepartmental Agreements with District Secretariats:	Mar 2003
First call for proposals:	Apr 2003
Project completion:	Nov 2004

## 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:** NA for people-to-people projects

**10. Rates of return:** NA

## ANNEXES TO PROJECT FICHE

1. Logical framework matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter



ANNEX 1 - LOGFRAME PLANNING MATRIX FOR Project "Small Projects Fund"		Programme name and number	Phare CBC Bulgaria Greece BG 2002/000-624-05
<i>Small Projects Fund</i>		Contracting period expires <b>30.11.2004</b>	Disbursement period expires <b>30.11.2005</b>
		Total budget: <b>0.945 MEUR</b>	Phare budget: <b>0.850 MEUR</b>
<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	
<ul style="list-style-type: none"> <li>Improve cross-border co-operation at local level between the two countries</li> <li>Support the further development of the economic potential of the border regions</li> <li>Improve quality of life via promotion of cultural activities</li> <li>Development of local economy and employment;</li> </ul>	<ul style="list-style-type: none"> <li>Number of local projects financed;</li> </ul>	<ul style="list-style-type: none"> <li>CBC Implementing Agency of the Ministry of Regional Development and Public Works (CBC IA MRDPW);</li> </ul>	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<ul style="list-style-type: none"> <li>Strengthening of local co-operation across the border;</li> <li>Stimulation and support to creation of permanent structures among local / regional organisations;</li> <li>Capacity building of local and regional institutions;</li> <li>Development and strengthening of an effective implementation structure;</li> <li>Increased local involvement in the Phare CBC Programme;</li> <li>More development opportunities in the districts of the BG – GR border region, with a special focus on tourism.</li> </ul>	<ul style="list-style-type: none"> <li>Intensity of cross-border links, number of cross-border actions;</li> <li>Number of cooperation agreements signed between CBC partners</li> <li>Number of locally run programmes / projects</li> <li>Growth of tourism sector in CBC region.</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring and assessment reports;</li> <li>Reports of the CBC IA MRDPW</li> </ul>	<ul style="list-style-type: none"> <li>Continued commitment of the Government towards the priorities of the programme and regional development;</li> <li>Efficient programme management (implementation, monitoring assessment);</li> </ul>
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<ul style="list-style-type: none"> <li>Establishment of Small Projects Fund;</li> <li>People-to-people CBC links increased and intensified;</li> <li>Enhanced the economic base of the border region.</li> <li>Co-operation between local authorities and NGO in border regions strengthened;</li> <li>Institution-building in CBC regions, qualification in RD</li> <li>Enhanced cross-border tourism attraction and CBC linkages between the tourism support</li> </ul>	<ul style="list-style-type: none"> <li>SPF in operation and used;</li> <li>RD authorities' personnel trained, regional institutions qualified;</li> <li>number of people-to-people actions carried out;</li> <li>number of economic actions carried out</li> <li>number of tourists / visitors in border regions</li> </ul>	<ul style="list-style-type: none"> <li>CBC IA MRDPW reports;</li> <li>Project completion reports;</li> <li>Monitoring and assessment reports;</li> <li>Programme evaluation.</li> </ul>	<ul style="list-style-type: none"> <li>Continued commitment of regional and local actors;</li> <li>Functioning co-operation between all relevant partners;</li> </ul>
<b>Activities</b>	<b>Means</b>		<b>Assumptions</b>
<ul style="list-style-type: none"> <li>Financing of selected small-scale "people-to-people" projects</li> <li>Operating the Small Projects Fund</li> </ul>	<ul style="list-style-type: none"> <li>Call for proposals</li> <li>Selection of projects</li> <li>Grant contracts</li> </ul>	<ul style="list-style-type: none"> <li>District Secretariats</li> <li>Interdepartmental Agreement</li> </ul>	<ul style="list-style-type: none"> <li>availability of qualified staff</li> <li>functioning Interreg - CBC co-ordination</li> <li>sustained interest of the population in CBC region in development and co-operation.</li> </ul>
			<b>Preconditions</b>
			<ul style="list-style-type: none"> <li>Government institutional support for the District Secretariats</li> </ul>

## ANNEX 2 DETAILED IMPLEMENTATION CHART

*Project:* **Small Projects Fund**

Project	III Q 2002	IV Q 2002	I Q 2003	II Q 2003	III Q 2003	IV Q 2003	I Q 2004	II Q 2004	III Q 2004	IV Q 2004	I Q 2005	II Q 2005	III Q 2005	IV Q 2005
<b>Small Projects Fund</b>			T	T/C	C/I/D	I/D	I/D	I/D	I/D	D				

T: Call for Proposal

C: Contracting

I: Implementation

D: Disbursement

## ANNEX 3 – CONTRACTING AND DISBURSEMENT SCHEDULE BY QUARTER FOR Small Projects Fund

Component	Cumulative contracting schedule by quarter in MEUR (planned)														Total
	2002		2003				2004				2005				
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Small Projects Fund	0	0	0	0	0.85	0.85	0.85	0.85	0.85	0.85					0.850
Total contracting:	0	0	0	0	0.85	0.85	0.85	0.85	0.85	0.85					0.850
Component	Cumulative disbursement schedule by quarter in MEUR (planned)														Total
	2002		2003				2004				2005				
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
SPF – proposal	0	0	0	0	0.61	0.69	0.73	0.77	0.81	0.85					0.850
Total disbursement (proposal)	0	0	0	0	0.61	0.69	0.73	0.77	0.81	0.85					0.850