

STANDARD SUMMARY PROJECT FICHE

Joint Small Projects Fund

1. Basic information

- 1.1 CRIS Number: **2002/000-623-04**
- 1.2 Title: **Joint Small Projects Fund**
- 1.3 Sector: **Socio Economic Development (SO)**
- 1.4 Geographical Location: **Bulgarian and Romanian border regions**

2. Objectives:

2.1. Overall Objectives

The Joint Small Projects Fund (JSPF) supports the key objectives of the Bulgarian Phare CBC Programme and Rumanian Phare CBC Programme, namely to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economics; the JSPF also supports the establishment and development of co-operative networks on both sides of the border and the creation of linkages between these networks and wider European Union networks.

- Improve cross-border co-operation at local level between the two countries.
- Support the further development of the economic potential of the border regions.

2.2. Purpose of the project

- Management and implementation of JSPF.
- Making regional actors acquainted with EU Programmes...
- 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.
- Building and development of specialist resources of local and regional institutions involved in regional development and cross-border co-operation.
- Development of local/regional economic and employment
- Development and strengthening of an effective implementation structure and develop the specialist resources of local and regional institutions involved in regional development, groundwork and implementation of cross-border projects in line with EU practice.
- Encourage local involvement in the Phare CBC Programme and to support small-scale actions which may form the basis for larger cross-border co-operation projects;
- Contribute to the development of tourism, as an important contributor to the local/regional economic and employment development of the districts in the Bulgarian-Rumanian border region.

2.3 Accession Partnership and NPAA priority

The JSPF 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 National Development Plan

The actions, financed through the JSPF, are in line with the following Bulgarian NEDP priorities/Axes:

Axis 2. Boosting Bulgarian Business Competitiveness particularly in the areas of Agriculture and Rural development, Tourism, Encouraging SME development and promoting outward orientation.
Axis 4. Improving the quality of life and Adapting Human Resources to Market Requirements.
Axis 5. Attaining balanced and sustainable Regional Development.

In addition, under the Small Scale Infrastructure Projects element, the JSPF supports Axis 3 of the NEDP – "Accelerating construction and up-grading basic Infrastructure and the Environment."

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 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.

Preference will be given to joint CBC Phare projects and to projects with a strong cross-border co-operation character which are planned in close co-operation with the regional and local authorities in the border areas and which include the establishment or development of shared management structures intended to widen and deepen cross-border co-operation between public and para-public as well as non-profit organisations. The JSPF encourages the development of direct linkages between people and communities/ organisations/ institutions on either side of the border.

The JSPF promotes the elaboration of projects with a cross-border impact and encourages the development of linkages between the communities /organisations/ institutions on both sides of the border. In general, the "people-to-people" aspects of the individual projects and the general direction of the fund guarantee a high degree of cross-border relevance of the scheme.

3. Description:

3.1 Background and justification

With a view to strengthening the local cross-border co-operation of the two border regions, Bulgaria and Rumania decided to implement a JSPF. This scheme will finance both "soft" projects in the range EUR 10,000 to EUR 100,000: business co-operation, enterprise development, technology transfer and marketing for small and medium size enterprises, training, employment, measures for health and cultural exchanges, improvement of information flow and communications between border regions etc . Within the Bulgarian Phare CBC 2000 budget a first allocation of

EUR 500,000 for the implementation of a JSPF was made and in the 2001 CBC Programme a further EUR 500,000 was allocated for a further Joint Small Projects Fund.

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

Moreover, this project is fully in line with the priorities that are indicated in the Joint Programming Document (JPD). The JPD constitutes the general framework for the co-operation between the two countries and has been agreed between the Romanian and Bulgarian authorities during the JCC meeting in 2001 and within the priorities which are included in the Measures in the fields of:

- Promotion of business co-operation, enterprise development, financial co-operation and co-operation between institutions representing the business sector.
- Aid to investment and provision of supporting services and facilities, in particular for technology transfer and for marketing for small and medium sized enterprises.
- Training and employment
- Local economic development; including tourism;
- Promotion of co-operation in health, particularly the sharing of resources and facilities on a cross border basis
- The development or establishment of facilities and resources to improve the flow of information and communication between border regions, including support for cross border region, television, newspapers and other media
- Cultural exchanges
- Local employment, education and training initiatives.

Details of decision-making procedures that will be set up for this type of actions will be prepared according to the Practical Guide to Phare, ISPA and SAPARD Contract Procedures (PRAG) and the Phare rules' requirements concerning Small Project Funds.

3.2 Linked Activities

Under the Phare CBC Programme for 1999, a project for the "Preparation of Cross-Border co-operation Plan between Bulgaria and Romania" is under implementation. Under this project, the axes of development for the whole period of CBC will be reviewed. On a more practical level, the Contracting Authority (MRDPW) will manage the Joint Small Projects Fund (JSPF) and may decide to modify the existing guidelines for the operation of the JSPF. These Guidelines include the following:

- a set of criteria for eligible applicants,
- a set of criteria for eligible costs,
- a set of precise 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,

In addition, the following activities will be undertaken / documents will be taken into account in implementing this Joint Small Projects Fund:

- workshops if necessary to introduce basic ideas of project management and project proposal writing,
- a promotion campaign of the JSPF,
- a clear timetable for implementation and criteria for evaluation of success,
- a first pipeline of project for both the border regions.

3.3. Results:

- Financial support to 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 JSPF 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 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-Rumanian 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 Phare fund.(i.e. EUR 35,000 from a fund of EUR 500,000)

General Criteria for Eligibility

In general terms the eligible actions in the framework of the JSPF should meet the following conditions:

- have a strong and evident cross-border aspect (joint projects, especially where co-financed jointly by Bulgaria and Rumania project partners, will be particularly prioritised),
- be financially assessed realistically and transparently,
- be ready for implementation,
- the Phare contribution is limited to a maximum of EUR 100,000 for “ soft” people-to-people .and the Phare contribution shall not exceed these amounts or 90% of the total eligible project costs .
- availability of co-financing. Minimum co-financing will be 10 % of the cost of the projects . This contribution may be in cash or kind, as set out in the Guidelines for Applications for the JSPF.
- under no circumstances may the project be in conflict with the long-term development plans of the municipality or the region. (projects that are part of an overall strategy/plan for the development of the region/town/municipality will be prioritised),
- if possible, contain innovative approaches (e.g. pilot projects)
- Contribute to institution and capacity building
- in particular the compliance of project proposals with the objectives and measures specified in the relevant *Operational Programmes* will be taken into consideration for the assessment and selection of actions to be funded under the JSPF

On this basis, the Bulgarian Implementing Agency and the Romanian Implementing Authority will develop more detailed operational guidelines, including specific project support level/country (minimum/maximum) which must be approved by the Commission.

Priority areas

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

- **Economic Development:** Support for small projects focusing on economies, which enhance the economic base of the border region. For example proposals for the development of small-scale enterprise, marketing initiatives, markets, exhibitions and advertising events, and so forth; the creation of cross-border co-operation structures and partnerships among supporting organisations;
- **Environment:** Projects focusing on specific problems of the environment of the region, such as drafting of studies, assessment of problems, environmental training, actions aiming at increasing public environmental awareness and so forth.
- **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;
- **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.
- **Planning and development studies:** Projects providing a basis for planning within a border region. Projects can be supported that create the preconditions for joint planning in a border region, for framing joint research programmes, for drawing up joint strategies for regional development in a border area with the aim to jointly define the development priorities and so forth. Development of project applications and feasibility studies are also included;

Selection process

The appointed Secretariat for the JSPF, on behalf of the Contracting Authority (MRDPW) will issue a call for proposals that must be open and fair to all eligible organisations. Where every eligible organisations 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 recommended) 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. The Secretariat will also appoint experts to visit would-be project applicants in order to provide assistance, especially in relation to matters such as project cost assessment.

The submitted applications may be assessed by an appropriate Panel of Experts appointed by the Contracting Authority and approved by the Commission.. The Panel of Experts will use clear and pre-defined evaluation grids, and may take into account recommendations from the Secretariat.

The Panel of Experts may include local experts and representatives from the IA and EU Delegation. Applications that do not meet the pre-specified eligibility criteria will be rejected at this stage.

The results of the evaluation by the panel of experts will be reviewed by the Joint Evaluation Committee. The Evaluation Committee will then prepare an Evaluation Report with their final recommendations which must be approved by the Contracting Authority (MRDPW) and then also by the Commission. Only at that stage can contracting of the selected projects commence.

The process must be seen to be competitive, based on the merit of each application and independent of project applicants. All project applicants will be informed of the decision from the Secretariat in writing about the outcome of their application.

Financial conditions

The JSPF will be implemented in accordance with the Practical Guide to Phare, ISPA & SAPARD contract procedures (PRAG).

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

People-to-people and other "soft" projects

The maximum grant per project (Phare contribution) is up to EUR 100,000 or 90% of the total eligible project costs, whichever is the lesser amount. The minimum grant per project is EUR 10,000. The beneficiary's co-financing contribution to the project is minimum 10% of the total eligible project costs. This contribution may be in cash and/or in kind in accordance with the directives set down in the Guidelines to Applicants.

JSPF management costs

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

4. Institutional Framework

The JSPF will operate under the PRAG guidelines relating to Grants Schemes and detailed guidelines that will be developed for the JSPF in Bulgaria and in Rumania, and which will have to be approved by the Commission.

1. Call for proposal: the Contracting Authority (MRDPW) and the Commission must approve all the necessary guidelines and documentation to prepare the call for proposal
2. Registration of project proposals and checking of formal criteria by counties.
3. The project proposals may be evaluated by a Panel of Experts. The evaluation will be carried out using the Evaluation Grid specified in the PRAG which specifies the scoring allocated for the various elements of the Application Form. The EC Delegation reserves the right to nominate a representative as independent observer to this evaluation.

4. Scoring and results of evaluation of the Panel of Experts will have to be reviewed by the Evaluation Committee who will make their recommendations in the form of the Evaluation Report which then goes to the MRDPW for their approval.
5. The Approved projects from the MRDPW will be subject to verification and approval by the Commission Delegation, in accordance with the Guidelines for Applicants and with the PRAG procedures – Grants Schemes,

The project will be implemented under the overall responsibility of the **Implementing Agency**: the Ministry for Regional Development and Public Works (the **Phare CBC IA**). The IA is headed by a Programme Authorising Officer (PAO) nominated by the Minister for Regional Development and Public Works.

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

The IA CBC Phare, represented by PAO of the programme, is therefore responsible for implementation and procurement of the JSPF.

Secretariats will be set up following a competitive procedure. . The **Secretariats** are the executive JSPF bodies. Their chief function is to provide technical and specialist support to the CA and to the recipients in the regions.

Assessors may be involved in the project evaluation process, if thought necessary. Assessors are perceived as being highly qualified experts, especially in the fields where the JSPF operates. If Assessors are to be involved in the evaluation process, the PAO will appoint them on the basis of a proposal made by a respective Secretariat.

The MRDPW and IA representatives will be invited to participate in the meetings of all the bodies mentioned above. An observer from the EC Delegation should be invited to all the meetings of the Evaluation Committee.

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

- Provision of information to beneficiaries on the Phare CBC Programme and its Sub-Programmes;
- Provision of support for the preparation of meetings of the Evaluation Committee and preparation of Minutes of the Evaluation Sessions and of the Evaluation Report , as appropriate;
- Organisation 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;
- Preparation of grant contracts;

- Assistance to the IA in financial management of the JSPF;
- Monitoring and inspection of implementation; evaluation of benefits;
- Reporting to the CBC Phare IA.
- Training of all JSPF possible participants.

All tasks and responsibilities of the Secretariats will be specified in detail in Service Contracts concluded between the MRDPW (PAO) and the respective institution selected to perform the role of the JSPF Secretariat in the particular border region following the competitive procedure.

5. Detailed Budget (in MEUR):

Component	Institution Building	Investment (**)	Total Phare (=I+IB)	Recipient (*)	IFI	TOTAL
Joint Small Project Fund	0.035	0.465	0.5	0.05	0	0.55
TOTAL	0.035	0.465	0.5	0.05	0	0.55

(*) 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 (even in kind).

The break-down of the budget allocation shown above is purely notional and does not indicate the allocation that may be decided on by the Evaluation Committee and approved by the MRDPW and the EC Delegation.

(**) people-to-people projects and soft measures

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) has been 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 of reference, of tender documents, of evaluation criteria, of evaluation of offers, signature of contracts, authorisation and payments of invoices

6.2. Non-standard aspects

The “Practical Guide to Phare, ISPA and Sapard Contract Procedures” (PRAG) will strictly be followed.

7. Implementation schedule:

Approval of the Guidelines for Management and for Applicants and of the Application Form.	12/2002
Contracts with Secretariats:	02/2003
First call for proposals:	04/2003
Project completion:	11/2005

8. Equal opportunity:

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

9. Environment

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

10. Rates of return

NA

11. Investment Criteria

11.1 Catalytic Effect : Without Phare assistance the project would never take place due to a lack of fund

11.2 Co-financing

The project will be co-funded by successful project applicants which will provide a minimum of 10% of the total eligible project cost of “soft” people-to-people projects .

11.3 Additionality

Financial support to be provided by Phare will not replace any other funding.

ANNEXES TO PROJECT FICHE

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

ANNEX 1 – LOGFRAME PLANNING MATRIX <i>Joint Small Project Fund</i>			Contracting period expires: 31.12.2004 Disbursement period expires: 31.12.2005 Total Budget: 0.55 MEUR Phare Allocation: 0.5 MEUR
Wider Objectives	Indicators of Achievement	Sources of Information	
<ul style="list-style-type: none"> Improve cross-border co-operation at local level between the two countries to support the further development of the economic potential of the border regions 	<ul style="list-style-type: none"> Number of local projects financed; 	<ul style="list-style-type: none"> CBC Implementing Agency (Bg) and Implementing Authorities (Ro); 	
Purpose of the project	Indicators of Achievement	Sources of Information	Assumptions and Risks
<ul style="list-style-type: none"> Management and implementation of JSPF. Making regional actors acquainted with EU Programmes. 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. Building and development of specialist resources of local and regional institutions involved in regional development and cross-border co-operation. Development of local/regional economic and employment Development and strengthening of an effective implementation structure and develop the specialist resources of local and regional institutions involved in regional development, groundwork and implementation of cross-border projects in line with EU practice. Encourage local involvement in the Phare CBC Programme and to support small-scale actions which may form the basis for larger cross-border co-operation projects; Contribute to the development of tourism 	<ul style="list-style-type: none"> Intensity of cross-border links, number of cross-border actions; increase in regional / local capacities to design and implement development programmes and projects; growth of tourism sector in border regions. total budget of projects financed. 	<ul style="list-style-type: none"> CBC Implementing Agency (Bg) and Implementing Authorities (Ro); Monitoring and assessment reports; reports of the IA (Bg). 	<ul style="list-style-type: none"> Efficient programme management (implementation, monitoring assessment); Continued commitment of the Government towards the priorities of the programme and regional development; continued commitment of regional and local actors; availability of qualified staff and institutional support; functioning co-operation between all relevant partners; functioning co-ordination between CBC-RU and CBC-BG; sustained interest of the border region population in development and co-operation.

Results of Project	Indicators of Achievement	Sources of Information	Assumptions and Risks
<ul style="list-style-type: none"> • Establishment of Small Projects Fund; • People-to-people cross border links increased and intensified; • enhance the economic base of the border region. • co-operation between local authorities and NGO in border regions strengthened; • institution-building in border regions, qualification in regional development • enhancing cross-border tourism attraction and linkages between the tourism support on either side of the border. • Construction / reconstruction of facilities for the promotion and development of cross-border business co-operation, environmental protection facilities including information and protection assets, tourism infrastructure established or transport facilities for people or goods have been improved. 	<ul style="list-style-type: none"> • JSPF in operation and used; • Regional (Development) authorities' personnel trained, regional institutions qualified; • number of people-to-people actions carried out; • number of economic actions carried out • number of tourists/visitors in border regions • Higher levels of business co-operation and development across the border, improved facilities for spreading information about the environment or for protecting the living environment, higher levels of tourism activity and easier and quicker passage of people or goods across the border. 	<ul style="list-style-type: none"> • IA (Bg) reports; • project completion reports; • monitoring and assessment reports; • programme evaluation. • Tourism statistics. • Statistics from the Ministry of the Interior relating to the passage of goods or people. • Greater knowledge of the environment or visible improvement in the state of the living environment. • The taxation statistics relating to businesses in the border. • Numbers employed in export businesses in the border region. 	<ul style="list-style-type: none"> • Availability of qualified experts and contractors;

Activities	Means	Sources	Preconditions
<ul style="list-style-type: none"> • To prepare the general criteria for eligibility; • To select the priority areas; • To build the selection process; • To prepare the financial conditions; • To create people-to-people cross-border links; • To create the other “soft” projects; • To manage co-operation between local authorities and NGOs in border regions; • To create institution building in border regions. • To carry through the tendering process according to the PRAG Guidelines. • To carry out the construction / reconstruction jobs within the time and budget permitted. 	<ul style="list-style-type: none"> • Guidelines for the JSPF • Practical Guide for Applicants • Information campaign • Contracts • TA • PRAG Guidelines for works contracts. 	<ul style="list-style-type: none"> • project management • project completion reports; • monitoring and assessment reports; • programme evaluation. 	<ul style="list-style-type: none"> • Co- financing is secured • Well functioning co-operation and co-ordination between Greek Authorities or IA (Bg), Regional Steering Committee, CBC Regional Office, beneficiaries and other involved parties; • CBC Regional Office well staffed with competent personnel;

Annex 2 – Detailed implementation chart														
Project title- Joint Small Project Fund														
Project	3Q 2002	4Q 2002	1Q 2003	2Q 2003	3Q 2003	4Q 2003	1Q 2004	2Q 2004	3Q 2004	4Q 2004	1Q 2005	2Q 2005	3Q 2005	4Q 2005
Joint Small Project Fund			T	C/I/D	C/I/D	C/I/D	C/I/D	I/D	I/D	I/D	I/D	I/D	I/D	I/D

T: Call for Proposal

C: Contracting BG-

I: Implementation D: Disbursement

Annex 3 – Contracting and disbursement schedule by quarter															
Project title- Joint Small Project Fund															
Components	Cumulative contracting schedule by quarter in MEUR (planned)														Total Phare Allocation
	2002		2003				2004				2005				
	I	II	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Joint Small Project Fund			0.1	0.2	0.2	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total contracting:			0.1	0.2	0.2	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Components	Cumulative disbursement schedule by quarter in MEUR (planned)														Total Phare Allocation (MEUR)
	2002		2003				2004				2005				
	I	II	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Joint Small Project Fund			0.05	0.10	0.15	0.2	0.25	0.30	0.35	0.40	0.45	0.5	0.5	0.5	0.5
Total disbursement :			0.05	0.10	0.15	0.2	0.25	0.30	0.35	0.40	0.45	0.5	0.5	0.5	0.5