

2005 Cross Border Co-operation between Bulgaria & Romania Project Fiche for Economic Development (Priority 2)

1. BASIC INFORMATION

CRIS Number: RO 2005/017-535.01.01

Title: Business co-operation and business infrastructure development

Sector: Regional Development / CBC

Location: Romania-Bulgaria Border Region
(Romanian Counties: Mehedinti, Dolj, Olt, Teleorman, Giurgiu, Calarasi, Constanta)

Duration: 18 months
Contracting Deadline: 30/11/2007
Contract Execution Deadline: 30/11/2008

2 OBJECTIVES

2.1 Overall Objective:

The overall objective of the programme is promotion of sustainable economic development of the Romania-Bulgaria border region, in order to reduce its peripheral character, through increased cross-border cooperation between the private and public sectors and between individuals.

In pursuing this overall objective, a Grant Scheme mechanism will be established to fund a limited number of projects dealing with one of the defined priorities and relevant measures outlined in the Joint Programming Document RO-BG 2003-2006, namely:

Priority 2: Economic Development : Cross-border business co-operation & business infrastructure

Note: throughout this document reference is made to “grants”. A “grant” is taken to mean the combination of support from Phare CBC (“Phare support”) and from Romania (“National Co-financing”).

2.2 Project purpose:

While concentrating on the strategic dimension of cross border development which involves and benefits local communities, the purpose of the project is to support the further development of the economic and social cohesion of border regions, in line with the sustainable development principles. This will be done by promotion of sustainable development of the cross-border region through effective use of the economic potential in synergy with friendly and appropriate use of the natural resources and preservation of the biodiversity.

2.3 Accession Partnership (AP) and NPAA priority

2.3.1 Accession Partnership

With reference to the Accession Partnership, this project aims to support an integrated approach for addressing regional disparities in the border region. By strengthening and development of joint initiatives across the border, the project stimulates real cross-border co-operation in the regions, seen as one single unit.

The project falls to a varying extent within several NPAA priorities:

Chapter 16: Small and medium-sized enterprises

Chapter 17: Science and research

Chapter 18: Education and training

Chapter 21: Regional policy and coordination of structural instruments

Chapter 22: Environment

2.3.2 NPAA

The Romanian policy towards border regions is part of the national regional policy. The development of closer cross border co-operation is regarded as an important mechanism in the creation of favourable conditions for European integration.

The approach for the project should be consistent with the following permanent objectives identified in the NPAA (2002) for programming regional development in 2002-5:

Preparation of the institutional and legal framework for coordination and implementation of the Structural Instruments;

Implementation of national regional development strategy.

The Grant Scheme will support integration process of RO and BG border region to EU and will contribute to further development of cross-border Co-operation.

2.4 Coherence with National Development Plan

The project respects the priorities of the National Development Plan 2004-2006 (NDP) aimed at the harmonisation and increase of the economic potential in the cross-border regions. In this respect, the main goal pursued refers to opening up new horizons, fostering the socio-economic development of the border areas and gradually overcoming the problems resulting from their isolated position at the country's periphery.

The overall project purpose and project objectives will, without doubt, help in the implementation of the NDP priorities. Promoting cross-border relations and good co-operation between the RO and BG border regions (NUTS III level) is a powerful tool for fostering economic and social development. Competitiveness in the border region will be reinforced by efficient cross-border cooperation in a range of fields including economic development, environmental protection and management and people to people actions. Efficient management of environment in the border area requires good co-operation in the

issues such as environment protection and regional infrastructure. Therefore, a linkage and complementarity between the regional development strategy and the cross-border co-operation strategy will be ensured, since cross-border co-operation contributes to the integrated development of the border region.

The objectives of the project reflect priorities of NDP for the period 2004-2006, which can be described in more detail according to the current project priority:

Priority 2: Economic Development

This priority will contribute to the first and fifth NDP priority objectives:

First NDP Priority: Improving the competitiveness of the productive sector;

Fifth NDP Priority: Promoting a balanced participation of all Romania's regions to the socio-economic development process.

2.5 Cross Border Impact

This project fiche is in line with the priorities defined in the main Romania-Bulgaria CBC programming and planning documentation:

- a) Joint Programming Document 2003-2006, approved in July 2003;
- b) Programme Complement 2005–2006, approved in April 2005.

The current project, as described in this fiche, aims to contribute to sustainable development and to increase living standards as well as the attractiveness of areas on both sides of the RO-BG border. This will hopefully occur through concentration on the three priorities as listed above (Economic Development, Environmental Protection and Management, People to People Actions).

The Project will contribute to the removal of existing disparities between regions on both sides of the RO-BG 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. 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. Also, the project will reinforce and enhance the institutional framework and networks and will improve conditions for the cross-border coordination of policies and activities.

Project proposals are expected from the territory of the counties forming the border region. Priority will be given to joint project proposals. The cross-border nature will be the basic criterion for evaluation and selection of individual projects.

The project is a mirror to a BG Grant Scheme that also addresses Priority 2 of the Joint Programming Document 2003-2006.

3 DESCRIPTION

3.1 Background and justification

Sustainable development implies economic growth together with the protection of environmental quality, each reinforcing the other. The essence of this form of development is a stable relationship between human activities and the natural world.

The eligible region enjoys the benefits of having a vast, varied and mostly unspoilt natural environment. The relatively good condition of the environment is to be expected given the relatively low population density, the absence of major population centres and industrial concentration, and the comparatively low vehicle ownership. The Region has a rich mixture of natural heritage in the form of flora and fauna, rivers, and beaches the potential of which is not fully exploited yet.

Meeting the needs of the future depends on how well balanced are the social, economic, and environmental objectives. All the possible measures undertaken should be seriously considered to bring about a society where "... environmental protection shall constitute an integral part of the development process and cannot be considered in isolation from it".

The cross-border region is rich in environmental resources notably un-spoilt countryside and rich diversity of wildlife. It is imperative that effective strategies and structures are put in place to manage these assets, an aspect that is crucial to sustainable economic success and quality of life in the eligible region. It recognises that the landscape of the region is a unique resource, in terms of the economic, environmental, social and cultural benefits and opportunities provided by it and seeks to provide for their continued enjoyment by existing and future generations.

It has exceptional biological diversity and there are a number of protected areas located in this area. These resources are not sufficiently used for the development of the tourism in the region. Due to that reason "the sparing use of these resources" is a main priority in many of the strategic documents at the regional and municipal level.

The rural nature and cultural diversity of the region provides strengths and opportunities particularly in relation to the tourism potential. Tourism and initiatives based on rich cultural traditions represent considerable opportunities. However, the lack of proper infrastructure contributes to environmental degradation – a significant disincentive for investors and visitors alike. Thus the economic potential of the region is not fully realised. CBC support will help the respective regions to capitalise on their unique and highly valuable cultural and environmental strengths.

The proposed project takes into account the above-mentioned problems and barriers as it concentrates on strengthening cross-border cooperation and the regional business support infrastructure, on promoting environment protection and resource management and people to people actions. The project aims to bring people, communities, civil society and economic actors of the border area closer to each other in order to establish a sound basis for balanced economic and social development in both countries. Co-operation with similar institutions will enable design and implementation of common projects in the cross-border region. An integrated approach is a prerequisite for ensuring sustainable development in the border area by promoting sustainable economic measures.

The project will help the national and joint implementing bodies to ensure efficient, effective and transparent management as well as smooth operation of the Grant Scheme. Support to

programme administration and management, publicity, monitoring and evaluation activities will be provided through the Technical Assistance component (Horizontal measure 5).

Grant Scheme	
Priority 2	Economic Development
<i>Measure 2.1</i>	Business co-operation and business infrastructure development including Business information and SME marketing actions and tourism activities

Considering that strengthening of cross-border connections and development of the border regions will not come about through investment in infrastructure and facilities alone, and that institutional strengthening is clearly required on both sides of the border, the Grant Scheme combine institutional strengthening and appropriate investment in a two-prong approach with “soft” and “hard” actions. As part of this combined institutional strengthening and related investment theme, it is important to note that the Grant Scheme will also cover “soft” project preparation studies and activities.

The current CBC project fiche builds on the results of ongoing joint programming efforts of the relevant Bulgarian and Romanian authorities and various partners involved. In order to consult the wider partnership directly, arrangements have been made for launching preliminary calls for proposals concerning measure 2.1 and 3.1. The proposals have been assessed and feedback and recommendations have been provided to the applicants during meetings held at the border level. The grant scheme has been designed according to the preliminary proposals outcomes for these measures.

Also, the Joint Working Group and the Joint Technical Advisory Group (JTAG) established for priority 2 (representing Chambers of Commerce; municipalities, county and regional development agencies, employment and equal opportunities bodies, organisations dealing with environmental protection and preservation and resource management, and NGOs, etc.) are instrumental in the process.

For the purpose of ensuring the balanced participation of the various actors and the regions involved, consultation meetings have been held in both countries. Draft versions of the main planning document and the process have been presented and discussed, resulting in a project development and consultation that has considered, as much as feasible, the opinions and contribution of many local and regional organisations and experts.

Identification of projects

The Grant Scheme will support the identification and implementation of joint projects. Apart from the fact that project proposals should of course be in line with regional and national policies, it is crucial that the proposed projects truly reflect a joint approach. In the meaning of the programme, the following should be considered as joint projects:

- a) Simple projects with a cross-border effect taking place mostly or exclusively on one side of the border but for the benefit of both partners;
- b) Complementary projects where an activity on one side of the border is accompanied by a similar activity on the other side;
- c) Integrated projects where partners on either side of the border contribute different elements to a single project.

The selected projects shall fall within one of the above categories. Concurrently, the selected projects shall fall within the priority fields laid down by the Joint Programming Document 2003-2006 and the activities set out by the Programme Complement 2005-2006. The projects will encourage new forms of cross border cooperation and strengthen the existing ones.

In order to better manage the project identification process under the Grant Scheme, a straightforward breakdown between overall objective, project purpose, results and activities has been utilised - as described in the attached logframe (Annex 1). The verifiable indicators identified in the logframe are based, inter alia, on information obtained from the preliminary call for proposals and CBC experience in Romania-Bulgaria. However, their relevance will depend on the applications received and the nature and number of grants awarded.

3.2 Sectoral Analysis

Not applicable.

3.3 Results

The overall result of the project will be the development and consolidation of economic relations and co-operation initiatives (market integration and societal coherence) hand-in-hand with improved environmental management in the border region. A fully operational Grant Scheme will support projects that promote cross-border cooperation development, thus helping the achievement of the following specific results:

3.3.1 Measure 2.1: Economic Development: Business co-operation and business infrastructure development including business information and SME marketing actions and tourism activities (PRIORITY 2)

The purpose is to support further development of the economic and social cohesion of border regions, in line with sustainable development principles, promoted through (Priority 2) Economic Development.

This measure will stimulate regular interaction between businesses located across the entire border area, via sustainable business-to-business networks, quality support services, professional assistance and other services, complemented by investment actions in business infrastructure development (works and /or supply contracts).

The expected result of Measure 2.1 is improved business cooperation and infrastructure leading to a sustainable economic development and enhanced coherence in the border region.

Further effects of this Grant Scheme component will be as follows:

Business related infrastructure of cross border importance improved (network modernised, bottlenecks removed, infrastructure created/modernised), including the level of business and communication services provided. Each of these activities will respect environment protection;

Improved efficiency of cross border co-operation among research institutions, including networking and information flow between research and development institutions and innovation centres;

Initiatives for cross-border co-operation encouraged by providing access to information on the business possibilities and markets existing beyond the border;

Intensified partner searches, development and creation of co-operation projects and networks across businesses;

Harmonised training systems related to the economic development;

Absorption capacity of business support institutions improved.

3.4 Activities

Activities under Priority 2 Measure 2.1 will cover two main types of intervention: a) soft actions for supporting development of co-operation (procurement of services to assist joint initiatives etc.) and b) investment in works, supplies and related services targeting realisation of the measure.

Individual projects within each measure will deliver results in the following indicative areas.

1.1.1. Measure 2.1: Economic Development: Business co-operation and business infrastructure development, including business information and SME marketing actions and tourism activities (PRIORITY 2)

Under this measure, grants of EUR 50,000–150,000 will be provided for business support cooperation and services and EUR 150,000–700,000 for support for development of business infrastructure (indicative amounts).

The following activities will be eligible under the Grant Scheme:

a) Business support cooperation and services (EUR 50,000-150,000)

This component shall provide grants of EUR 50,000–150,000 for the procurement of services to assist the following eligible activities:

Support for cross-border business events facilitating the meeting of small and medium sized businesses (sectoral conferences, trade fairs, study tours);

Support for the establishment of new partnerships, collaboration between research institutes or universities in the field of research and development activities, as well as social sciences (conferences and other events; development of scholarship programmes to researchers; implementation of joint pilot research projects; related ICT and R&D investments);

Support for the preparation of the business infrastructure projects listed at point b) below through with activities such as: construction and cadastre plans, economic, feasibility and environmental impact studies, budget analysis, cost estimates, locally based economic strategies and action plans; architectural and engineering design documents for preparing business infrastructure development projects facilitating better cross-border business co-operation;

- Preparation of research studies for identifying market gaps, market opportunities and high value added products, processes and services and dissemination of results within the cross border region;
- Development and introduction of common production and quality standards; product and process innovation;
- Common marketing initiatives to promote local products, services and places of common interest;
- Development of common IT tools;

- Joint initiatives for organisation of cross border clusters, for example in electronics, multi-media, ICT, food processing and bio-technology;
- Joint initiatives for innovation and adding value to local agricultural, forestry, fishery and other land based products of mutual benefit;
- Support and implementation of joint research, technological development and technology transfer projects between R&D institutions and businesses with direct relevance to the border region;
- Joint tourism products development and area based marketing initiatives;
- Joint development of complementary products and service among the Black Sea service providers and other tourism providers;
- Common vocational training projects, with a particular focus on development of appropriate joint qualifications and development of e-commerce; assistance for addressing skills deficits and sectoral needs;
- Information exchange related services and supplies (internet services, promotion of best practice in the use of ICT, support for community led ICT initiatives, sharing expertise and good practice in education and training etc.).

b) Support for development of business infrastructure (EUR 150,000–700,000)

This component shall provide grants of EUR 150,000–700,000 for works and / or supplies and related services targeting creation / development / extension of business-related infrastructure facilities of common interest, as follows:

Construction or modernisation of business facilities (offices, workshop, presentation rooms, laboratories and facilities for other common cross-border services);

Development, extension and refurbishment of existing business infrastructure facilities, (technology incubators and trade centres providing cross-border services and office / storage capacity / space for businesses involved in cross-border trade);

Establishment of new business facilities with clear cross-border nature (construction of new buildings, refurbishment of existing buildings currently out of use, or used for other purposes; development of IT infrastructure and provision of necessary equipments);

Upgrading and rehabilitation of cross-border tourism related research, technology and development centres;

Purchase of equipment necessary for development of new common products and joint technologies by R&D institutions and businesses in the regions on both sides of the border;

Investments in information technology infrastructure in the border region to foster cross-border co-operation between innovation, technology, and logistics centres;

Arrangement and upgrading of facilities and infrastructure which enable the coordinated development of cross border leisure activities (such as walking and cycling trails, pony trekking, education tourism and angling);

Arrangement or upgrading of facilities for special interest pursuits including cycling, walking, equestrian facilities, gardens, outdoor pursuits, water sports, inland cruising and marine and health tourism;

Supervision of works.

Eligible Costs for Measure 2.1

Relevant and linked institutional strengthening / coordination / networking activities;

Appropriate project preparation and supervision activities;

Construction and development costs of infrastructure (the costs of construction of new buildings, or renewal / refurbishment of existing buildings);

Purchase of equipment (office infrastructure, IT equipment, research equipment).

Land acquisition will not be funded. Non-business-related infrastructure will not be eligible, nor will taxes, customs and import duties be funded from the programme.

Selection Criteria for Measure 2.1

When selecting from the initial group of applications, priority will be given to activities:

Linked to other interventions and developments in other programmes (national and community programmes in Romania and Bulgaria);

Contributing to projects involving economic development on both sides of the border;

Responding to clearly demonstrated needs of SMEs;

Establishing facilities supporting or inducing direct cross-border co-operation of businesses (demonstrating that at least 50% of firms that will use the services of the supported facility will be involved in cross-border trade / business);

Applications for actions other than project preparation activities should be supported by a business management plan that clearly defines the services to be provided to SMEs and the tariffs for these services. A minimum 15% of the grant shall be dedicated to a) technical support for the provision of services to SMEs in the launching phase b) promotion campaign to ensure awareness of potential “clients/users”.

Eligible beneficiaries for Measure 2.1

Local public authorities and other public bodies;

Local enterprise agencies;

Chambers of commerce, agriculture and industry;

NGOs with training activities in the field of business promotion and networking;

Public or non-profit organisations, including local branches of universities and colleges, involved in vocational training;

Research institutes;

County Labour Centres;

Non-profit organisations;

Euro Regions;

Association of the above.

1.1.2. General Proposal Selection Criteria

Applications for funding under each measure (projects) will be selected according to a PRAG compliant evaluation grid that takes account of the following indicative selection criteria.¹

Applicants may apply for one type of funding for a given project: either for the ‘soft measures’ (studies, programmes and action plans, small services supporting CBC), or ‘hard measures’ (involving investment actions).

Project duration

The average duration of projects is expected to be between 12-24 months, depending on the overall size and objectives of the project. The maximum duration of a single project shall not exceed 24 months

Relevance

Relevance to the particular needs and constraints of the cross-border region (including conformity with the RO-BG 2005-06 Phare CBC programme and regional development plans and strategies);

Linked to other interventions and developments by other programmes (national, regional and community programmes);

Clear definition and strategic choice of the target area; relevance of the project to the needs of the target area;

Compliance with the objectives of this grant scheme. The applicants must justify that the proposed projects are adapted to the specific needs of the cross-border region;

Linked to interventions under other measures of the programme, especially to business infrastructure development under Measure 2.1;

Coherent, appropriate and practical activities;

Added value, new, innovative approaches;

Clearly defined, strategically chosen target groups;

Relevance of the project to the needs of the target group;

Methodology

Supported by appropriate management plans;

Appropriate project preparation and supervision activities;

Appropriate strategies, consultancy and advisory services;

Contribution to institutional and capacity building;

Involvement and activity of the cross-border partners in common elaboration and implementation of the project proposal;

¹ The selection criteria will be further developed in the guidelines and call for proposals.

Clear and sufficiently detailed proposal text and sequence of logic proposal elements, including: Title (covering proposal text), Present situation, Problem to be solved, Methodology, Activities, Results and Impact and Sustainability, Risks and Assumptions;

Logic and sound time-schedule and action plan of the project proposal, and a realistic projected implementation;

Definition of objectively verifiable indicators.

Inclusion of relevant support documents (if requested) for example:

- Pre-feasibility study
- Feasibility study
- Cost-benefit analyses
- Environmental impact assessments
- Permits and construction plans
- Tender documentation
- Business plan
- Training programme (curriculum)
- Research plan

Involvement of the project partners in the elaboration and implementation of the project proposal;

Realistic time-schedule for implementing the project proposal;

Logical objectively verifiable indicators and sources of verification for the project outcomes;

Methodology for follow-up of the project results.

Sustainability

Tangible impact on target group(s);

Further utilisation and long- term sustainability of the project results;

Beneficial social, economic and/or ecological impacts of the project results;

Possible multiplier effects of the project results.

Budget and cost effectiveness

To what extent is the budget clear and detailed?

To what extent are the proposed expenditures necessary for the implementation of the project?

Management Capacity and Expertise

Availability of the necessary administrative and technical personal, organisational and institutional capacity for the implementation of the project proposal;

Previous experience in similar projects.

Evidence of Cross-Border Impact

To be eligible for Phare CBC financing, projects will have to be joint in the meaning that:
“The cross-border impact shall be understood in terms of: joint development of project ideas / joint preparation of project application / joint implementation of project activities /

joint co-financing of project activities on both sides of the border and assured sustainability by both cross-border partners of the results achieved”;

Romanian applicants must have at least one project partner from the Bulgarian border region and provide a written statement from this partner outlining their support for the application and describing the relevance of the application to the partner;

Application contributes to cross border development in terms of a particular measure defined in this fiche.

1.1.3. Beneficiaries / Organisations Eligible for Support

Projects for support will be selected according to transparent criteria² (indicative selection criteria, in accordance with the evaluation grid of the PRAG). Profit making enterprises, profit oriented organisations and national organisations without a distinctive role in the border region will not be eligible for grant funding, as well as political parties. In any case, state aid rules apply.

In order to be eligible for a grant, applicants must:

- a) Be non-profit-making;
- b) Have their headquarters within the eligible cross border region.
or
- c) Be a local branch office of a national organisation that has a clear role in the border region. In this case the statute of the branch office must be attached to the application (Statutes and/or Articles of Association, or Rules of Organisation and Operation) and the local branch office must submit the application.
- d) Be directly responsible for the preparation and management of the project, not acting as an intermediary;
- e) Have stable and sufficient sources of finance to ensure the continuity of their organisation throughout the project and, if necessary, to play a part in financing it;
- f) Be experienced and able to demonstrate their capacity to manage activity corresponding with the size of the project for which a grant is requested.

Eligible Romanian applicants must have one partner on the other side of the border, which must fulfil the same eligibility criteria as the applicant. Each RO-BG partner can have one or more national partners. Applicants without any partners from the other side of the border will not be eligible.

Linked activities

Phare Economic and Social Cohesion Programmes 2000, 2001, 2002, 2003 and 2004 - Support for the private sector and economic development

RO 9904 - EU/Phare Enterprise Restructuring and Employment Conversion Programme (RICOP)

RO 9911.02.01 Joint Air Quality Monitoring System on the Romanian/Bulgarian Boundary Towns on Lower Danube;

RO 0002 02.01 Ecologization of Danube and Transportation Facilities;

² The selection criteria will be further developed with the preparation of the call for proposals.

RO 01.03.02 Integrated monitoring of the Romanian Black Sea Coast, between Midia and Vama Veche;

RO 01.03.03 The development of an integrated monitoring common system – a pilot project for Cama Dinu islet area;

RO 000-625-03 Development of a control system for air emissions from traffic and stationary sources in the boundary Romanian-Bulgarian region;

RO 005-701-03 Development of an air quality management programme for the Romanian region along the Bulgarian border, on lower Danube;

RO 005-701-04 Promotion of Sustainable Development and Conservation of Biodiversity in Bulgarian-Romanian Cross Border Region;

RO 016-784.01.03 Integrated Management of Transboundary Groundwater between Bulgaria and Romania in Dobrudja/Dobrogea Area;

RO 005-701-05 Sustainable Economic Development of the Bulgarian Romanian Border Region

1999, 2000, 2001, 2003, 2004 Joint Small Projects Fund

WWF-International Danube-Carpathian Programme: Development of GIS forestry maps of the Danube islands in Romania;

PE-P033964 Forest Rehabilitation and Sustainable Management (World Bank);

GEF: Strategic action plan for protection Black Sea against pollution;

Western Black Sea Integrated Environmental System- 2003;

ISPA funding: Integrated waste Management System in Teleorman County;

SAMTID funding: Rehabilitation of the water supply systems in the urban localities of the Teleorman County;

GEF/World Bank project: Wetland Restoration and Pollution Reduction;

EU DANCEE project: Conservation of Species and Habitats;

2002/000-625-05 Project Preparation Facility (PPF) for the Phare CBC Programme Romania-Bulgaria;

2003/005-701.07 Project Preparation Facility (PPF) for the Phare CBC Programme Romania-Bulgaria.

1.2. Lessons Learned

This project is the first RO-BG Phare CBC programme to be implemented through an integrated Grant Scheme. Nevertheless during the preparation of the project fiche, practical experience from the 1999-2004 JSPF Grant Scheme projects, previous Phare CBC projects, Phare ESC Grant Scheme projects and other state support programmes was taken into account.

Previous Phare and Phare ESC projects are seen as relevant implementation models for the current project in terms of type, size and implementation arrangements (local implementing authorities). In addition, the conclusions of the ex-post monitoring reports and evaluation reports for this and similar projects and programmes have been considered in the preparation of this project fiche.

The outcomes of the assessment of CBC projects, especially RO-BG Phare CBC, carried out by the EMS, as well as the recommendations of the EMS reports were also taken into consideration during the programming phase and will be kept in mind during programme implementation.

The lessons learned can be summarised as follows:

Importance of reliability and good quality of Feasibility Studies and Pre-Feasibility studies;

Confirmation of Project Financing from the relevant authorities;

Assistance should be provided to the IA, and ultimately to the beneficiary, for successful management to Phare requirements (documentary evidence, transparency, accountability etc.);

Need for tight match between the final product (completed project) and the original needs assessment and project preparation studies (e.g. feasibility studies);

Watertight confirmation of co-financing;

Full consideration of all stakeholders with an emphasis on local stakeholder participation and decentralisation of decision making;

Project selection and implementation should take full account of value for money;

Adequate “Indicators of Achievement” needed at project planning state as a benchmark for subsequent evaluation;

Acknowledgement of Phare contribution (publications, website, etc.);

Attention to Environmental Impact Assessment requirements;

Adequate timing of project design to allow comprehensive initial surveys, outside the winter season (November-March);

Adequate timing of project construction of the selected size to allow a minimum of one and a half construction seasons (March - October);

All applicants shall specify baseline and targets in terms of results and impacts of their projects in harmony with the logframe matrix of the current project fiche.

In addition, the “Interim Evaluation No. R/RO/CBC/03037- Interim Evaluation of the European Union Pre-Accession Instrument Phare Cross-Border Cooperation report” outlines the issue of delay in programme implementation and lessons learned can be summarised as follows:

Increase Institutional capacity at central level;

Extended technical assistance for entire project control and management at local and central level;

As revealed during the implementation phase, international technical assistance needs to be provided to increase the design skills and the quality of the tender documents produced by local designers and to ensure that the preparation of design and tender documents meets international practice to eliminate poor programme preparation with design;

Feasibility studies to EU standards to be included in the project proposals and assistance provided;

Clear adoption statements to be part of project proposals, together with operation funding identification and commitment. Affordability analysis and CBA including IRR will be part of the feasibility studies to eliminate concerns regarding sustainability.

2. INSTITUTIONAL FRAMEWORK

Programme Management Structures

National Authorities

Both RO and BG will have an Implementing Agency (IA) (fulfilling also the role of Contracting Authority (CA)) and have three joint management structures, namely the Joint Co-operation Committee (JCC), the Joint Steering Committee (JSC) and the Joint Technical Secretariat (JTS).

Implementing Agency: the body responsible for the overall management and implementation of the programme for all financing under Phare CBC.

Contracting Authority: this role is carried out by the national authority designated in the Financing Agreement.

In the case of RO, the Ministry of European Integration will act as combined IA/CA and, in the case of BG, the Ministry of Regional Development and Public Works will act as combined IA/CA.

In RO the IA /CA is the CBC Directorate and Payment Directorate in the Ministry of European Integration. The PAO retains his contractual and financial responsibility for the implementation of the Grant Programme. The PAO has full responsibility for selection and implementation (tendering, contracting and management) of all projects.

The Programme will be implemented as much as possible on a decentralised basis. The CBC Directorate will therefore delegate a range of management tasks to the CBC Regional Office Calarasi. The CBC Regional Office Calarasi will assist the IA/CA in the implementation phases of the Grant Scheme project cycle (financial management, monitoring and control of the projects). The relationship between the IA/CA and the CBC Regional Office Calarasi shall be defined in an Implementation Agreement which, in turn, shall be approved by the EC Delegation.

The IA/CA will remain responsible for approval of tender documents, preparation of evaluation criteria, evaluation of offers, signature of contracts and authorisation of invoices and will supervise adequately the CBC Regional Office Calarasi. In addition the IA/CA execute payments to the final beneficiaries (the CBC Regional Office Calarasi will not manage funds and payments). Also, control of funds remains the direct responsibility of the IA.

The management of the Grant Scheme will follow Section 6 of PRAG under the “decentralised ex-ante controls” approach.

Joint Management Structures

Joint Co-operation Committee: ensures policy and financial overview of the operation of the RO-BG CBC Programme. It performs the tasks described in the Phare CBC Regulation 2760/98.

The main responsibilities of the JCC are, inter alia:

- to adopt the Joint Programming Document (JPD) and any further adjustment of it, as appropriate;
- to adopt the project fiches to be put forward for the yearly programming exercise;
- to consider and approve the annual and final implementation reports before they are sent to the Commission.

The JCC consists of:

- representatives of national, regional and local authorities, as well as NGOs. Regional and local authorities are largely represented;
- representatives of the EC Delegations, participating in an advisory capacity.

The JCC is co-chaired by the IA/CA and will meet at least once a year.

Joint Steering Committee (JSC): operational body of the programme.

The main responsibilities of the JSC are, inter alia:

- to oversee the joint selection of projects;
- to approve the framework for the Joint Technical Secretariat's tasks.
- to supervise the activities of the Joint Technical Secretariat;
- to review, periodically, progress made towards achieving the specific (and quantified) objectives of the programme and to analyse the results of implementation (achievement of the targets set for the different measures).

The JSC consists of:

2 representatives from the RO IA/CA and 2 representatives from the BG IA/CA (in case of RO, one member shall be nominated from the CBC Regional Office Calarasi)

2 representatives from each Joint Technical Advisory Group (there is one JTAG for each of the three JPD priorities - Economic Development, Environment Protection and Management, Improving Infrastructure), with an equal representation of both RO and BG partners

Representatives of the EC Delegations, acting as observers

The role of Chair (with casting vote) will rotate between the RO and BG IA/CAs. The JSC will meet quarterly; the Joint Technical Secretariat will convene.

The JSC draws up and adopts its own rules of procedure. The JSC approves the rules of procedures for the JTS to define the exact division of tasks.

Joint Technical Secretariat (JTS): the main administrative body of the programme.

The main responsibilities of the JTS are:

- (1) receiving project applications, and making site-visits to candidates as appropriate;
- (2) providing regular monitoring reports to the JSC
- (3) providing advice to potential project partners
- (4) carrying out day-to-day administrative tasks related to the programme, including organisation and support of JSC/JCC meetings and payment of associated subsistence costs. .

The tasks of the JTS include only technical and administrative support and there will be no transfer of public authority tasks relating to the management of the funds. The JTS will consist of an Executive Secretary and four desk officers (2 Romanian and 2 Bulgarian). The CBC Regional Office Calarasi will provide office facilities to the JTS. In case of RO, JTS running costs (with the exception of staff costs) will be financed from the programme's Technical Assistance budget. The JTS will be accountable to the IA/CA in RO and to the EC Delegations to RO for the management of the respective EU funds used for fulfilling its tasks.

From past experience it is clear that project applicants need considerable assistance in the preparation of their applications. The JTS will be equipped to organise training and information workshops, which may take place throughout the region, as most appropriate and to assist in a transparent manner the potential beneficiaries to prepare good quality proposals, including project cost assessment.

The JTS shall also make site-visits to successful applicants, as appropriate to assist effectiveness of projects and also to provide necessary information for sound and efficient management of resources

Implementation at Project Level

Drafting and Content of the Application Pack

In 2005 two separate but harmonised application procedures will be introduced. However, it is the intention of all parties to develop this system into a procedure that is coordinated and “joint” to the greatest extent possible, including calls for proposals.

The IA/CAs in RO and BG, in close co-operation with the JSC, will draft the following harmonised documents:

- Calls for proposals,
- Guidelines for applicants,
- Application form.

For RO, the Application Pack will be published in English and in Romanian.

Project application and submission

For RO, the application language will be as follows:

All grant applications shall be for public support of not less than Eur 50,000: and applications shall be drawn up in English.

Supporting documents for Romanian applicants/partners can be presented in Romanian language. The CA might decide to ask the successful applicants/partners for a translation into English of supporting documents (on the cost of the applicant/partner) before the signature of the contract.

All applications shall be submitted to the JTS. The JTS collects and registers all proposals.

Project Selection

The JTS will perform the secretariat function for the joint Evaluation Committee.

Projects will be selected following the approval and issue of harmonised Guidelines for Applicants, harmonised Call for Proposals and an evaluation of subsequent project applications. The JTS will provide support to applicants. The JTS will collect and register submitted project proposals and the selection and approval process will follow PRAG.

Each IA/CA (PAO) will nominate a Grant Scheme Evaluation Committee (with a non-voting Chair and Secretary, and voting members) exclusively on the basis of technical and professional competence, ensuring a clear balance between national / regional / local representation, technical knowledge and independent expertise. The EC Delegation will approve the composition of the committee and will nominate an observer to follow all or part of the proceedings.

The evaluation process will be simultaneously carried out by the RO and BG Grant Scheme Evaluation Committees. Formal evaluation decisions will be made once both Evaluation Committees have consulted each other and drawn up their evaluation report (containing

recommendations for grants) and submitted it to the IA/CA. The IA/CA (PAO) then approves and forwards the evaluation report, and grant award proposals, to the EC Delegation. The EC Delegation then endorses (ex-ante) the evaluation report and the final list of grants to be awarded. It should be noted that the EC Delegation participation in the evaluation committees as observer is compulsory.

The IA/CAs notify the JTS and each applicant in writing of the result of the selection process.

The Joint Steering Committee

The Joint Steering Committee (JSC) oversees the joint selection of projects, but is not actually involved in the selection process. The Joint Evaluation Committee operates in full autonomy. The JSC cannot change the Evaluation Committee's scores or recommendations and cannot alter the evaluation grids. The JSC formally ratifies the Evaluation Report and the award proposals and pass them on (together with recommendations, as appropriate) to the IA/CA for endorsement and onward transmission to EC Delegations for final approval.

Award of grants

Once the EC Delegation has approved the Evaluation Report and the grant award proposals, the IA/CA will commence awarding the grants according to PRAG rules. The grant contracts should normally be issued within 3 months of the decision of the JSC / IA.

Each IA/CA drafts the grant contract according to PRAG, using the standard grant contract form and its annexes, and submits this to the EC Delegation. The EC Delegation approves the standard contract form and then the list of grants to be awarded.

The PAO then signs the grant contracts with the selected beneficiaries based on the final list of grants approved by the EC Delegation. The language of the grant contract is English. A copy of the signed grant contract is sent to the EC Delegation. Copies of the signed grant contracts are made available at the respective IA/CA in RO and BG.

The Joint Technical Secretariat will notify the successful and unsuccessful applicants of the result of the Call for proposals within 30 days of the Commission approval of the list of award proposals.

Implementation of grant contracts

The implementation of selected projects through provision of works, supplies and services, which are sub-contracted by the final beneficiaries of the individual grants ("secondary procurement") will be subject to the procurement rules for external actions (PRAG). The IA is responsible for ensuring that grant beneficiaries implement the projects in compliance with these rules.

The language of the secondary procurement documentation, according to the contract (estimated) size, will be as follows:

- The application package will be published in English and Romanian;
- Applications will be drawn up in Romanian; supporting documents for applicants/partners can be presented in Romanian;
- Contracts below Eur 300,000 will be drawn up in Romanian;
- Contracts above Eur 300,000 will be drawn up in English, with supporting documents in Romanian and, on the CA's and/or the EC Delegation's express request, with their translation into English (on the cost of the applicant/partner, as appropriate).

Tenders and contracts of Eur 50,000–300,000 will be presented to the CBC Regional Office Calarasi and the IA (MEI) for ex-ante approval. For secondary procurement below this

threshold the IA will implement a system of random checks to verify that grant beneficiaries apply contracting procedures in accordance with EC rules.

Tenders and contracts above Eur 300,000 will be presented to the IA and EC Delegation for ex-ante control. For secondary procurement below this threshold, the Delegation will implement a system of random checks.

3. BUDGET

	Public Support			Benef'y Contr'n	Total Cost
	Phare support	National Public Funds *	Total Public Support		
Investment					
Measure 2.1 Econ. dev.	3.400	1.134	4.534	0.504	5.038
Total	3.400	1.134	4.534	0.504	5.038

Public grant support will be jointly co-financed by Phare CBC and government resources (National Public Funds) on a 75/25 basis. The ratio between the Phare and the national amount is binding and has to be applied to the “final contract price” of the eligible expenditure.

No part of the eligible public grant, be it financed by Phare or by the national public authorities, may cover payments towards or be offset against customs duties, import duties, taxes or fiscal charges having equivalent effect.

Grant support may not exceed 90% of the total eligible costs of the project. A minimum of 10% of total eligible costs of the project must be financed from the applicant's own resources as the beneficiary contribution - in cash ONLY.

4. IMPLEMENTATION ARRANGEMENTS

(in addition to the arrangements described above under 4. Institutional Framework)

4.1. Implementing Agency

Romania

The IA/CA in Romania will be the Ministry of European Integration, through its Cross Border Co-operation Directorate. The Payments Directorate (at MEI) undertakes the payment of all invoices. The PAO will be nominated in the Ministry of European Integration.

Ministry of European Integration (MEI)
17 Apolodor St, Sector 5, Bucharest,
Tel. +40 21 301 1506
Fax +40 21 336 5809

The Ministry of European Integration will delegate part of its responsibilities, through an Implementing Agreement (a service contract in line with PRAG rules) with the CBC Regional Office Calarasi, which will be responsible for the overall implementation at measure level and for the sound financial implementation of the grant contracts.

The JTS will support the coordination of project implementation on both sides of the border.

CBC Regional Office Calarasi
Str. 1 Decembrie 1918, no. 1, Calarasi, Calarasi County.
Tel. +40 242 331 591
Fax +40 242 331 609

4.2. Twinning

Not applicable

4.3. Non-standard aspects

No non-standard aspects

4.4. Contracts

The Grant Scheme will be implemented through a single call for project proposals, according to the Practical Guide to contract procedures financed from the General Budget of the European Communities in the context of external actions. The grants described below cover a joint Phare CBC and Romanian funding effort, in the proportions laid out in Section 5 – Budget.

The Grant Scheme for Economic Development (Measure 2.1) shall support implementation of approved projects with grants of between EUR 50-150,000 (for services only) and EUR 150,000-700,000 for project implementation (works and/or supplies, with related services). It is estimated that between 6 and 20 Measure 2.1 projects will be supported from this grant scheme.

All grant contracts shall be subject to on-site control visits by the Implementing Agency (or its accredited representative, which may be a member of the JTS) so that a confirmatory report shall be attached before first payment is made.

Beneficiaries will sign Grant Contracts with the PAO laying down the rules of the project implementation, based on the list of supported projects approved by the IA and endorsed by the EC Delegation.

In the case of secondary contracting (supplies, works and services) the Lead Partner (beneficiary of the grant contract) will act as contracting authority and will ensure transmission of secondary contracts to the IA (and thence to the EC Delegation, when appropriate) as soon as they are signed.

Any sub-contracting of the required services, works and supplies will comply with the *Practical Guide to contract procedures financed from the General Budget of the European Communities in the context of external actions* or *national legislation* (to be described in the grant guidelines).

Projects in excess of EUR 300,000 will be subject to *ex-ante* and *ex-post* control by the EC Delegation in accordance with PRAG, subject to possible changes following approval of EDIS for Phare funds in Romania

5. IMPLEMENTATION SCHEDULE

Financing Agreement	Publication of Call for Proposals	Start of project activity	Project completion
July 2006	May 2006	November 2006	November 2008

6. EQUAL OPPORTUNITY

The implementation of this project does not support discrimination based on gender, race, religion etc. Equal opportunity principles and practices in ensuring equitable participation in the projects supported by the programme will be ensured. At the same time the project implementation procedures will ensure that the project brings benefits to all parties regardless of gender, race, religion etc.

Only such projects will be selected that do not contain discriminatory elements and that are open for men and women and other categories as well as to ethnic groups on an equal basis.

7. ENVIRONMENT

Environment protection is one of the priorities of the project. The measures implemented under the project will therefore be complementary to the measures implemented with pre and actual EC structural instruments. Phare will only co-finance projects that meet EU environment standards.

Projects with potential negative environmental impacts will be subject to an environmental assessment process that meets the requirements of the EIA Directive (85/337/EEC). This will ensure that any negative impact is avoided or mitigated at project preparation stage.

In the field of environmental impact assessment the Romanian legislation is in full conformity with related EC legislation (Council Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment as amended by Council Directive 97/11/EC). Only investment projects already having all necessary permits and authorisations are eligible for support under the grant scheme.

Moreover, the projects to be developed under the environmental co-operation priority will be designed to alleviate environmental problems and selection criteria will be specific in this respect.

Economic development projects supporting activities in the fields of environment protection, using or developing environmentally friendly technologies or products, will be preferred during the selection process.

On the institutional side, particular attention will be given to participation of local representatives of Ministries of Environment in the Joint Steering Committee, including local Environmental Inspectorates and branches of the national water companies in the selection of projects.

8. RATES OF RETURN

A Cost Benefit Analysis will be part of each feasibility study forwarded together with the grant application. This will follow the EC guide to Cost-Benefit Analysis and will calculate financial rate of return (FIRR) as well as economic rate of return (EIRR), including creditworthiness, and will be based on the Business plan. Increasing of tariffs, in the case (public works) will be justified and the affordability of these tariffs will be demonstrated in the feasibility study.

The financial rate of return cannot exceed 10%. The calculation of the economic rate of return will be realistic and estimated benefits should be achievable as an effect of the project alone and should not depend on other action with resources and means not yet identified.

9. INVESTMENT CRITERIA

9.1. Catalytic effect

The project will finance the infrastructure improvement projects, protection environment projects and economic development, as well as economic, innovation and training activities that are high priorities in the target regions. Support to innovative and pilot projects will raise the awareness of common concerns and chances across the border region. It will also strengthen the positive attitude towards co-operation in solving common concerns, establishing common structures in economic development, and thereby increasing competitiveness of the whole cross-border region. The Phare CBC contribution will act as a catalyst both for priority Accession-driven actions in the field of cohesion promotion and in the improving of the life standards for population.

9.2. Co-financing

All investment projects supported by Phare CBC will receive co-financing from national public funds. Co-financing will take place in the following ratio:

Public support		Beneficiary Contr'n	Total Costs
Phare CBC Grant %	National Public Co-financing %		
75%	25%		
90%		10 %	100 %

The corresponding figures are clearly laid out in the budget table above (Section 5).

Co-financing will be implemented following the same procedure as for Phare funds, for the entire cycle of the project. The PAO will be responsible for reporting to the Commission about the implementation and the results achieved.

National co-financing may be made by contributions from National, Regional, Local, Municipal authorities, IFIs loans to public entities or funds from public enterprises NB only in those cases where the public organisation providing funds is not also the beneficiary of the

specific project concerned. This is to say that the beneficiary contribution shall be a separate – and in any case additional - amount.

9.3. Additionality

The project will not generate competition with any private service providers, and no other financiers will be displaced by the Phare intervention, in particular as the project target mainly beneficiaries whose demand for financing and training measures, is still unmet by the private sector.

It is specifically noted that all grant proposals shall, wherever applicable, be required to demonstrate their additionality to the results of other related actions financed from other sources, notably earlier CBC programmes.

Also, the Implementing Agency shall take particular care to ensure that all actions under this programme shall be recorded, for example in PERSEUS, in such away as to make readily identifiable the specific sub-measure and budget year under which they are contracted.

Moreover, that specific registration shall be organised in such a way as to facilitate a readily traceable connection with the results of each contract, including notably the demonstration in terms of results of the abovementioned additionality.

9.4. Project readiness and size

A draft of the Co-operation Agreement, Call for Proposals, Application Form, Guidelines for Applicants and Grant Contracts will be elaborated by all concerned organisations by the time of signing of the Financing Memorandum. All documents shall be prepared according to the PRAG template and submitted to the Delegation for endorsement prior to the launch of the Call for Proposals.

The Grant Scheme will provide project grants ranging from EUR 50,000 to 700,000 in line with the Phare Programming Guide 2005 issued by the Commission. The total Phare contribution to the Grant Scheme is MEUR 3.4 and meets the minimum project size requirements.

Project proposals for grant support under all measures will be evaluated using a detailed scoring matrix. Project readiness will be one factor in the evaluation and scoring of proposals. At the same time, however, it is recognised that many applicants will not have the capacity to carry out complete project preparation studies (e.g. pre and full feasibility studies, business plans etc). For this reason, a CBC GSM (Grant Scheme Management) technical assistance contract team will, after evaluating and performing an initial ranking of project proposals, assist in the completion of the project preparation studies for the chosen proposals. Obviously, certain environment and business infrastructure projects cannot be fully assessed or ranked without a proper feasibility study that might result in changes to the initial technical solution, cost and expected impact. Once all project preparation work has been carried out a final project ranking exercise can be carried out.

9.5. Sustainability

All projects supported through the grant scheme will be operated by the beneficiaries. The beneficiaries will be responsible for the sustainability of the project and will provide the administrative staff with the necessary funds for any operational costs. The ability of the applicant to finance the long-term operation and maintenance of the project infrastructure shall be proved in the application and checked at the project selection phase, and it will be one of the evaluation criteria for the projects (the Evaluation Grid will be part of the Guidelines for Applicants)

The beneficiaries will be responsible for the sustainability of the project and will provide the administrative staff and the necessary funds for the operational costs or present firm operation agreements with third parties. The ability of the applicant to finance the long-term operation and maintenance of the establishments or programmes shall be proved in the application and checked at the project selection phase.

The selected projects will be independent, but will be closely co-ordinated with one another.

All proposed projects should be compliant with the *Aquis Communautaire* and EU norms and Standards as well as Romanian regulations.

Where projects will result in tariffs an affordability analysis and tariff evaluation will be part of the feasibility study on which selection is based.

Where relevant, a binding commitment for project adoption by the final operator, coherent with the feasibility study, and specifying the source and amount of financial resources that will be made available in this respect, should be submitted together with the proposal. This will include the provisions for covering the maintenance and any other involved expenses related to the project life costs.

Where procurement is required under secondary contracting the relevant procurement rules will be observed and project implementation / construction will be under EC rules of contracting conditions.

9.6. Compliance with state aids provisions

All actions financed by Phare CBC will respect the state aid conditions and rules referred to in the European Agreement.

10. CONDITIONALITY AND SEQUENCING


The Ministry of European Integration and the Regional CBC Office in Calarați will ensure the necessary human and physical (office space and equipment) resources for the support to the management of the CBC programme as a whole, and also management of the Grant Scheme and coordination of the Romanian part of the programme.

The operation of the CBC Regional Office Calarați will require the provision of logistic support and sufficient numbers of qualified staff by the RDAs.

In the event that agreed commitments are not met for reasons which are within the control of the Government of Romania, 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/ pre-accession instrument programme.

ANNEXES TO PROJECT FICHE

- Log frame
- Detailed implementation chart.
- Contracting and disbursement schedule, by quarter, for full duration of project (including disbursement period).
- Reference list of feasibility/pre-feasibility studies, in depth *ex ante* evaluations or other forms of preparatory work (not applicable).
- Reference list of relevant laws and regulations
-  Reference list of relevant strategic plans and studies (not included)

2005 CBC between Bulgaria & Romania - Economic Development (Priority 2-) LOGFRAME Annex I,

LOGFRAME PLANNING MATRIX FOR PROGRAMME			RO 2005/017-535.01.01
Business co-operation and business infrastructure development		Contracting Deadline: 30/11/2007	Contract Execution Deadline: 30/11/2008
		Total budget: 5.038 Meur	Phare budget: 3.400 Meur
Overall objective	Objectively verifiable indicators	Sources of verification	
Promotion of sustainable economic development of the RO-BG border region, in order to reduce its peripheral character, through increased cross-border cooperation between the private and public sectors and between individuals		1. Monitoring & evaluation reports 2. Regional statistics & reports 3 Chambers of Commerce statistics & reports	
Project purpose	Objectively verifiable indicators	Sources of verification	Assumption
Support further development of the economic and social cohesion of border regions, in line with sustainable development principles	Improved economic activity proved by: An increase of Ro-BG common business activities such as trades, fairs, goods exchanges, common projects, common business offers, partnerships (formal and non formal), etc., increased by 20% in 2007 against 2004)	3. Monitoring & evaluation reports 4. Ministerial statistics & reports d) Chambers of Commerce reports	<ul style="list-style-type: none"> Detailed & effective cooperation between the marketing / business development / socio-economic organisations & CBC applicants
Results	Objectively verifiable indicators	Sources of verification	Assumptions
Improved business cooperation and infrastructure leading to sustainable economic development and enhanced coherence in the border region: <ul style="list-style-type: none"> Improved business cooperation Improved business infrastructure 	<i>(all to be achieved within 2 years of project completion)</i> <u>Business Cooperation</u> <ul style="list-style-type: none"> ≥ 4 CB business events with ≥ 70 participants Establishment of ≥ 40 business partnerships Supervision of ≥ 3 works contracts <u>Business Infrastructure</u>	5. Monitoring & evaluation reports 6. regional statistics & reports 7. Chambers of Commerce statistics & reports 8. Financial	<ul style="list-style-type: none"> ➤ Submission of sufficient quality of eligible applications ➤ Establishment & operation of transparent & straightforward project selection system ➤ Timely provision of co-funding • Provision of adequate TA for

Annex C1: RO-Phare 2005/017-535 CBC Programme between Romania and Bulgaria

	<ul style="list-style-type: none">• Construction / refurb of ≥ 2 business facilities• Dev / ex / refurb of ≥ 3 business infrastructure• Support to ≥ 2 tourist research etc. centres• Investment in ≥ 4 IT infrastructure projects At least 90% of the Grant Scheme budget disbursed	9. report Final report	overall programme management															
Activities	Means		Assumptions															
<div><div><div>Business support cooperation (example activities)</div><div><ul style="list-style-type: none">• Support for cross-border SME business events• Support for the establishment of new partnerships, collaboration between research institutes or universities in the field of research and development activities, as well as social sciences• Supervision of works undertaken under “business infrastructure”• Project preparation support</div></div><div><div>Business Infrastructure (example activities)</div><div><ul style="list-style-type: none">• Building or modernisation of buildings for business facilities• Dev / extension and refurbishment of business infrastructure• Establishment of new business facilities with CB nature• Upgrading and rehabilitation of cross-border tourism related research, technology and development centres• Supply of equipment for development of new common products and joint technologies by R&D institutions and businesses• Investment in IT infrastructure• Arrangement and upgrading of facilities and infrastructure of special interest</div></div></div>	<div><div>1. Between 6-20 grants for approved projects</div><div>2. Grant scheme component (EUR 50,000 to 700,000)</div><table><tr><th>Source</th><th>Phare CB C €m</th><th>National cofin. €m</th><th>Benef. contr ib €m</th><th>Total €m</th></tr><tr><td></td><td>3.400</td><td>1.134</td><td>0.504</td><td>5.038</td></tr><tr><td>Total</td><td>3.400</td><td>1.134</td><td>0.504</td><td>5.038</td></tr></table></div>	Source	Phare CB C €m	National cofin. €m	Benef. contr ib €m	Total €m		3.400	1.134	0.504	5.038	Total	3.400	1.134	0.504	5.038		<div>e) Timely development & agreement of overall management system (including documentation e.g. grant applications)</div> <div>f) Sufficient level of applicant interest</div> <div>g) Effective project evaluation & selection</div> <div>h) Timely receipt of appropriate co-funding</div> <div>i) Effective project management (including engineering design & construction supervision)</div> <div>j) Sufficient contract duration to allow for seasonal nature of construction projects</div> <div>k) Agreement of appropriate construction contract conditions (e.g. national legislation)</div>
Source	Phare CB C €m	National cofin. €m	Benef. contr ib €m	Total €m														
	3.400	1.134	0.504	5.038														
Total	3.400	1.134	0.504	5.038														
			Preconditions															

	<ul style="list-style-type: none">• Effective CBC management in place• Provision of adequate TA for overall programme implementation
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2005 CBC between Bulgaria & Romania - Economic Development Priority 2- ANNEX 2: DETAILED IMPLEMENTATION CHART

Priority/Measure	2006												2007												2008											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S			
Priority 2: Economic Development																																				
2.1 Business co-operation and business infrastructure development	D	D	D	D	C	C	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I			

D=Design; C=Tendering and Contracting; I=Implementation *(including final reports and final payments)*

ANNEX 3: CUMULATIVE COMMITMENT AND DISBURSEMENT SCHEDULE MEUR

Priority 2: Economic Development (EUR 3.4m)												
	31.mar 2006	30.iun 2006	30.sep 2006	31.dec 2006	31.mar 2007	30.iun 2007	30.sep 2007	31.dec 2007	31.mar 2008	30.iun 2008	30.sep 2008	30.nov 2008
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CONTRACTED	0,000	0,000	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400

Annex C1: RO-Phare 2005/017-535 CBC Programme between Romania and Bulgaria

DISBURSED	0,000	0,000	2,720	2,720	2,720	2,720	3,060	3,060	3,060	3,230	3,230	3,400
TOTAL CONTRACTED	0,000	0,000	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400
TOTAL DISBURSED	0,000	0,000	2,720	2,720	2,720	2,720	3,060	3,060	3,060	3,230	3,230	3,400