

Neighbourhood Programme Romania - Ukraine Multi-Annual Programme 2004 – 2006

2005 Project Fiche for

PROJECT 2 JPD PRIORITY 3 – PEOPLE-TO-PEOPLE ACTIONS

1 Basic Information

1.1 CRIS Number: 2005/017-539.01.02

1.2 Title: Joint Small Project Fund

1.3 Sector: 15050

1.4 Location:

Eligible regions of the Neighbourhood Programme Romania-Ukraine:

Romanian Judets/Counties of Maramures, Satu Mare, Suceava, Botosani and Tulcea;

Ukrainian Oblasts of Zakarpatska, Ivano-Frankivska, Chernivetska and Odessa

1.5 Duration

This project fiche covers the 2005 implementation of the three Neighbourhood Programme cycles for the years 2004, 2005, 2006.

2 Objectives

2.1 Overall Objective(s):

Improve cross border integration between boundary regions while posing good bases for sustainable economic development.

The specific objective for the Priority 3 "people-to-people actions" is to *"develop cross-border co-operation to resurface the common socio-cultural heritage linked to the local history and environment characteristics"*.

2.2 Project purpose:

To encourage small scale forms of cross-border cooperation and foster contacts in all kinds of spheres between people, clubs, societies, unions, schools, village communities, local authorities etc. in the border regions of Romania and the Ukraine.

2.3 Accession Partnership and NPAA priority

The inclusion of the People-to-People actions into this programme is a logical step forward in the overall context of Romania's future accession to the EU, and the Commission's view that Ukraine could be a future EU member in the long run.

People-to-People Actions will play a role in Romania's preparation for the accession to the EU, primarily by building up capacities at local and regional level, and supporting the social and economic integration between one of Romania's future external borders of the EU and its neighbour, Ukraine. The Priority/project will also contribute to the cultural, social and economic co-operation on both sides of a future EU border area. The project represents, therefore, an important element in the preparation of Romania for the adoption of Structural Funds and is fully in compliance with the priorities of the NPAA.

For the Ukraine, People-to-People Actions in the context of the Neighbourhood Programme will provide Ukrainian local authorities with valuable experience in developing and implementing EC funded projects. EC assistance is now concentrated in three main areas of intervention, all of which demonstrate coherence with the objectives of the Neighbourhood Programme. The three areas of intervention are:

- (1) Support for good governance and institution building, focusing on public administration reform, justice and home affairs (e.g. strengthening the rule of law) and customs and taxation.
- (2) Economic recovery, regeneration and reform, focusing on energy, transport, environment and economic development.
- (3) Social development and civil society, focusing on university education, enhancing regional co-operation, vocational education and training linked to employment generation and civil society strengthening.

People to People Actions can be a part of all intervention areas, but it is expected that projects proposed for this Priority will focus more on the third area.

CBC administrative capacity development

According with the Government Decision no 2005/2004 establishing the institutional framework for co-ordinating, implementing and managing the Interreg Programmes and the Neighbourhood Instrument, CBC Directorate has been appointed to undertake tasks of National Supporting Unit for Interreg Programmes (NSU) and of Managing Authority of the Neighbourhood Instrument. Starting with 2005 the new structures with specific responsibilities will be developed within the CBC Directorate, also ensuring the transfer of expertise from the pre-accession period.

The Managing Authority/National Authority (within CBC Directorate) will delegate a certain part of its responsibilities and attributions related to programming, project implementation, monitoring and evaluation to an Intermediate Body, located in the border area. For undertaking tasks involved with the Neighbourhood Programme (NP) Romania-Ukraine the Regional Development Authorities ('RDA's) which have counties in the border eligible area have associated for establishing a regional CBC Office (with legal status) to be based in Suceava; This concerns the RDA North East, RDA North West and RDA South East.

2.4 Contribution to National Development Plan (Romania only)

The overall project purpose and project objectives will contribute to the implementation of the NDP (2004-6) priorities. Promoting cross-border relations and good co-operation between the RO and UA border regions is a tool for fostering economic development in bordering areas which corresponds to less-developed regions in most of Eastern and Central Europe.

Regional competitiveness will be reinforced by efficient cross-border cooperation in a range of fields including infrastructure, environmental protection and management, business development, tourism promotion and local development. In addition, human resource development in the border area will benefit from the international collaboration in education, training and labour market activities.

Efficient management of the environment in the border area requires good co-operation in working areas 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 the cross-border co-operation contributes to the integrated development of the border region. This can be described in more detail according to the current project priorities:

2.5 Cross Border Impact

Planned activities will facilitate people-to-people contacts amongst the inhabitants of the cross-border region. The character of the individual projects and the general direction of the Priority guarantee a high degree of cross-border relevance. All projects focus on personal and communal contacts across the Romanian – Ukraine border, including the establishment or institution development of shared management structures intended to widen and deepen cross-border co-operation between public and non-profit organisations. This will contribute to future co-operative actions in the border area.

People-to-people projects will raise the awareness of opportunities to address common concerns on both sides of the border, and encourage a positive attitude to share information and ideas, utilising the resources of both communities.

3 Description

3.1 Background and justification

EC interventions supporting cross border co-operation between Romania and Ukraine are in their early stages of elaboration. The first phase (2004-2006) will make use of existing instruments, PHARE CBC and TACIS, through a

improved co-ordination between them. It is agreed that the preparation and implementation of Neighbourhood Programme will permit a single application process, including a single call for proposals covering both sides of the border, and will have a joint selection process for projects. The funding for the NP will come from allocations already earmarked for existing programmes, and the formal decision processes would remain as at present.

The second phase (2007) would imply a fully-fledged Neighbourhood Instrument. This would completely integrate the use of internal and external European Union funding to ensure an integrated approach to cross-border and interregional co-operation.

All projects financed by the Joint Small Project Fund (JSPF) focus on personal and communal contacts across the Ukrainian - Romanian border. The JSPF provides a flexible approach to fund small-scale actions, which are defined on the basis of local/regional needs, and which have a cross-border impact. The JSPF encourages the development of linkages between the communities /organisations/ institutions on both sides of the border. *People-to-people* co-operation projects raise the awareness of common concerns and chances across the border region and strengthen the positive attitude towards co-operation in solving common concerns and utilize potentials.

All applicants have to justify their project proposals in terms of relevance to the common development priorities and measures detailed in the Joint Programming Document. 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.

3.2 Sectoral rationale

There is a strong common cultural identity between bordering regions of the Ukraine and Romania. This common cultural heritage is reflected in the socio-economic field, architecture, religion, urban settlement typologies, history, and so on. CBC actions in this measure represent the core of the entire Neighborhood Program because it builds on the European Union's idea of uniting European people while preserving diversities and local cultures.

The climate for people-to-people co-operation is not ideal (which is why this type of CBC-cooperation is so valuable). The future accession of Romania to the EU in 2007 could slow-down the exchange of goods and services between two countries. A further barrier to closer business and social contacts across the border will be erected by the introduction of a visa regime by Romania in July 2004.

3.3 Identification of Projects

This Priority (People-to-people actions) consists of only one measure "Joint Small Project Fund".

In line with the Phare CBC Regulation (2760/98), the JCC, composed of representatives of the Ukraine, Romania and the European Commission, agreed to allocate at least 10% of the annual CBC/PHARE budget to this measure which will be implemented by a Joint Small Project Fund.

This Priority encourages the creative use of knowledge of local needs and interests to generate specific activities and events for people to get to know each other, to work together and to participate in various forms of joint activities on a regular basis. In addition to small-scale investments, grants will finance "soft" projects: joint business co-operation initiatives, training activities, sharing technologies, re-training of redundant workers, cultural, social and sporting exchanges, improvement of information flow and communications between border regions.

The JSPF will be implemented through a single call for proposal covering both side of the border. it is crucial that the proposed projects truly reflect a joint approach.

In the meaning of the Neighbourhood Programme, "joint projects" can be:

- (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.

Only projects falling into one of these categories should be considered eligible to the Neighbourhood Programme.

The selected projects shall fall within the priority fields set out in the Joint Programming Document for the period 2004-2006. The projects will encourage new forms of cross-border co-operation and strengthen existing ones.

3.3.1 Eligible beneficiaries

Eligible beneficiaries are non-profit-making, decentralised, locally based organisations, such as :

- Non governmental organizations
- Local and regional (county) governments/authorities
- Alliances with a legal entity
- Organisations owned or managed by municipalities and county councils
- Organisations owned or managed by environment authorities
- Professional bodies and chambers
- Chamber of commerce
- Educational and research institutions
- Foundations
- Not for profit cultural and sporting societies and Associations
- Trade unions
- Public administration authorities
- Natural reserves and park authorities and protected areas management bodies
- County and regional development agencies
- Institutions and organizations for enterprise promotion

3.3.2 General criteria for eligibility

- Projects have to be "joint" in the meaning of the Neighbourhood Programme (cf. §3.3 above). Integrated projects will be particularly prioritised)
- The project cannot concern profit-making activities.
- Results of the proposal are in line with the objectives of the grant scheme.
- Only applicants from the eligible border regions
- The project has to be implemented in the eligible border area
- Justification of supplies and works components must be available in the application.
- Works can only include modernisation or construction of infrastructure closely related to the training, innovation and tourism activities (e.g. technical training places, laboratories, presentation rooms, tourist sites and the related public utilities), but should be a minor portion of the overall project budget
- Projects including only works or supplies components will not be supported.
- Requests for feasibility studies are not eligible here, because there is a separate measure for that under the Technical Assistance priority.

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.

3.3.3 Required documentation

The Application form in the Call for proposal will specify the basic information (applicants' identification and contact details) and project details required.

Projects details could include, as appropriate:

- If applicable supportive documentation (feasibility study, cost-benefit analyses, environmental impact study) indicating that e.g. a proposed reconstruction is technically and financially feasible;
- If applicable, availability of the necessary permits and construction plans.
- Training/curricula/research plan when applicable

3.3.4 General selection criteria:

- Applicant organisations must have at least one project partner from the other side of the border.
- Expected economic impact on both sides of the border. Clearly defined, strategically chosen target groups

- Coherent, appropriate and practical activities
- Projects should involve interactions of people at least from two of the eligible border areas
- Projects should build upon and/or strengthen the multicultural traditions of the eligible border areas
- Projects should involve and mobilise a large number of people
- Projects should prepare/lay the foundation of a long-term co-operation

Relevance:

- Relevance of the project to the needs of the target group
- Relevance to the particular needs and constraints of the cross-border region including conformity with regional development plans and the Joint Programming Document;
- Compliance with the objectives of this grant scheme. Applicants must justify the cross border character of the proposed projects;

3.4 Results

The results of the individual funding operations will depend on the outcome of the planned Call for Proposals. However, a reasonable target could be to have a total of 100 to 150 People-to-People Actions consistent with the priorities of the 2004-2006 *Joint Programming Document* to be completed during the duration of the NP.

It is expected that the overall results will resemble those of similar People-to-People actions in other CBC Programmes, implemented via a Joint Small Project Fund.

3.5 Activities

Activities envisaged included are for example:

- Research project on common cultural heritage
- Seminars
- Schools/universities exchange programs,
- Art expositions
- Cultural events
- Sport events
- Fairs
- Environment education programs
- Parteneriats (regional business twinning)

3.6 Linked activities

People-to-People actions form an integral part of the Neighbourhood Programme. They create a flexible mechanism for the support of small-scale activities and in some cases could be the starting point for larger scale NP projects. The 2004 programme will build on the experience of the People to People actions, including Small Project Funding, supported by previous PHARE CBC programmes.

In the Ukraine, country-based People to People Actions are funded by TACIS, although no cross-border interventions have taken place. To build experience in this area, joint projects will be supported with a high priority in the NP.

3.7 Lessons learnt

Although the Neighbourhood Programme 2004-2006 is the first operation of a new initiative, the experiences of previous PHARE CBC projects in this field were taken into consideration during the preparation of this document.

According to the Interim Evaluation Report no R/RO/CBC/03037 issued by EMS Romania in July 2003 regarding CBC programmes and JSPF, the capacity of beneficiaries to prepare project proposals was overestimated and preparatory training activities (under a parallel Phare programme) did not significantly improve the quality of the proposals. Co-financing was conditional and no problems were encountered by beneficiaries.

The efficiency was adversely influenced by poor cooperation and coordination between all partners involved. Skilled assistance is required and effective communications are expected.

The effectiveness of the People-to-People actions is largely dependent on the success of the individual projects supported. As a whole the programme was welcomed by the beneficiaries as it facilitates activities that otherwise

would be difficult to fund. The prospects for sustainability of the People-to-People programmes are evaluated as good.

The partnership and networking supported by the projects should endure as long as the relationship remains productive. The activities undertaken by the organizations should raise their profile and therefore should help secure further support both internally through recruitment and externally by attracting donors.

The following lessons can be learnt from past experience:

- The mechanism of a JSPF - projects are not offered to potential beneficiaries, but potential beneficiaries are invited to come up with proposals themselves, is a good tool for local involvement and commitment.
Lesson: a JSPF is a good instrument for a demand-driven and bottom-up approach
- This bottom-up approach however offers opportunities to the most active and well-connected potential beneficiaries, not necessarily the most needy ones.
Lesson: a call for proposal should be based on a solid PR or advertisement campaign consisting of a variety of instruments, whereby ALL potential beneficiaries are being reached.
- In the whole process of program tendering, proposal selection and project implementation, the attention of the contracting authorities tends to be focused on tendering and selection. The result of this may be: well selected projects, but with sometimes disappointing results
Lesson: The project management capacity of the beneficiary should be part of the proposal selection process and the Joint Steering Committee / Technical Secretariat has an important role in monitoring project progress and performance.
- The capacity of potential beneficiaries to develop good and mature project proposals is usually limited and previous CBC financed PPF activities often failed to deliver the expected outputs in terms of preparing a mature project pipeline based on a bottom-up approach.
Lesson: Separate funding for project preparation (feasibility studies, business plans) should be made available, resulting in better project proposals and in projects that meet the objectives.
- Joint efforts (joint programming, a single joint call for proposals, joint projects, joint committees), require first and foremost a shared vision on co-operation, mutual institutional understanding and good personal relations.
Lesson: Also after this project for preparing this JPD and some Project Fiches, the responsible Romanian and Ukrainian authorities should keep investing in keeping in touch with each other, and a formal and especially also informal basis.

3.8 Indicative budget planning

3.8.1 Multiannual

Component	Phare Support			National Co-financing	TOTAL Public support	Beneficiaries contribution	Total project value
2. People to people JSPF	Investment	Institution Building	Total Phare	$NB \geq INV/3$		$BEN \geq 0.1 \cdot TPS/0.9$	$TPV = TPS + BEN$
	INV	IB	PH	NB	TPS	BEN	TPV
2004	0	0,57	0,57	0,19	0,76	0,08	0,84
2005	0	0,905	0,905	0,305	1,210	0,135	1,345
2006 (indicative) ²	0	1,58	1,58	0,53	2,11	0,23	2,34
2004-2006	0	3,05	3,05	1,02	4,07	0,44	4,51

The grant scheme will be jointly co-financed between Phare and government resources and the beneficiaries following the rules set out in the Financing Memorandum on the 2004 Phare Cross border Cooperation programmes of Romania.

²All references to Phare funding for 2006, or to final total for 2004-6 are purely indicative and do not in any case constitute a commitment on the part of the Commission

4 Institutional Framework

People-to-People Actions, including the Joint Small Project Fund will fall under the overall management structures of the Neighbourhood Programme.

Romania

- **IA (Implementing Agency):** Retains full responsibility for programme implementation,. Act as Contracting Authority for Phare funds
- **PAO (Programme Authorising Officer):** Professional leader of the Implementing Agency, responsible for the programme implementation.

CBC Regional Office

For the Romanian side, the Ministry of European Integration will delegate a considerable part of its responsibilities for implementing the NP to a regional body, situated in the border area. In this respect, the RDA North-West, RDA North-East and South-East will establish a **CBC Regional Office**, located in Suceava, which will act in close co-operation with the MoIE.

Ukraine

- **PCU (Programme Co-ordination Unit):** is the national authority responsible for coordinating Moldova participation in the NP
- **EC Delegation (Kiev):** acts as the Contracting Authority for Tacis funds.

The Joint Co-operation Committee (JCC)

The JCC is the strategic body of the NP. With members from both countries and from national, regional and local level, the JCC will ensure a joint management of the programme and thus ensure a policy and financial overview of the operation of the NP. The JCC includes an appropriate representation of the European Commission.

The Joint Steering Committee (JSC)

The JSC is the operational body of the NP. Its main role is to draft the project fiches (bottom-up approach) and to oversee the project selection process and the project implementation. It will consist of members from national, regional and local authorities.

JSC includes an appropriate representation of the European Commission which acts as observers.

Joint Technical Secretariat (JTS)

The JTS is located in the eligible area of the Romanian side of the border, and includes staff from Ukraine. The JTS will be responsible for the day-to-day management tasks related to the NP, with due account of the roles and responsibilities of the IA and PCU.

Rules, procedures and formats: The implementation of this project fiche will be carried out according to the "NP Implementing Guidelines for Phare CBC/Tacis and Phare CBC/Cards borders", issued by the Commission on 15 July 2004, and the Grant section of the Commission Practical Guide (see details in **Annex 5**: Template for the Institutional framework/implementation arrangements in case of grant schemes)

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 Managing Authority and subordinate agencies 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.

5 Budget

In m€

Year 2005 Institution Building support	Phare support*	National Public Funds	Other Sources Benef'y Contr'n	Total Co-financing of Project	Total Cost
Project 2 JPD Priority People to people JSPF	0.905	0.305	0.135	0.440	1.345
Total project 2005	0.905	0.305	0.135	0.440	1.345

() Maximum 7% of PHARE allocation may be used for expenditure relating to the preparation, selection, appraisal and monitoring of assistance, but not for remuneration.*

5.1 Co-financing

The projects selected through the grant schemes (investments and institution building) will be jointly co-financed between Phare, the beneficiary and government resources. The beneficiary has to provide at least 10 % of the total costs. The Beneficiary Contribution minimum shall be calculated as total of Phare and national co-finance, multiplied by 0.1111.

The remaining eligible costs will be shared by Phare support up to a maximum of 75% with the Romanian government contributing the remaining costs.

6 Implementing Arrangements

6.1 Implementing Agencies

Romania	Ukraine
For PHARE CBC Romania: Implementing Agency (IA) and Contracting Authority Ministry for European Integration (MIE) Cross Border Co-operation Directorate 12, Libertatii Blvd Bucharest 5, Romania Dr. Daniela Chisiu, Director Tel: +40 21 3355374 E-mail: daniela.chisiu@dr.mie.ro	For Ukraine: Programme Co-ordination Unit (PCU) Ministry of Economy and European Integration 12 - 2, Grushevskovo Street 01008 Kiev Ukraine Mrs. Larissa Pekarska, Deputy NCU Director Tel: +380 44 2969895 e-mail: pekarska@ncu.kiev.ua For TACIS Ukraine: Contracting Authority (CA) EC Delegation 10-Kruhlo-Universitetska st. 01024 Kiev Ukraine Mr. Miguel Magro Tel: +380 44 4620010 e-mail: miguel.magro@cec.eu.int

6.2 Twinning:

Not applicable.

6.3 Non-standard aspects:

There are no non-standard contracts or tender procedures envisaged within this project. The "NP Implementing Guidelines for Phare CBC/Tacis and Phare CBC/Cards borders" and the "Practical Guide to contract procedures financed from the general Budget of the European Communities in the context of external actions (PRAG)" will be strictly followed.

6.4 Contracts:

People to People Actions will in principle be implemented through a single call for project proposals according to the stipulation of the NP Implementing Guidelines and the PRAG. Tendering and contracting of the required services and supplies will comply with PRAG rules.

7 Implementation Schedule

Financing Memorandum	Publication of Call for Proposals	Start of project activity	Project Completion
December 2005	March 2006	September 2006	November 2009

8 Equal Opportunity

The implementation of this project does not support discrimination based on gender or any other kind. Equal opportunity principal and practices in ensuring equitable gender 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 both men and women, and other categories as well to ethnic groups, involving them to the same extend in the project activities

9 Environment

Only projects without any negative impact on the environment and/or with adequate corrective according to EU principles will be selected for funding.

10 Rates of return

Not applicable

11 Investment criteria

11.1 Catalytic effect

Support to people-to-people co-operation projects will raise the awareness of common concerns and opportunities across the border region. It will also strengthen the positive attitude towards co-operation and utilise potentials and thereby catalyse common development efforts.

National Fund co-financing:

The grant scheme will be jointly co-financed between Phare and government resources. The rate of Phare support within the total support will be 75%, while the Romanian government will contribute 25 %.

The rate of the generally available maximum support (Phare and national co-financing) is 90 % of the total cost of the projects to be supported, and at least 10 % has to be provided as own resources by the beneficiaries.

11.2 Additionality

Financial support to be provided by PHARE will not displace any other EC funding.

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.

11.3 Project readiness and size

All organisational preparations will have been completed, and the first funding operations will be carried out in September 2006

The Fund will provide PHARE/TACIS grants to projects in an amount of € 10 000-50 000. It is expected that approx. 100 - 150 grants will be contracted during the programme.

As project financing is concerned, a project consists of a grant (partly financed by the EC, partly by national funds) plus co-financing by the beneficiary. The figures below apply to grants, so excluding the required contribution by the beneficiary.

The minimum grant size is 10.000 Euro, the maximum is 50.000 Euro.

Of course projects can be bigger than the maxima mentioned, as long as the beneficiary pays for the difference between the project costs and the grant

11.4 Sustainability

All beneficiary institutions will be required to prove that they are able to operate their projects effectively in the long run or over a clearly defined period.

11.5 Compliance with state aids provisions:

All actions financed by Phare will respect the state aid and competition provisions of the European Agreement.

11.6 Contribution to National Development Plan:

The support to People to People actions is in line with the priorities identified in the National Development Plan.

12 Conditionality and sequencing

In addition to the ideal conditions mentioned under "Lessons learnt" (paragraph 3.6), 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 programme.

Prior to any grant scheme contract being signed, the Regional Office for CBC Management, Implementation and Monitoring foreseen by the Implementing Agency for the CBC with Ukraine must be operational.

The implementation will follow the implementation schedule.

ANNEXES TO PROJECT FICHE

ANNEX 1 - Logical framework matrix in standard format

ANNEX 2 - Detailed implementation chart

ANNEX 3 - Contracting and disbursement schedule by quarter for full duration of programme including disbursement period)

ANNEX 4 - Reference to feasibility /pre-feasibility studies. For all investment projects, the executive summary of the economic and financial appraisals, and the environmental impact assessment should be attached (*not applicable*)

ANNEX 5 - List of relevant Laws and Regulations (*not applicable*)

ANNEX 6 - Reference to relevant Government Strategic plans and studies (may include Institution Development Plan, Business plans, Sector studies etc) (*not applicable*)

ANNEX 7 - Template for the institutional framework/implementation arrangements in case of grant schemes.

ANNEX 1: LOGICAL FRAMEWORK MATRIX Neighbourhood Programme 2004-2006 Romania – Ukraine

LOGFRAME PLANNING MATRIX		Programme name and number	
Priority 3 - People to People Actions		Contracting period for 2005 expires: 30 November 2007	Disbursement period for 2005 expires: 30 November 2009
		Total Phare budget : € 3.055 million	2005 Phare budget : €0.905 million
Overall objective	Objectively Verifiable Indicators	Sources of Verification	
Improve cross border integration between boundary regions while posing good bases for sustainable economic development.	-More than 70 Neighbourhood Programme People-to-people actions completed by 2006; -90% NP People-to-People Actions allocation absorption - At least 10 participating local institutions from each country	NP implementation data Phare CBC/TACIS data	
Project purpose	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Develop cross-border cooperation to resurface the common socio-cultural heritage linked to the local history and environment.	- 50 formally constituted cross-border neighbourhood partnerships or other long-term cooperation arrangements by 2006	-NP data; - Publications and reports by participating institutions; - Media coverage of NP People-to-People actions	Sustained support from municipal and regional institutions in promoting NP People-to-People actions.
Results	Objectively Verifiable Indicators	Sources of Verification	Assumptions
100 to 150 People to People Actions consistent with the priorities of the 2004-2006 <i>Joint Programming Document</i> have been completed	- More than 80% of initiated projects completed with successful monitoring and evaluation reports	- NP People-to-People Actions reports and analyses - NP monitoring and evaluation reports	- Pipeline of eligible People-to-People actions identified during project selection processes
Activities	Means		Assumptions
<ul style="list-style-type: none"> joint promotion of common cultural heritage co-operative scientific and cultural research projects educational exchange programmes, including 	3.055 M Euro Phare, Selected beneficiary institutions submitting successful project applications. Joint Steering Committee selection		- Local institutions and organisations have the available resources and competent staff to facilitate activities and complete administrative processes;

arranging seminars of joint interest to schools and universities <ul style="list-style-type: none"> • exhibitions • architecture and urban planning studies • planning of joint events • establishing communication networks between the communities • meeting specific training needs for minorities or handicapped persons, • cultural and sporting events, • fairs • biological and biodiversity studies • environmental education programs • feasibility studies 	processes (including establishing a Small Project Fund, if necessary, according to PRAG Guidelines) Joint Technical Secretariat		- Effective cross- border co-operation agreements can be established with participating institutions.
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ANNEX 2: IMPLEMENTATION SCHEDULE – PRIORITY 3

D= Design C= Contracting I= Implementation R= Review/evaluation

This schedule is fixed for the 2005 programme.

<u>Priority 3</u>																
	2006				2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
RO	D	D/C	C	C/I	I	I	I	I	R	R	R	R				

ANNEX 3: CONTRACTING AND PROJECT COMPLETION SCHEDULES

Cumulative contracting and disbursement schedule for Priority 3 by quarter (2005 Phare budget only)																		
Components	in MEUR (planned)																	
	2005		2006				2007				2008				2009			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total contracted					0.905	0.905	0.9	0.9	0.9	0.9								
Total disbursed						0.72	0.72	0.72	0.72	0.72	0.9	0.9	0.9	0.905				

Annex 4 **Reference list of feasibility/pre-feasibility studies, in depth ex ante evaluations or other forms of preparatory work**

Not applicable

ANNEX 5 - List of relevant Laws and Regulations

Not applicable

ANNEX 6 - Reference to relevant Government Strategic plans and studies (may include Institution Development Plan, Business plans, Sector studies etc)

Not applicable

ANNEX 7 **Template for the institutional framework/implementation arrangements for Grant Scheme implementation**

The Neighbourhood Programme (NP) will operate on the basis of single calls for proposals and single selection process covering both sides of the border. Under this approach, individual projects to be financed are identified through the grant scheme mechanism.

The following should be considered as joint projects:

- 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;
- Complementary projects where an activity on one side of the border is accompanied by a similar activity on the other side;
- Integrated projects where partners on either side of the border contribute different elements to a single project

Hence, only the projects falling into one of these categories should be considered eligible to the NP.

Once the Commission has adopted the yearly Financing Memorandum, the relevant project fiches will be implemented through calls for proposals. The grant scheme objectives and core eligibility/selection criteria will be defined in the Financing Memoranda, whereas detailed eligibility and selection criteria, evaluation procedures and implementation arrangements are laid down in the project fiches.

The Commission developed specific Neighbourhood Programmes Implementing Guidelines in order to harmonise the Phare and Tacis award procedures of the PRAG. **This Implementing Guidelines, in conjunction with the PRAG, shall govern the implementation of the Neighbourhood Programme.**

The standard and basic selection, implementation and monitoring process will be as follows:

Except when stated differently, the award procedures provided in the PRAG will be implemented, as amended by the Neighbourhood Programme Implementing Guidelines Phare CBC/Tacis

1. PREPARATION OF THE PACKAGE OF CALL FOR PROPOSAL, GUIDELINES FOR APPLICANTS AND APPLICATION FORM ACCORDING TO THE PRACTICAL GUIDE

- The JTS, under the supervision of the JSC, will draft the call for proposals and the Application Pack;
- The IA and PCU submit the Application Pack to the respective Commission Delegations for approval prior to publication.

2. PUBLICATION OF THE CALL FOR PROPOSAL

The IA and the PCU, with the assistance of the JTS, take all appropriate measures to ensure that the nationally and regionally publicised call for proposals reaches the target groups.

In certain circumstances, a Call for proposals might be launched with suspensive clause, if the EC funding is not yet available (e.g. prior to Commission Decision approving the Financing Proposal).

The IA and the PCU should ensure adequate publicity of call for proposals to attract as many as possible qualified proposals from potential beneficiaries and trying to ensure proposals quality.

Potential eligible beneficiaries will submit project proposals according to project fiches settings, i.e. eligible actions, co-financing rules and budgets. Projects application will have to indicate for what specific measure is competing.

The JTS will be responsible for answering questions from potential applicants. JTS will provide advice to potential project applicants in understanding and formulating correct application forms.

3. PROJECT SELECTION PROCESS

- The JTS collects and registers incoming project proposals.
- The Romanian IA and the Ukrainian PCU designate a joint Evaluation Committee for the assessment of administrative compliance and eligibility and the technical and financial quality of proposals. In its tasks, the Evaluation Committee is assisted by the JTS.

- Members of the joint Evaluation Committee come from both countries. A balanced membership from either side of the border is required. Members of the Evaluation Committee are designated exclusively on the basis of technical and professional expertise in the relevant area.
- The composition of the Evaluation Committee must be submitted for prior approval to the EC Delegations. EC Delegations' representatives will participate as observer in the proceedings of the Evaluation Committee. Prior approval is needed from EC Delegations for the participation of other observers.
- The Evaluation Committee will adopt its rules of procedure.
- If necessary, the Evaluation Committee could be assisted by Assessors designated by the RO IA and the UA PCU and endorsed by the Commission.
- The joint Evaluation Committee (with the support of Assessors, as appropriate), will assess each proposal on the basis of the published evaluation grid (approved by EC Delegations as part of the Application Pack), draws up its recommendations and decisions in the form of an evaluation report and transmit it to the Joint Steering Committee.
- Proposals will be processed ensuring, inter alia:
 - Eligible beneficiaries source
 - Eligible regions source
 - Coherence and relevance with overall program and targeted measure
 - Programme-measure-fiche budget constraints
 - Other budget constraints and co-financing requirements
 - Eligible planned actions according to targeted measure.
- The application format should allow:
 - An easy and timely admission-selection process
 - Readability for potential applicants
- The Evaluation body will have to use an appropriate evaluation methodology ensuring:
 - Independent and objective evaluation
 - High efficiency and timing
 - Readability of outcomes also for non-experts.
- The Joint Steering Committee formally ratifies the Evaluation Report and the award proposals and transmits them, with recommendations, as appropriate, to the RO IA and UA PCU for submission to the EC Delegations. Under no circumstances the JSC is entitled to change the Evaluation Committee's scores or recommendation and must not alter the evaluation grids completed by the evaluators.
- The EC Delegations approve the Evaluation Report and the final list of grants to be awarded.

4. CONTRACTING

Given the different financial rules applicable to each side of the border (decentralised versus centralised), the contracting procedures will be different for the projects (or part of them) co-financed by Phare CBC or Tacis:

In Romania:

- The EC Delegation only approves the evaluation report, the list of proposed projects (budget, duration, beneficiaries etc as per Practical Guide), and the standard contract format, not the contracts themselves irrespective of their budget.

- The IA signs the grant contracts with the selected beneficiaries based on the final list of Phare CBC grants approved by the EC Delegation. The language of the grant contract is English.
- The grant contracts should normally be issued within 3 months of the decision of the Joint Steering Committee.

In Ukraine

- The EC Delegation formally confirms the decision of the Joint Steering Committee/PCU.. In all cases, the Delegation will retain the right of final approval of projects (or part of projects) co-financed by Tacis. In doing so, it will ascertain that the conditions for Community financing are met
- The EC Delegation issues the grant contracts with the selected beneficiaries, normally within 3 months of the decision of the Joint Steering Committee.

The JTS will notify in writing the successful and unsuccessful applicants of the result of the call for proposals.

The implementation of selected projects by final beneficiaries through the procurement of works, supplies and services, shall be subject to EC external aid procurement rules or as otherwise defined in the Financing Memorandum.

5. MONITORING AND CONTROL OF THE SELECTED PROJECTS

Project implementation will be monitored through the Joint Steering Committee. The project monitoring and reporting process will be harmonised so that all projects will be monitored according to standard procedures. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives. All reporting and evaluation must differentiate between Phare CBC and Tacis expenditure, although in the framework of a single reporting structure. Monitoring reports are submitted to the Joint Co-operation Committee.

The JTS will collect and verify the technical reports and requests for payments from the beneficiaries and forward them to the relevant Contracting Authority for payments.

The EC Delegations reserve the right to organise field visits and to monitor on a case-by-case basis the projects selected.

6. ELIGIBILITY OF PROPOSALS

6.1 Eligibility of Applicants

The list of eligible applicants should be established in the Application Pack (Guidelines for Applicants) according to circumstances (objective of the Call for proposal, local administrative structure, etc.). It should generally include: national, regional, local public authorities; regional and local public organisations; municipalities and communities within the defined border area; professional associations; chambers of commerce; regional associations; non-governmental bodies; trade unions; etc.

The grant cannot have the purpose or effect of producing a profit for the beneficiary. In order to implement the project, grant beneficiaries may need to procure services, supplies or works. To this effect, private companies may be sub-contracted.

Participation from third countries is also possible as project partners on the basis of own funds contributions and as subcontractors, in line with the terms of the legal requirements stipulated in the legal bases of the EC external funding.

6.2 Size of projects (Community Contribution)

- For people-to people projects: up to 50.000 Euro
- For other projects (selected through Call for proposal): no less than 50.000 Euro.

In keeping with the above limits, min-max threshold of projects selected through call for proposals will be indicated in the Application Pack in conformity with the Project Fiche, on a case-by-case basis, according to circumstances (objectives of the measure, etc.). Within the same measure, min-max threshold could be differentiated according to the Phare and Tacis side of the border to take account of specific circumstances (e.g. differences between Phare CBC and Tacis available funds).

For any scheme, and particularly with regards to people-to-people, it will be important to set the min-max thresholds so as to keep the overall number of projects manageable.

6.3 Co-financing rules

Different co-financing rules apply for Phare CBC and Tacis.

Minimum requirements are as follows:

Phare CBC:

- people-to people projects: 10 % co-financing by the beneficiary;
- institution building projects: as a general rule, 10% co-financing by the beneficiary and/or public funds
- investment projects: at least 25% co-financing from public funds.

Additionally, in the context of the NP Romania-Ukraine, the following rules will apply:

The grant schemes will be jointly co-financed between Phare and government resources. The rate of Phare support within the total support will be 75%, while the Romanian government will contribute 25 %. The ratio between the Phare and the national amount is binding and has to be applied to the “final contract price”. The rate of the generally available maximum support (Phare and national co-financing) is 90 % of the total cost of the projects to be supported, and at least 10 % has to be provided as own resources by the beneficiaries.

Tacis*

- Individual projects financed under the People-to-People / JSPF Grant Scheme (priority 3) projects: min 5% co-financing by the beneficiary
- Individual projects financed under the main (ESD) Grant Scheme (priority 1&2)
 - projects from 50,000 to 300,000 Euro: min 10% co-financing by the beneficiary
 - projects over 300,000 Euro: min 25% co-financing by the beneficiary

* Clarification pending

6.4 Length of Projects

The average duration of projects is expected to be between 12-24 months, depending on the overall size and objectives of the project.