

STANDARD SUMMARY PROJECT FICHE

1. Basic information

Number: **2002/00-625-04**

Title: **Joint Small Project Fund**

Sector: **Social Economic Development (SO)**

Geographical Location: **Romanian and Bulgarian border regions :**

The Small Project Fund will finance small projects for the following NUTS III regions (so-called “judets”): Mehedinti, Olt, Dolj, Teleorman, Calarasi, Giurgiu and Constanta.

A mirror Small Project Fund will be financed by the Bulgarian CBC Programme for the following NUTS III regions: Vidin, Vratza, Montana, Veliko Tarnovo, Pleven, Rousse, Silistra and Dobrich.

2. Objectives:

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

2.1. Wider Objectives

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

2.2. Purpose of the project

- Strengthening of local co-operation across the border;
- Stimulation and support to creation of permanent structures among the local and regional organisations in the border regions;
- Building and development of specialist resources of local and regional institutions involved in regional development and cross-border co-operation;
- Development of local/regional economic and employment;
- Development and strengthening of an effective implementation structure.

2.3. Accession Partnership

The JSPF plays a key part in the process of preparation of the Romania and Bulgaria for accession, in particular through the improvement of the administrative capacity of local/regional actors. These funds are part of a process of creating “integration-minded” border regions. The project represents thus an important element in the preparation of Romania and Bulgaria for the adoption of Structural Funds. In addition, the project supports the social and economic integration between the border regions of candidate countries.

2.4. Cross-border Impact of the Project

The Programme will contribute to the removal of existing disparities between regions on both sides of the border and thus to the gradual alignment of economic and social development. This is particularly important in view of future integration into the European Union. Full membership will require the approximation of levels of economic activity and living standards in particular in border regions in order to avoid undue problems connected to the removal of borders and the introduction of the principle of free movement.

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

The JSPF Committee will be composed of representatives of the relevant Romania and Bulgaria border regions.

3. Description:

3.1 Background and justification

With a view to strengthen the local cross-border co-operation of the two border regions, Romania and Bulgaria decided in early 2000 to start to implement a JSPF. This scheme will finance "soft" projects: business co-operation, enterprise development, technology transfer and marketing for small and medium size enterprises, training, employment, measures for health and cultural exchanges, improvement of information flow and communications between border regions etc.

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

The inclusion of the JSPF into the programme is a logical step forward in the *overall* context of Romania and Bulgaria future accession to the EU, and in the *specific* context of the development of cross-border co-operation and evolution of the Phare CBC Programme in the pre-accession context.

This project is fully in line with the priorities that are indicated in the Joint Programming Document (JPD). The JPD constitutes the general framework for the co-operation between the two countries and was agreed between the Romanian and Bulgarian authorities in early 2000. Under the priority 4 "Economic Development", the proposed measure is the creation of a JSPF.

3.2 Linked activities

This project is a continuation in a multi-annual perspective of the first JSPF, which was financed under the **Phare CBC RO/BG 2000 programme** (Phare allocation of 0.5 MEUR for each border region). Since the implementation of this project is ongoing, it is too early to draw any conclusion.

This project is also a continuation of the second JSPF, which was financed under the **Phare CBC RO/BG 2001 programme** (Phare allocation of 0.5 MEUR for each border region). Since the implementation of this project has not started yet, it is too early to draw any conclusion.

Under the **BG 9916 CBC programme**, a contract on the “Preparation of Co-operation Development Plan between Bulgaria and Romania” is currently in the phase of implementation. Under the expected contract, the axes of development for the whole period of CBC will be reviewed. On a more practical level, the selected consultant will assist the JSPF Committee in operating the Joint Small Projects Fund (JSPF) and will further elaborate the existing guidelines for the operation of the JSPF. The work will include the development of:

- a set of precise eligibility criteria for projects,
- a set of selection criteria for eligible projects,
- a clear administrative system including appropriate application and other administrative forms and identification of the roles and responsibilities of different institutions involved in the process,
- workshops if necessary to introduce basic ideas of project management and project proposal writing,
- a promotion campaign of the JSPF,
- a clear timetable for implementation and criteria for evaluation of success,
- a first pipeline of project for both border regions.

3.3 Results

- Financial support to small-scale “people-to-people” actions in the border regions in the field of economic development, environment, tourism, local employment, cultural exchanges, local democracy, planning and development studies etc.

3.4 Activities

The project will support:

- The financing of the selected small-scale “people-to-people” projects (project located in the Romanian border region, or Romanian contribution to common Bulgarian-Romanian projects)
- Administrative costs for operating the fund. Up to 7% of the PHARE contribution (maximum 35,000 EUR for each country) may be used for expenditure relating to the preparation, selection, appraisal and monitoring of the assistance.

The grants will only be made for projects whose immediate objective is non-commercial and strictly non profit-making. Under no circumstances may grant give rise to profits (i.e. it will be restricted to the amount required to balance income and expenditure for the project).

General Criteria for Eligibility

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

- have a strong and evident cross-border aspect (joint projects, especially where co-financed jointly by Romanian and Bulgarian project partners, will be particularly prioritised),
- be financially assessed realistically and transparently,
- be ready for implementation,
- the Phare contribution have to be between €10,000 and €100,000,
- availability of co-financing. Minimum co-financing will be 10% of the cost of projects (in cash or in kind),

- under no circumstances be in contradiction with the long-term development plans of the municipality or the region (projects that are part of an overall strategy/plan for the development of the region/town/municipality will be prioritised),
- if possible, contain innovative approaches (e.g. pilot projects).

On this basis, the Romanian Implementing Authority and the Bulgarian Implementing Agency will develop more detailed operational guidelines, including specific project support level/country (minimum/maximum) in consultation with the appointed JSPF Committee.

Priority areas

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

- **Economic Development:** Support for small projects focusing on economies, which enhance the economic base of the border region. For example proposals for the development of small-scale enterprise, marketing initiatives, markets, exhibitions and advertising events, and so forth; the creation of cross-border co-operation structures and partnerships among supporting organisations;
- **Environment:** Projects focusing on specific problems of the environment of the region, such as the drafting of studies, assessment of problems, environmental training, actions aiming at increasing public environmental awareness and so forth.
- **Tourism:** The SPF will provide funding for a range of "soft" actions for tourism development - studies, planning, institutional strengthening measures, specific SME training and related HRD programmes.
- **Cultural Exchanges:** Those cultural exchanges that already exist and that are being newly established between local groups on both sides of the border region. Meetings and exchanges among youth; artistic and supporting activities; folk events and similar actions with the emphasis on the establishment of traditions and long-term co-operation;
- **Local Democracy:** Schemes will be supported that help create and intensify the skills of organisational structures in local and regional public administration and other elements of a democratic society (chambers of commerce, trade associations, trade unions, NGOs). Relevant training courses and information will be provided supporting exchange visits, project preparation and procedural matters. Joint projects may also involve the elaboration of materials for distance learning and so forth. Exchange of know-how and experience in education at various levels will also be supported.
- **Planning and development studies:** Projects providing a basis for planning within a border region. Projects can be supported that create the preconditions for joint planning in a border region, for framing joint research programmes, for drawing up joint strategies for regional development in a border area with the aim to jointly define the development priorities and so forth. Development of project applications and feasibility studies are also included;

Selection process

The JSPF Committee (joint committee with representatives from both Bulgaria and Romania) will issue a call for proposals that must be open and fair to all eligible organisations. The submitted applications will be assessed by an appropriate Team of Assessors for each country. On the basis of these recommendations, a joint evaluation will be performed and the final decision will be taken. The project applicants will, in many cases, need considerable development assistance. Training and information workshops may be organised to inform and assist would-be participants, so as to ensure high transparency and encourage good quality proposals. The Secretariat will also appoint experts to visit would-be project applicants in order to provide assistance, especially in relation to matters such as project cost assessment.

4. Institutional Framework

1. The key institutions of the Joint Small Projects Fund are the Bulgarian and Romanian Contracting Authorities (CA) for the Phare cross-border co-operation programme, the Joint Co-operation Committee (JCC), the Joint Evaluation Committee (JEC), the Secretariats for the Joint Small Projects Fund, the Team of Assessors for the assessment of project applications (Expert Panel), and the European Commission (EC) represented by the EC Delegations in Bulgaria and Romania.

2. The Joint Small Projects Fund will be implemented as much as possible on a decentralised basis. The selection of projects to be supported by the JSPF shall be carried out with ex-ante approval of the EC according to PRAG. The projects shall be implemented with ex-post control of the EC. The publicity, evaluation/selection of projects, and contracting will be carried out in accordance with PRAG.

Operation of the JSPF

1. The Contracting Authority in **Bulgaria (CABu)** is the Ministry of Regional Development and Public Works (MRDPW), CBC Implementation Agency.

The Contracting Authority in **Romania (CARo)** is the Ministry of Regional Development and Prognosis (MDP), CBC Implementation Agency.

2. In line with the Phare CBC Regulation (2790/98), the JCC, composed of representatives of Bulgaria, Romania and the European Commission, has agreed to allocate 10% of the annual CBC budgets on both sides of the border to the Joint Small Projects Fund. The JCC is also responsible for the Joint Programming Document (JPD) which will provide the framework within which the JSPF will be implemented. The JCC will receive reports on the implementation of the JSPF, and on an annual basis will agree the future implementation framework as part of the approval of the allocation of funds (in line with the appropriate Project Fiches for the JSPF).

The Joint Evaluation Committee (JEC), the Secretariats for the Joint Small Projects Fund, the Team of Assessors for the assessment of project applications are defined in the Special Guidelines for Management for Joint Small Project Fund.

Eligible beneficiaries

It will in principle, it will include all non-profit-making decentralised , local organisations, such as :

- Municipalities and Communities within the defined border region
- County and district level organisations
- Inter-communal co-operation organisations
- Euro-regions
- Chamber of Commerce
- Professional associations
- Trade Union Organisations
- NGOs, etc ...

Profit making organisations and national organisations without a distinctive role in the border region will not be eligible.

5. Budget (in MEUR):

Romanian Allocation	Investment	Institution Building	Total Phare (=I+IB)	Recipient (*)	IFI	TOTAL
Joint Small Project Fund	0.465		0.465	0.05	0	0.55
Regional office – Administrative costs		0.035	0.035		0	
TOTAL	0.465	0.035	0.5	0.05		0.55

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

6. Implementation arrangements:

6.1 Implementing agency

The Implementing Agency will be the Ministry of Development and Prognosis, through its Cross Border Co-operation Directorate, which will retain overall responsibility for the implementation of the programme, including: approval of tender documents, evaluation criteria, evaluation of offers, signature of contracts, authorisation of invoices. The payments of invoices will be made by the Payments Directorate within the same ministry.

The CBC Directorate also includes a unit for the National Co-ordination of CBC programmes nominated as CBC Programme Co-ordination Unit (CBC – PCU) which will support the beneficiaries in their activities concerning the preparation of tender dossiers and related documents.

A Regional office was set-up in the border region, at Giurgiu, ensuring the day-by-day contact and co-operation with the counties and local authorities as well as with the project beneficiaries in the Romanian – Bulgarian border region. The office has specific tasks as set-up in the Guidelines for the JSPF including management, monitoring and evaluation of the selected projects under JSPF.

6.2. Non-standard aspects

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

6.3. Contracts

Grant Contracts will be signed according to the Practical Guide to Phare, Ispa and Sapard.

7. Implementation schedule

Co-ordination with the Bulgarian authorities will be ensured so that the call for proposals are launched in the same time with identical deadlines.

Establishment of the JEC, Team of Assessors	11/2002
First calls for proposals:	3/2003
Completion of projects	12/2004

8. Equal opportunity:

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

9. Environment

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

10. Rates of return

N/A

ANNEXES TO PROJECT FICHE

1. Logical framework matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter
4. Template for the institutional framework/implementation arrangements for JSPF between Romania and Bulgaria

ANNEX 1 - LOGFRAME PLANNING MATRIX <i>Joint Small Project Fund</i>			Contracting period expires: 30.11.2004
			Disbursement period expires: 30.11.2005
			Total Budget: 0.55 MEUR Phare Allocation: 0.5 MEUR
Wider Objectives	Indicators of Achievement	Sources of Information	
<ul style="list-style-type: none"> • Improve cross-border co-operation at local level between the two countries • to support the further development of the economic potential of the border regions 	<ul style="list-style-type: none"> • Number of local projects financed; 	<ul style="list-style-type: none"> • CBC Implementing Agency (Bg) and CBC Implementing Agency (Ro); 	
Immediate Objectives	Indicators of Achievement	Sources of Information	Assumptions and Risks
<ul style="list-style-type: none"> • Strengthening of local co-operation across the border; • Stimulation and support to creation of permanent structures among the local and regional organisations in the border regions; • building and development of specialist resources of local and regional institutions involved in regional development and cross-border co-operation; • development of local/regional economic and employment; • development and strengthening of an effective implementation structure. 	<ul style="list-style-type: none"> • Intensity of cross-border links, number of cross-border actions; • increase in regional / local capacities to design and implement development programmes and projects; • growth of tourism sector in border regions. 	<ul style="list-style-type: none"> • CBC Implementing Agency (Bg) and CBC Implementing Agency (Ro); • monitoring and assessment reports; • reports of the PCU (Ro) and PMU (Bg). 	<ul style="list-style-type: none"> • Efficient programme management (implementation, monitoring assessment); • continued commitment of the Government towards the priorities of the programme and regional development; • continued commitment of regional and local actors; • availability of qualified staff and institutional support; • functioning co-operation between all relevant partners; • functioning co-ordination between CBC-RO and CBC-BG; • sustained interest of the border region population in development and co-operation.

Results of Project	Indicators of Achievement	Sources of Information	Assumptions and Risks
<ul style="list-style-type: none"> • Establishment of Small Projects Fund; • People-to-people cross border links increased and intensified; • enhance the economic base of the border region. • co-operation between local authorities and NGO in border regions strengthened; • institution-building in border regions, qualification in regional development • enhancing cross-border tourism attraction and linkages between the tourism support on either side of the border. 	<ul style="list-style-type: none"> • JSPF in operation and used; • Regional (Development) authorities' personnel trained, regional institutions qualified; • number of people-to-people actions carried out; • number of economic actions carried out • number of tourists/visitors in border regions 	<ul style="list-style-type: none"> • PCU (Ro) and PMU (Bg) reports; • project completion reports; • monitoring and assessment reports; • programme evaluation. 	<ul style="list-style-type: none"> • Availability of qualified experts and contractors; • well functioning co-operation and co-ordination between PCU (RO) or PMU (Bg), JSPF Committee, CBC Regional Office, beneficiaries and other involved parties; • CBC Regional Office well staffed with competent personnel;

ANNEX 2 - Implementation Time Chart for <i>Joint Small Project Fund</i>																														
Components	2002						2003												2004											
	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	O	N	D
1. Joint Small Projects Fund					D	D	D	I	C	C	C	C	I	I	I	I	I	I	I	I	I	I	I	I						
2. Regional Office Contract						D	D	C	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	R	R				

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

ANNEX 3 - Cumulative Quarterly Commitment Schedule in EUR <i>Joint Small Project Fund</i>											
Components	Cumulative contracting schedule by quarter in EUR (planned)										Total Phare Allocation
	2002		2003				2004				
	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Small Projects Fund (investment/service)				465.000	465.000	465.000	465.000	465.000	465.000	465.000	465.000
Regional Office (service)			35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Total contracting			35.000	500.000	500.000	500.000	500.000	500.000	500.000	500.000	500.000
Components	Cumulative disbursement schedule by quarter in EUR (planned)										Total Phare Allocation
	2002		2003				2004				
	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Small Projects Fund				116.250	174.375	232.500	290.625	348.750	406.875	465.000	465.000
Regional Office (service)			17.500	17.500	20.000	27.500	27.500	27.500	32.000	35.000	35.000
Total disbursement			17.500	133.750	194.375	259.500	318.125	376.250	438.875	500.000	500.000

Annex 4

TEMPLATE FOR THE INSTITUTIONAL FRAMEWORK/IMPLEMENTATION ARRANGEMENTS FOR JOINT SMALL PROJECT FUND BETWEEN ROMANIA AND BULGARIA

National Authorities Responsible of the Programme

- As per Romanian Financing Memorandum, the Romanian authorities defined as responsible at different levels w/ this programme are as follows:
 1. Ministry of Development and Prognosis – MDP Programme Co-ordination Unit (the Directorate for Cross Border Co-operation) and Implementing Agency (IA)
 2. Giurgiu CBC Regional Office – local representative institution of the MDP in charge of launching and advertising the call for proposals and day-to-day technical management of the projects
 - As regards the Bulgarian Financing Memorandum, the overall responsibility for programme co-ordination and financial management will rest with the Ministry of Regional Development and Public Works, which will be the Implementing Agency (IA).
 - ***The Bulgarian and Romanian IAs (Implementing Agency):*** Retain full responsibility for programme implementation respectively in Bulgaria and in Romania.
 - ***Two Secretariats*** shall be identified: the Giurgiu CBC Regional Office of the Ministry of Development and Prognosis. On the Bulgarian side, the secretariat's responsibilities will be undertaken by the Ministry of Regional Development and Public Works. The two secretariats will undertake in their respective country, the task of day-to-day technical management of implementation of projects and monitoring activities under the authority of the Bulgarian and Romanian IAs.
 - ***Rules, procedures and formats:*** New Specific Guidelines based on the grant section of the Commission Practical Guide and approved by both EC Delegations will be strictly followed.
- 1. PREPARATION OF THE PACKAGE OF CALL FOR PROPOSAL, GUIDELINES FOR APPLICANTS AND APPLICATION FORM ACCORDING TO THE PRACTICAL GUIDE**
- The IAs (RO MDP and the BG MRDPW) draft the call for proposals, the guidelines for applicants and the application form and other documents related to the implementation of the JSPF in line with Phare procedures.
 - Each IA submits the final version of the documents to the respective EC Delegation for approval
 - EC Delegations approve the documents

2. PUBLICATION OF THE CALL FOR PROPOSAL

The IAs with the assistance of their Secretariats take all appropriate measures to ensure that the nationally and regionally publicised call for proposals reaches the target groups in line with the requirements of the Practical Guide.

3. PROJECT SELECTION PROCESS

- The Secretariats collect and register incoming project proposals.
- The BG and RO IAs select and approve the assessor teams (one for each country) for the assessment of administrative compliance, eligibility and assessment of technical and financial quality of proposals.
- The IAs will nominate the Joint Evaluation Committee (non-voting chairman, secretary, and voting members).
- The BG and RO IAs nominate the members of the assessment team and evaluation committee exclusively on the basis of technical and professional expertise in the relevant area.
- The EC Delegations endorse the teams of assessors and the composition of the Joint Evaluation Committee. The EC Delegations nominate an observer to follow all or part of the proceedings of the Joint Evaluation Committee. Prior approval is needed from the Delegations for the participation of other observers.
- The Joint Evaluation Committee draws up its recommendations and decisions following the assessor team's written assessment of each proposal on the basis of the published evaluation grid.
- The IA of each country approves the evaluation report prepared by the joint evaluation committee and forwards the evaluation report and any award proposals to the EC Delegations.
- The EC Delegations approve (ex-ante) the evaluation report on the selection process and the final list of grants to be awarded.
- The IAs notify each applicant in writing of the result of the selection process.

4. CONTRACTING (PAO DESIGNATED IN THE RESPONSIBLE IMPLEMENTING AGENCY) FOR EACH COUNTRY:

- The format of the grant contract is drafted by each IA according to the Practical Guide using the standard grant contract format and its annexes.
- The format of the grant contract is to be approved by the EC Delegations (in cases where the call for proposals results in the award of a large number of grants which all have the same grant contract conditions).
- The EC Delegations only approves the evaluation report, the list of proposed projects (budget, duration, beneficiaries etc as per Phare Practical Guide), and the standard contract format, not the contracts themselves irrespective of the budget.
- The IAs sign 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 and an official Bulgarian / Romanian translation of the contract is attached to the signed English language contract.
- Copy of the signed grant contract will be respectively available at the Bulgarian MRDPW and the Romanian MDP.

5. IMPLEMENTATION OF THE SELECTED PROJECTS BY THE BENEFICIARIES

- Beneficiaries subcontract suppliers of goods, services or works, in line with Phare procurement regulations annexed to the Grant Contract and under the Practical Guide.
- The projects will be subject to ex-post control by the EC Delegation pursuant to the Practical Guide.

6. FINANCIAL MANAGEMENT OF THE SELECTED PROJECTS

- The BG IA receives and verifies the invoices and requests payment by the National Fund.
- The RO local representative with the technical assistance of the Secretariat (CBC regional office), should verify and approve the technical reports, requests for payments and forward them to the IA, for payments.

7. MONITORING OF THE PROJECTS IMPLEMENTED BY THE BENEFICIARIES

Standard Phare monitoring instruments will be used for monitoring purposes. Attention is drawn to the special duty of the Secretariat with regard to the day-to-day monitoring of the selected projects.

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