

Cross border co-operation between Bulgaria and Serbia 2006 Project Fiche for “People-to-people” (Priority 3)

1. Basic information

- 1.1. CRIS number:** 2006/018-388..01.02
- 1.2. Title:** PEOPLE TO PEOPLE ACTIONS (JSPF)
- 1.3. Sector:** Regional Development/CBC
- 1.4. Location:** Cross-border region between Bulgaria and Serbia
- 1.5. Duration:** 11 months
Contracting Deadline: 30/11/2008
Contract Execution Deadline: 30/11/ 09

2. Objectives

2.1. Overall Objectives:

The overall purpose of the Joint Small Projects Fund (JSPF) is to encourage a wide variety of occasions for the citizens of the eligible border area to get involved in cross-border co-operation. Primarily, people to people actions will be directed to develop the flow of information and communication across the border region, mainly to enhance cultural exchanges and education related activities.

2.2. Project purpose

Improvement of networking and social cohesion across the border, mainly through communication, cultural and educational co-operation related activities.

2.3. Accession Partnership (AP) and NPAA priority

The people to people actions play a key part in the process of preparation of Bulgaria and Serbia & Montenegro for accession, in particular through the improvement of the administrative capacity of local/ regional actors. The project represents thus an important element in the preparations for implementation of EU regional policy and coordination of structural instruments.

2.4. Contribution to National Development Plan (and/or Structural Funds Development Plan/SDP)

The proposed grant scheme is in line with the National Development Plan of the Republic of Bulgaria over the 2000-2006 period, and namely with priority 4 “Developing Cross-border Cooperation” under the indicative programme for “Balanced and Sustainable Regional Development”.

2.5. Cross-border impact

The project is related to Priority 3 (“People-to-people actions”) of the Joint Programming Document for Phare CBC/CARDS Neighbourhood Programme between the Republic of Bulgaria and Serbia & Montenegro for the period 2004-2006. Primarily, people to people

actions will be directed to develop the flow of information and communication across the border region, mainly to enhance cultural exchanges and education related activities. People to people actions are to be considered extremely useful in the strengthening of local communities and NGOs and in their use as a vehicle for cross-border durable contacts.

Actions for the promotion and marketing of cultural heritage for its very many different purposes (tourism development, culture, etc.) could be financed within the framework of this measure, such as: local exhibitions, support to craftsmanship and traditional production, development of territorial or ethnic studies and researches, actions aimed at recuperating traditions, etc.

The “people-to-people” type of actions is given an allocation of 10-20% of the total Programme’s appropriations. These actions will concern small-scale, soft (non-investment) local projects and will be supplementary to the other two programme’s priorities in providing a common consensus and a favourable background to the implementation of major scale interventions.

3. Description

3.1. Background and justification

The inclusion of flexible funding mechanisms like Joint Small Project Fund (JSPF) aiming at small-scale interventions addressing identified local needs is an efficient instrument due to its popularity among local/ regional actors and a relatively quick implementation period.

The analysis of the border area has already identified the multicultural traditions of the eligible area and the common historical and cultural heritage as a major strength. It has also pointed out that there do already exist cross-border initiatives in the form of joint actions of local communities and NGOs.

Furthermore, the experience of the preliminary project ideas’ collection launched in May 2004 among local stakeholders for an evaluation of JPD measures, has clearly demonstrated that there is an abundance of small-scale (below € 50,000) people-to-people cooperation projects seeking support in the eligible cross-border area. Since such projects play pivotal role for creating favourable environment for long-term cooperation, the need for an instrument supporting such initiatives under all other measures of the programme is addressed through this project.

3.2. Sectoral rationale

N/A

3.3. Results

Financial support through grants to small-scale “people-to-people” actions in the border regions should produce the following results:

- Increased intensity and degree of cross border co-operation between local authorities, NGO and other stakeholders on the two sides of the border;
- Increased level of public awareness and information on CBC, its purpose and objectives, and on the JSPF scheme;
- Increased local involvement to implement small-scale actions that may form the basis for larger cross-border co-operation projects;
- Minimum 22 individual small cross-border cooperation measures in line with the priorities of the *Joint Programming Document* for the period 2004-2006 completed

3.4. Activities

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).

Eligibility criteria, eligibility of area, applicants and partners

Eligibility of area

On the Bulgarian side:

The JSPF is applicable for the following cross-border districts: Kjustendil, Vidin, Pernik, Montana and a part of Sofia district (municipalities of Godech, Dragoman, Kostinbrod, Svoge and Slivnitsa).

On the Serbian side:

The JSPF is applicable for the following cross-border districts: Bor, Zajecar, Nisava, Pirot, Jablanica and Pcinja.

Basic eligibility criteria (considered as joint projects):

In the context of Neighbourhood Programmes, eligible projects can take the following form:

- Simple projects with an explicit cross-border effect taking place mostly or exclusively on one side of the border but for the benefit of both partners impact;
- Complementary projects where an activity on one side of the border is accompanied by a similar activity on the other side of the border;
- 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 could be considered eligible to the Neighbourhood Programme.

Priority areas

The grant scheme is primarily aimed at encouraging a wide variety of occasions for the citizens of the eligible border area to get involved in cross-border cooperation in the following fields:

- **Cultural exchanges and promotional events for cultural heritage or natural attractions**

The JPSF will support initiatives aimed at improving cultural relations between Bulgaria and Serbia & Montenegro; promoting the exchange of experience, skills and ideas for projects in the future mutual exchanges among youth; folk undertakings; development of cultural traditions; creation and development of cultural networks on either side of the border and the establishment of information and training centres for cultural exchange, etc. It will support also the studying of cultural historical heritage in the border area; popularising historical cultural heritage of the region; joining young people to local cultures; creating a positive notion of history, culture and art of neighbouring countries; creating a model of useful and stable practice for co-operation between different institutions; promotion of cultural tourist product; creation of information network and strategy for representing of the cultural tourist product(s), etc.

- **Education exchanges and training initiatives**

Development of quality education by encouraging cooperation between people and institutions at both sides of the border through a wide range of actions, such as promoting the mobility of citizens; innovative teaching and learning projects; networks of academic and

professional expertise; designing joint study programmes, establishing networks, exchanging information, thus also promoting life-long learning for all citizens of the border region.

- **Organisation of local exhibitions or fairs**

The joint activities of this type will support more frequent contacts especially between the chambers of commerce and industry and the industrial associations with decisive importance for the formation of a favourable business environment. Marketing initiatives, markets, exhibitions and advertising events, and so forth; the creation of cross-border co-operation structures and partnerships among supporting organisations as well as actions for the promotion and marketing of cultural heritage for its very many different purposes (tourism development, culture, etc.) could be financed within the framework of this priority area.

- **Bilateral actions for the joint solution of common social problems**

Support to wide range of actions intended to promote the integration of various disadvantaged groups; collective actions to assist people with disabilities; combat discrimination on grounds of racial or ethnic origin, religion or belief, disability, age and sexual orientation; promoting dialogue with civil society organisations; carrying out analysis and evaluation, developing the capacity to combat and prevent discrimination, and raising awareness, etc.

- **Actions to improve the flow of information and communication between border regions**

Development or establishment of facilities and resources to improve the flow of information and communications between border regions, including support for cross-border radio, television, newspapers and other media.

Support for promotion of cooperation between media and civic organizations in research, capacity development and joint TV programming across borders and ethnicities; organising information and awareness events to inform public opinion across borders and ethnicities on ideas and principles underlying EU integration processes; promoting decentralization and the development of local democracy as a key component of regional and community development; fostering better mutual understanding and exchange experiences and know-how with neighbour country professionals.

- **Measures to promote cooperation in health, particularly the sharing of resources and facilities on a cross-border basis**

Support to improving information and knowledge for the development of public health; enhance the capability of responding rapidly and in a coordinated fashion to health threats; promotion of health initiatives addressing health determinants across all policies and activities; activities such as networks, co-ordinated responses, sharing of experience, training and dissemination of information and knowledge will be inter-linked and mutually reinforcing aimed at embodying an integrated approach towards protecting and improving health.

Beneficiaries:

Potential beneficiaries of this measure will be non-profit-making organisations and might include local and regional authorities; associations of local and regional authorities; Euro regions; chambers of commerce, industry or agriculture; professional associations; trade union associations; non-governmental organisations; schools, colleges, universities etc.

The organizations eligible for support must be registered (or to have a branch office) in the following cross-border districts: Vidin, Montana, Kjustendil, Pernik and part of Sofia district (municipalities of Godech, Dragoman, Kostinbrod, Svoje and Slivnitsa) for the Bulgarian territory. Newly established entities will be eligible for funding.

The grant scheme will be implemented through joint Call for Proposals and in compliance with the provisions laid down in the JPD. **The maximum project duration** of a single project under this grant scheme will be **11 months**.

The joint Call for Proposals will use funds, which are allocated to the Neighbourhood Programme under the EU Phare and CARDS programmes, and which will cover the respective eligible activities from the both sides of the border. The eligible applicant should prepare a joint application form in accordance with the requirements set out in the Guidelines for Applicants.

The minimum grant for a single application to be contracted (under Phare) is **€10,000** while the maximum one is **€50,000**. Moreover, a grant may not exceed 90 % (for Phare) and 95% (for CARDS) of the total eligible project costs. The balance must be financed from the applicant's or partners' own resources, or from sources other than the European Union budget.

Detailed eligibility criteria for participation in the grant scheme will be given within the Guidelines for Applicants. The applicant organisations must be registered (or to have a branch office) in the eligible border region.

3.5. Linked activities

At present the contacts between the two sides of the border region are predominantly in the fields of cultural and trade relations; further contacts could be pursued in the spheres of production, infrastructure, and protection of the environment, technological and educational exchange. Both Bulgaria and Serbia (although this last in a lesser ratio) have already recorded a number of previous experiences in dealing with EC aid, within the framework of different programmes and initiatives.

The JSPF forms an integral part of the Phare CBC/CARDS Neighbourhood Programme. It complements other projects of the above Programme primarily by creating a flexible mechanism for the support of small-scale activities. The JSPF of the 2006 programme will be the third consecutive edition of this instrument in this area and will be based on the experience of the Joint Small Project Funds supported by previous programme in 2004 and 2005, namely 2004-016-785.01.02 "People to People actions" and 2005/017-457.02 "People to People actions (JSPF)".

3.6. Lessons learned

The JSPF is the third of this type to be implemented between the two neighbouring countries with joint EU funding (Phare and CARDS).

Although the Small Project Fund Bulgaria – Serbia and Montenegro was introduced in the 2004 and 2005 programme, the Grant Scheme mechanism allows not only the alignment of Phare CBC and CARDS procedures but also to increase the level of co-operation: from the general co-operation to more concrete and basic cooperation in the project preparation and its implementation phase. It remains the most successful instrument to prepare the final beneficiary (applicant) on future SF implementation. It has an especially positive impact on NGOs and NPOs empowerment in the cross-border area. It also has a clear impact on the division of tasks and roles on the NUTS III level with regard to regional development and its institutions.

The previous experience of both countries under various other EU programmes provides evidence of what has been achieved so far.

The JSPF 2004 was launched in February 2006. The launching of the JSPF was delayed until the JTS establishment.

The applicants will be evaluated in the JTS in Pernik. Given the relatively stronger experience of JSPF preparation in Bulgaria, this division of tasks appears appropriate.

As evaluated by ECOTEC Bulgaria in the Interim Evaluation of the European Union Pre-Accession Instrument Phare for the CBC Sector, lessons learned from previous programmes are:

1. The lack of JTS is delaying the launching of a number of grant schemes with Serbia and Montenegro.
2. The JSPF schemes are being effective in strengthening administrative capacity at a central level. The use of new district level staff in tender evaluations would strengthen regional administrative capacity and reduce pressure on central level staff.
3. The main impact from the JSPF will be in strengthening the administrative capacity of the central administration, but the results of later ESC grant scheme applications could indicate the extent of cross border co-operation developed by the JSPF.

4. Institutional Framework

The JSPF institutional framework is based on the principle of both countries being equal partners and with both countries having an equal role in the management structures.

As described in the JPD, the management structures will include: (a) the national authorities responsible for Programme co-ordination (Implementing Agency in Bulgaria, and Project Coordination and Management Unit (PCMU) in Serbia & Montenegro; (b) the Joint Co-operation Committee and the Joint Steering Committee; (c) assisted by a Joint Technical Secretariat.

On the Bulgarian side, the responsibilities for Phare-CBC Programme are laid down with the DG "Phare Implementing Agency" at the **Ministry of Regional Development and Public Works**. It will be acting as a Contracting Authority with the overall responsibility for the programme implementation, as well as administrative, technical and financial management of the grant scheme. MRDPW is obliged also to monitor the physical and financial implementation of this project including Phare and co-financing payments, and report to the EC in regularly reports. The MRDPW will ensure necessary human resources for the technical management of the Grant Scheme.

On the Serbian side, the responsibilities on the day-to-day tasks lay down with PCMU at the **Ministry for International Economic Relations (MIER)**, while the **European Agency for Reconstruction (EAR)** will act as Contracting Authority.

The Joint Technical Secretariat, established under the framework described in the JPD, will assist the Bulgarian IA and the Serbian PMCU in the implementation of the Grant Scheme.

5. Detailed budget

5.1 Phare Support

	Phare support	Co-financing			Total Cost
€M		National Public Funds (1)	Other Sources (2)	Total Co-financing of Project	
Year 2006 Institution Building support	0.600			(**)	0.600
IB support	0.600			(**)	0.600

Total project 2006	0.600*			(**)	0.600
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(1) Contribution from national, regional, local, municipal authorities, FIs loans to public entities, funds from public enterprises.

(2) Private funds, FIs loans to private entities.

* The rate of the generally available maximum support (Phare funds) could not exceed 90 % of the total cost, while the rest has to be provided as own resources by the beneficiaries.

** The necessary minimum of 10 % co-financing for the projects will be provided by the beneficiaries. The total amount of co-financing and total budget for the projects will be defined after contracting.

5.2 CARDS Support

The joint projects will be financed through both Phare and CARDS for the respective activities of each side of the border. The CARDS allocation for this grant scheme will follow similar proportions per component as they are set out for the Phare ones.

The indicative CARDS allocations are as follows:

Year 2006 in €M	CARDS SUPPORT				National Co- financing *	IFI	TOTAL
	Invest- ment Support	IB	National CARDS	Total CARDS (=I+IB)			
Grant Scheme		0,200,		0,200	**		0,200
TOTAL		0,200		0,200	**		0,200

* The minimum co-financing requirements for the grant applicant from SCG is:

- 5% for projects less than € 50,000

** The minimum co-financing requirements for the grant applicant from SCG are as follows:

- 5% for less than € 50,000

- 10% co-financing for projects between € 50,000 – € 300,000

6. Implementation Arrangements

6.1. Implementing Agency

Bulgaria

The Implementing Agency will be the Ministry of Regional Development and Public Works:

Implementing Agency:

Ministry of Regional Development and Public Works

Address: 17-19 Cyril and Methodius St. 1202 Sofia

Dimcho Mihalevski – PAOStefan Gerasimov – Deputy PAO and Director General of the DG Phare IA

Phone: +359 2 9405-488,

Fax: +359 2 987 0737

E-mail: sgerasimov@mrrb.government.bg

It acts as Contracting Authority for the Phare funds.

Serbia

Programme Co-ordination and Management Unit

Government of the Republic of Serbia

Ministry of International Economic Relations

Assistant Minister: Gordana Lazarevic

Contact persons: Kristina Askovic

Address: Gracanicka 8, 11000 Belgrade

Phone: +381-11-3346-112, +381-11-3346-591 / Fax: +381-11-3346-844

E-mail: kaskovic@mier.sr.gov.yu

Contracting Authority

European Agency for Reconstruction

Local Government and Regional Development Programme

Programme manager: Wout Soer

Contact person: Danka Bogetic

Phone: +381-11-30-26-618

Fax: +381-11-30-23-455

E-mail: wout.soer@ear.eu.int

The JSPF will operate on the basis of a single call for proposals and a single selection process covering both sides of the border. The Grant Scheme will be implemented according to the NP Implementing Guidelines issued by the Commission. Except when provided differently in the Implementing Guidelines, the award procedures provided in the PRAG will be implemented. The implementation provisions will follow the overall structure as provided within the JPD (2004-2006). Meanwhile both IA and PCMU will be responsible with elaboration of rules of procedure.

The above provisions are valid until Bulgaria becomes a member state of the European Union. After accession, the national procurement legislation will be in force.

6.2. Twinning

N/A

6.3. Non-standard aspects

There are no non-standard contracts or tender procedures envisaged within this project.

6.4. Contract

The JSPF will be implemented via one single (joint) Call for Proposals simultaneously launched in Bulgaria and Serbia. The number of the individual grant-contracts to be signed will vary depending on the number of the proposals received for each component and the respective grant amounts approved for funding.

7. Implementation Schedule

7.1 Start of call for proposals

December 2007

7.2 Start of project activity

April 2008

7.3 Project completion

February 2009

8. Equal Opportunity

The project will stimulate the process building the partnership between the national, regional and local partners in terms of responsibilities taken, decision making and priorities setting and will be in no way discriminatory in terms of gender, life-style, religion or politics. It will contribute to the equal opportunities referring to gender.

9. Environment

The specifics of the grant scheme does not foresee concrete investment element.

10. Rates of return

N/A

11. Investment criteria

11.1. Catalytic effect

Without PHARE assistance, the project would not be implemented in the near future, because of the lack of funds. By exposing applicants to grant scheme procedures, it lays the ground for the future absorption of Structural Funds.

11.2. Co-financing

The beneficiaries of the People to people actions project will contribute with at least 10% of the total budget of the total cost of the projects.

11.3. Additionality

No other financing sources from the private sector or from IFIs were available for financing this project.

11.4. Project readiness and size

All documents shall be prepared according to the PRAG template and submitted to the EC Delegation for endorsement prior to the launch of the Call for proposals.

Only projects ready for tendering can be supported.

The grant is limited to a maximum of €50 000 per project. The minimum amount of the grant is €10 000.

The Phare contribution to the project is €0.600 million.

11.5. Sustainability

The development of the border region is part of government's strategy of maintaining good relations with neighbours.

11.6. Compliance with state aids provisions

The project respects the state aids provisions.

11.7. Contribution to National Development Plan

The proposed grant scheme is in line with the National Economic Development Plan of the Republic of Bulgaria over the 2000-2006 period, and namely with priority 4 “Developing Cross-border Cooperation” under the indicative programme for “Balanced and Sustainable Regional Development”.

12. Conditionality and sequencing

The project will start after signing of the Financing Memorandum between Bulgaria and the European Commission for 2006. In certain circumstances, the Call for proposals might be launched with suspense clause, if the EU funding is not yet available (e.g. prior to Commission Decision approving the Financing Proposal). All documentation required for launching joint Call for Proposals (Application Pack) will be prepared by the JTS by August 2007 and will be submitted to the respective EC Delegation/EAR for approval.

Annexes to Project Fiche:

1. Logical Framework in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule

Annex 1

LOGFRAME PLANNING MATRIX FOR Project Title: PEOPLE TO PEOPLE ACTIONS (JSPF)		Project number 2006/018-388.01.02	
		Contracting period expires 30.11.2008	Execution of contract period expires 30.11.2009
		Total budget: €M 0,800	Phare budget: €M 0,600
Overall objectives	Objectively verifiable indicators	Sources of Verification	
The overall purpose of the Joint Small Projects Grant Scheme is to encourage a wide variety of occasions for the citizens of the eligible border area to get involved in cross-border co-operation. Primarily, people to people actions will be directed to develop the flow of information and communication across the border region, mainly to enhance cultural exchanges and education related activities.	<ul style="list-style-type: none"> • Greater awareness of Phare CBC/CARDS Neighbourhood Programme • Positive attitude towards cross-border co-operation to solve common concerns and to utilise potentials 	<ul style="list-style-type: none"> ▪ National/Regional Reports ▪ Implementing Agency reports ▪ Special pre and post surveys ▪ Independent EU evaluations 	
Project purpose	Objectively verifiable indicators	<i>Sources of Verification</i>	Assumptions
Improvement of networking and social cohesion across the border, mainly through communication, cultural and educational co-operation related activities.	<ul style="list-style-type: none"> • Number and types of formally constituted partnerships and other long-term co-operation arrangements across the border increasing (at least 20 %) 	<ul style="list-style-type: none"> • Monitoring Reports • Progress Reports 	Successful programme promotion, including support to applicants
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Financial support through grants to small-scale “people-to-people” actions in the border regions should produce the following results: <ul style="list-style-type: none"> • Increased intensity and degree of cross 	<ul style="list-style-type: none"> • Number and type of projects successfully carried out - minimum 16 • Number of cross border exchanges 	<ul style="list-style-type: none"> • Individual project progress reports • Monitoring and evaluation reports 	<ul style="list-style-type: none"> • Sufficient project management skills on behalf of the beneficiaries

<p>border co-operation between local authorities, NGO and other stakeholders on the two sides of the border;</p> <ul style="list-style-type: none"> • Increased level of public awareness and information on CBC, its purpose and objectives, and on the JSPF scheme; • Increased local involvement to implement small-scale actions that may form the basis for larger cross-border co-operation projects; • Minimum 16 individual small cross-border cooperation measures in line with the priorities of the <i>Joint Programming Document</i> for the period 2004-2006 completed 	<p>and events</p> <ul style="list-style-type: none"> • Number of media broadcasts on cross-border related issues • Number of studies and researches on border culture heritage 		
Activities	Means		Assumptions
<p>Funding for eligible actions: Cultural exchanges and promotional events for cultural heritage or natural attractions; Education exchanges and training initiatives; Organisation of local exhibitions or fairs; Bilateral actions for the joint solution of common social problems; Actions to improve the flow of information and communication between border regions; Measures to promote cooperation in health, particularly the sharing of resources and facilities on a cross-border basis</p>	<p>Implementation of the grant scheme in line with the provisions of the PRAG and the JSPF Guidelines for Applicants; Minimum 16 individual grant contracts signed.</p>		<ul style="list-style-type: none"> • Sufficient number of good quality project proposals • Co-finance contributions available when required

Preconditions

The documentation, necessary for the launching of the grant scheme prepared by the signing of the FM

ANNEX 2

IMPLEMENTATION CHART

Project title: PEOPLE TO PEOPLE ACTIONS (JSPF)

ANNEX 2 - Implementation Time Chart PEOPLE TO PEOPLE ACTIONS (JSPF)																														
Components	2007						2008												2009											
	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 / People to people actions						T	T	T	T	C / I	I	I	I	I	I	I	I	I	I	I										

T = Tendering C = Contracting I = Implementation/works

ANNEX 3: CONTRACTING AND DISBURSEMENT SCHEDULE BY QUARTER

Project title: PEOPLE TO PEOPLE ACTIONS (JSPF)

CONTRACTING	Cumulative contracting schedule by quarter in €m (provisional)												
	2007				2008				2009				Total
	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Grant Scheme						0,600	0,600	0,600	0,600				0,600
DISBURSEMENT	Cumulative disbursement schedule by quarter in €m (provisional)												
	2007				2008				2009				Total
	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Grant Scheme						0,480	0,480	0,480	0,600				0,600