

Support Romania in participating in Community Initiatives



Romania's experience within CADSES

November 2008

Whereas in the beginning of the programme, ERDF funds could only be offered to Austria, Germany, Greece and Italy, after the EU extension in 2002 the number of benefiting countries increased to nine – all of them member states.

This contributed significantly to intensifying transnational co-operation.

Later, when CADSES became a Neighbourhood Programme (NP) all countries could work on equal terms as ERDF, TACIS, PHARE and CARDS funds could be combined in a joint framework.

The **Phare programme** is one of the three pre-accession instruments financed by the European Union to assist the applicant countries of Central and Eastern Europe in their preparations for joining the European Union.

With the 4th call the project applicants were able for the first time to apply for funding from ERDF, CARDS, Phare and TACIS CBC by a single application form.

In the CADSES cooperation area Romania and Bulgaria had the status of acceding countries and benefited, therefore, from the financial provisions offered by the Phare programme.

For many Romanian project partners, European funds and transnational cooperation, together with partners from EU countries, which were benefiting for ERDF funds, had been the first experience.

Working together with other project partners on an international level was a new and fruitful experience for them and established links between different corners of Europe.

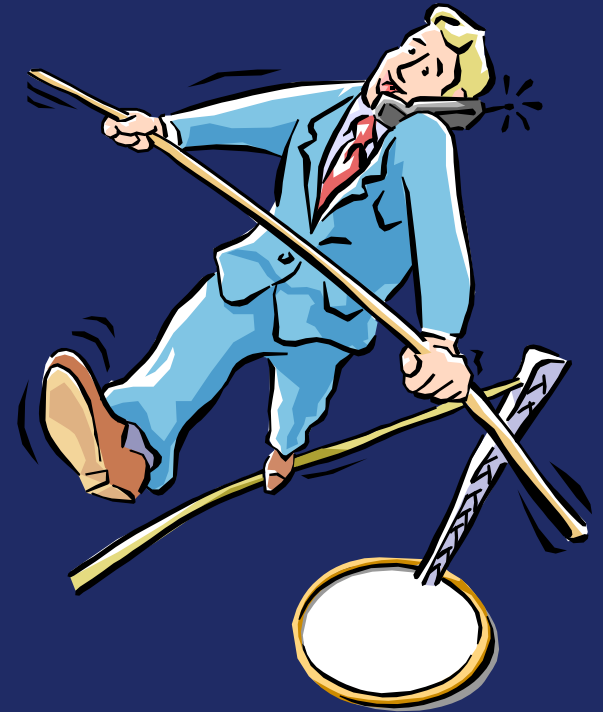
Allocation of national PHARE funds through specific grant schemes to the CADSES programme is based on national decisions and subject of endorsement by the EC. The PHARE project parts are implemented in accordance with the Guidelines developed at national level on the bases of the programme complement and in line with the PHARE PRAG stipulations.

The Phare amount foreseen for the fourth call for applicants from Romania equals 1.590.000 €, instead of 600.000 € as foreseen at the beginning.

€
euro

For partners from Romania, participation in the ERDF co-funded projects, getting used to the new rules, following both the Lead Partner principle and the PHARE rules was a particular challenge.

But those who decided to meet this challenge are now better prepared for using opportunities offered by actual and future European Territorial Cooperation programmes.



Positive results of making from CADSES a Neighbourhood Programme:

- making possible partnerships between Member States and the countries eligible for CARDS, PHARE Ro, PHARE Bg and TACIS funds.
- succeeded to commit a very large part of the allocated funds.
- proved that it was possible to integrate five different funds and to allow a common application and selection process.
- help to overcome the negative effects of the existing borders and permitting partners from outside the EU to join partnerships within this programme.
- increased funding opportunities.

Romanian Contracting Authority for PHARE funds

euro

Ministry of Development, Public Works and Housing
(former Ministry of European Integration)

Phare Cross Border Cooperation Directorate.

Programming Officer – Irina Mihaela CRUCERU

Contracting Officer – Petruța VOICU



New experience for the Romanian administration

The Romanian Contracting Authority faced a very big challenge during the contracting process for the allocated PHARE funds.

We had a lot of new and complex aspects, which needed to be dealt with, such as:

- checking the eligibility of the selected Romanian beneficiaries;
- checking the expenditures and the budgets of the selected projects;
- respecting both the rules of the PHARE programmes as well as the rules of the ERDF programmes;

Financing Memorandum had to be modified in order to respect the timetable of all the projects, which had a 24 months period of implementation.

We had two options for solving this matter:

- to sign the contract with a suspensive clause, and to request a modification of the Financing Memorandum and the Project Fiche;

Suspensive Clause: “the Action’s implementation duration is as stated in above Clause 2.3, subject to extension of disbursement period currently indicated in the Financing Memorandum governing this PHARE contribution. Should that extension not be approved, the Grant Beneficiary undertakes to reduce the Action’s implementation duration to 12 months and implement the activities accordingly, including financial disbursement.”

- to lose about four months from the implementation period of the projects until the European Commission’ approval of the modification.

We tried the first solution and we succeeded to conclude the contracts in due time, without affecting the implementation of the projects.

CADSES

Romanian grant contracts were financed as follows:

- max. 90% Grant (75% Phare + 25% national co-financing)
- min. 10% beneficiary's own contribution

Ministry of Development, Public Works and Housing:

- The overall responsibility for the technical and financial implementation of the programme, ensuring that the objectives are met and that the selection procedures are efficient, clear and transparent;
- The overall responsibility for monitoring and evaluation of the programme and sub-components;
- Elaborating the implementation procedures in accordance with the guidelines set up by the European Union ;
- Contracting the grants with the selected applicants;
- Providing the Beneficiaries with all appropriate support to ensure that they will properly achieve their tasks ;

Phare 2004 - Standard Summary Project Fiche
RO 2004/016-772.05.02 - Support Romania in participating to
Community Initiatives

First component:

**Technical Assistance for supporting Romania in participation to
Community Initiatives**

Second component:

**Grant scheme for financing the participation of Romania in the
transnational projects of the Interreg IIIB CADSES programme**

Romanian Projects

- **5D111- PlanCoast – National Institute for Marine Research and Development “Grigore Antipa” – measure 1.1.**
- **5D094 – Carpathian Project – National Institute for Research and Development Urbanproiect – measure 1.1.**
- **5D201 – Hist.Urban – Arad Municipality in partnership with Oradea Municipality – measure 1.2.**
- **5D202- INTERIM – OVIDIUS University of Constanta – measure 2.1.**
- **5D076 – Agrobiotech Xchange – Timisoara Chamber of Commerce, Industry and Agriculture – measure 2.2.**
- **5D044 – TELMI – “Together” Agency for Community Development – measure 2.2.**
- **5D224 – Heritage Alive! – Mioritics Association – measure 3.1.**
- **5D106 – Cultural Landscapes – Ethnological Museum of Transylvania – measure 3.3.**
- **5D063 – MOSES - National Institute of Hydrology and Water Management - measure 4.3.**
- **5D214 – FLOODMED - National Institute of Hydrology and Water Management - measure 4.3.**
- **5D129 – EDUCATE! - Technical University of Civil Engineering Bucharest – Faculty of Hydrotechnics - measure 4.3.**



During the implementation of the grant scheme, we faced a lot of troubles like:

Starting with January 1st 2007 Romania became a Member State – since then we had to change our procedures in order to comply with our national legislation.

This took a lot of time, which affected the projects under implementation.

Also, starting with January 1st 2007, the Romanian beneficiaries didn't benefit from VAT exemption anymore. This was another problem that we faced. In order to help the beneficiaries, the Contracting Authority (MoDPWH) together with the Romanian Government issued an Emergency Government Ordinance, which was stating that the Romanian beneficiaries are going to be reimbursed the VAT deductible from all the eligible costs spent under their contracts.

Then, their lack of experience was also a step back. But we tried to do our best in helping them during the implementation period.

Deadline for contracting Phare funds within 2004 Phare National Programme:

November 30th 2006

Deadline for execution of the Romanian contracts:

November 30th 2008

Deadline for disbursement of the Romanian contracts:

Six months after the 30th of November 2008 –May 30th 2008

Out of eleven contracts, we already have one that finalised its implementation, and has the final report approved and the final payment made to the beneficiary.

And we also have six projects that ended their activities, accomplished all their objectives and now they are preparing final reports.

The other four contracts have the execution deadline on November 30th 2008.



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Thank you!

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