

COMMISSION DECISION

C(2008)7489 of 2 December 2008

on Community assistance for the year 2008, in relation to the participation of Albania in the "Greece – Albania IPA cross-border programme" under the IPA Cross-border Co-operation component

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)¹, and in particular Article 14(2)(a) thereof,

Whereas:

- (1) Regulation (EC) No 1085/2006 lays down the objectives and main principles for pre-accession assistance to candidates and potential candidate countries.
- (2) In accordance with Article 7 of Regulation (EC) No 1085/2006, the assistance should be provided through multi-annual or annual programmes, which can be established by country, by group of countries or by component. These programmes should be drawn up in accordance with the general policy framework referred to in Article 4 of Regulation (EC) No 1085/2006 and the relevant multi-annual indicative planning documents referred to in Article 6 of that Regulation.
- (3) The Council has established a European Partnership for Albania². The Commission has adopted on 31/05/2007 the Multi-annual Indicative Planning Document 2007-2009 for Albania which presents the main priorities for pre-accession assistance to this country³.
- (4) In accordance with Article 91 of Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA)⁴ (hereinafter referred to as the IPA Implementing Regulation), the Commission adopted on 19 March 2008 the multi-annual cross-border programme Greece – Albania 2007–2009 (Decision C(2008) 1069, as amended).
- (5) The "Greece – Albania IPA cross-border programme" aims at providing assistance to increase the standard of living of the population by promoting sustainable local development in the cross-border area. The first priority will focus on cross border economic development, the second priority will promote the development of the environment and natural and cultural resources, and the third priority will provide technical assistance to implement the programme.

¹ OJ L 210, 31.7.2006, p. 82.

² Council Decision 2008/210/EC of 18 February 2008 (OJ L 80, 19.3.2008, p. 1-17).

³ C(2007)2245

⁴ OJ L 170, 29.6.2007, p.1

- (6) As the participating countries are not yet ready to implement the present cross-border programme in shared management, this programme shall be implemented according to the transitional arrangements laid down in Article 99 of the IPA Implementing Regulation; this decision will therefore only relate to the part of the cross-border programme concerning Albania, the part of the cross-border programme concerning Greece being subject of a separate decision.
- (7) The part of this cross-border programme concerning Albania was implemented for the year 2007 by the financing Decision C(2008) 1069 of 19 March 2008, as amended. A new financing decision needs to be adopted for the implementation in the year 2008.
- (8) For the year 2008, this decision meets the requirements of Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002⁵ and constitutes thus a financing decision within the meaning of Article 75 (2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁶.

The measures provided for by this Decision are in accordance with the opinion of the IPA Committee,

HAS DECIDED AS FOLLOWS:

Article 1

The Financing proposal for the year 2008 for the participation of Albania in the "Greece – Albania IPA cross-border programme", as set out in the Annex to this Decision, is hereby adopted.

The part of this programme concerning Albania shall be implemented by centralised management in accordance with the provisions of Article 99 of the IPA Implementing Regulation.

The part of this programme concerning Albania corresponding to budget year 2008 shall be implemented by means of a Financing Agreement to be concluded between the Commission and the Government of Albania in conformity with the Framework Agreement concluded between the same parties on 18 October 2007.

Article 2

The maximum amount of Community contribution to Albania for the participation in the "Greece – Albania IPA cross-border programme" shall be EUR 1,488,433 to be financed through Item 22.020402 of the general budget of the European Communities for the year 2008.

⁵ OJ L 357, 31.12.2002, p. 1, Regulation as last amended by Regulation (EC, Euratom) No 478/2007 (OJ L 111, 28.4.2007, p. 1).

⁶ OJ L 248, 16.9.2002, p.1, Regulation as last amended by Council Regulation (EC, Euratom) No 1995/2006 of 13 December 2006 (OJ L 390, 30.12.2006, p. 1) and by Council Regulation (EC, Euratom) No 1525/2007 of 17 December 2007 (OJ L 343, 27.12.2007, p. 9).

Done at Brussels,

For the Commission

Member of the Commission

ANNEX
FINANCING PROPOSAL FOR THE YEAR 2008 FOR THE PARTICIPATION OF
ALBANIA IN THE "GREECE – ALBANIA IPA CROSS-BORDER PROGRAMME"

1. IDENTIFICATION

Beneficiary:	Albania
CRIS number:	2008/020-342
Year:	2008
Cost:	EUR 1,488,433 (total value of IPA contribution)
Operating structure:	In Albania: Unit for Regional Cooperation under the Directorate for Institutional Support and Integration Process, Ministry for European Integration – institution responsible for coordination of the Instrument for Pre-accession Assistance.
Implementing Authority:	European Commission
Final date for concluding the Financing Agreement:	at the latest by 31 December 2009
Final date for contracting:	2 years following the date of conclusion of the Financing Agreement. No deadline for audit and evaluation projects covered by this Financing Agreement, as referred to in Article 166(2) of the Financial Regulation. These dates apply also to the national co-financing.
Final date for execution:	2 years following the end date for contracting. These dates apply also to the national co-financing.
Sector Code	15150, 16020, 41010
Budget lines concerned	22.020402
Programming Task Manager	DG Enlargement Unit C1
Implementation Task Manager	EC Delegation in Tirana.

2. SUMMARY

2.1. Introduction

2.1.1. Programming process

The programming process took place between May and November 2007. A bilateral "Task Force" was established comprising representatives from the national authorities and the European Commission.

The first meeting of the Task Force was held in Thessaloniki on 22 September 2007 followed by 4 other meetings in Greece and Albania. A meeting defining the basic orientations of the programme was organised in Kastoria, Greece. Two other meetings were held in Thessaloniki, the first one to agree on the structure and the second to approve a first draft of the programme. A fourth meeting was held in Korçë to finalise the content of the programme and its implementing provisions.

Three external expert teams supported the Task Force on specific chapters of the operational programme, the ex-ante evaluation and the strategic environmental assessment.

Before the meetings of the Task Force, a public consultation process was launched in May 2007 in order to ensure broad acceptance by the regions, sectors, social partners and other stakeholders.

2.1.2. List of eligible areas

The eligible area is composed of eight NUTS III units in both countries. These regions are the districts of Vlorë, Gjirokastër and Korçë in Albania and the Prefectures of Kerkyra, Thesprotia, Ioannina, Kastoria, and Florina in Greece.

2.1.3. Adjacent areas (in accordance with Art. 97 of the IPA Implementing Regulation)

The area of Grevena is included in the eligible areas of the "Albania-Greece IPA Cross-Border Programme" as an adjacent area with a total expenditure not exceeding 20% of the programme expenditures.

	Area km ²	Population
Albania's Cross-Border Region	8,512.06	466,695
Greece's Cross Border Region (Total of eligible and adjacent areas)	13,076.35	688,835
Total cross-border region	21,588.41	1,155,530

2.2. Global objective(s) of the programme

The global objective of this programme is to increase the standard of living of the population by promoting sustainable local development in the cross-border area. The programme will address sustainability in its economic, social and environmental components.

2.3. Priority axis, the related measures and their specific aspects concerning the implementation of the 2008 budget

2.3.1. Priority axis I: Enhancement of cross border economic development

Priority axis I aims at promoting sustainable economic development through common interventions and at facilitating cross-border relations.

Measure I. 1: Promotion of entrepreneurship

The specific objective of this measure is to facilitate the development of cross border economic activities through the use of the existing potential and emerging opportunities.

This measure will support the development of joint actions for cooperation, exchange of information and coordination of activities and services among professional associations and chambers. Further support will be given to research activities and studies to facilitate cross border trade and investment, the development of cross border databases and business partner search facilities, the development of public services to facilitate cross border trade and investment, and the development of trans-boundary associations. It will also promote the transfer of know how in relevant business areas and promote common events and fairs.

Measure I. 2: Promotion of sustainable tourism

The specific objective of this measure is to support common cross border activities in tourism based on the existing natural and cultural heritage.

This measure will support the development and promotion of: joint tourism territorial planning; a regional brand-name and joint marketing initiatives, standards for services, common billing systems, common trainings; thematic tourism clusters and routes; eco-tourism networks; outdoor activities; combination of local craftsmanship and tourism.

Measure I. 3: People to people actions

The specific objective of this measure is to support common cross border activities of a smaller scale focusing directly on the interaction of the local population.

This measure will support the following activities: cooperation between universities and education institutes to develop common courses; enhancement of student's mobility; development of vocational training and qualification; know-how transfer relating to health and social welfare matters; development of innovative and customised life long learning concepts; development of networks for exchanges on living culture, training, sport, local media, public participation, citizens' action; development of mobile cross border primary health care; improvement of the quality of health services; prevention and control of infectious diseases; development of links between local and central health services and search for joint responses to health emergencies; use of new technologies and information and communication technologies in cross-border cooperation.

Measure I. 4: Facilitate border accessibility through small scale infrastructure

The specific objective is to support small scale interventions which contribute to fast and efficient border crossing procedures.

This measure will support the following activities: small scale upgrades at the border stations, improvement of safety procedures linked to mobility of persons, capital and goods; support information and communication technology interventions to facilitate and accelerate border checks; to develop coordinated customs procedures; to support studies in order to facilitate and accelerate border checks; to explore the potential for public transport.

2.3.2. Priority axis II: Promotion and sustainable development of the environment and of natural and cultural resources

Priority axis II aims at promoting common actions for the protection of the environment and at mobilising the natural and cultural heritage.

Measure II. 1: Promote and protect the environmental resources of the area

The specific objective of this measure is to support interventions that protect the environment and mitigate environmental impacts related to economic development.

This measure will support the following activities: implementation of trans-boundary environmental impact assessments; training and awareness programmes and regional certificates especially on eco-tourism, organic farming and renewable energy; development of networks and plans for the management and preservation of the water resources; development of links in the cross-border environmental planning; assessment of threatened elements of the environment; cross border strategies for waste and wastewater management especially in connection to rivers; enhance cooperation in the fields of protected areas; enhance coordination and joint training of natural hazards early warning and response mechanisms; development of innovative approaches in land use and urban development.

Measure II. 2: Promote and protect the natural and cultural heritage of the area

The specific objective of this measure is to promote and protect the natural and cultural heritage of the border region.

This measure will support the following activities: promotion and upgrade of natural and cultural monuments including religious monuments, traditional buildings, and historical sites; promotion and marketing of the region towards special interest groups; development of information and communication technologies for the promotion and protection of natural and cultural monuments; development of common tools to protect and restore cultural landscapes; promotion of local architecture; innovative approaches in land use and settlement development around leisure and recreation settlements and cultural sensitive areas; development of actions recording and promoting shared traditional features like music, folklore including joint cultural events.

2.3.3. Priority axis III: Technical assistance

The priority axis III on technical assistance will focus on activities which secure the core management for the implementation of the programme and implement accompanying actions to support the generation and implementation of high quality, result oriented cross border projects and partnerships.

Indicative timetable and amounts for the implementation of the measures:

Measures under priority axis I and II will be implemented through grant schemes. It is expected that two grant schemes, one per priority, will be launched in 2009 for an indicative amount of EUR 787,994 (Priority I) and EUR 787,994 (priority II). The essential selection and award criteria for the award of grants as laid down in the practical guide (PRAG) to contract procedures for EC external aid should apply. The detailed selection and award criteria for the award of grants will be laid down in Call for proposals–Application Pack (Guidelines for applicants).

The Priority Axis "Technical Assistance" will be implemented through individual direct grant agreements without call for proposals to be established between the European Commission and the respective national authorities, in accordance with article 168 1. (c) of the Implementing Rules to the Financial Regulation, considering that the relevant national

authorities, i.e. the CBC coordinator in the meaning of Art. 22 (2) (b) of the IPA Implementing Regulation and the Operating structures, enjoy a de facto monopoly situation for the implementation of the cross-border programme. The procurement of services, supplies or works by the direct grant beneficiaries is possible, under the terms and conditions established in the grant agreement, and in accordance with Article 120 of the Financial Regulation and Article 184 of the Implementing Rules to the Financial Regulation. The direct grant agreement, for a total amount of IPA assistance of € 148,843 can be signed as soon as the Financing Agreement is concluded. The IPA allocation for Priority Axis "Technical Assistance" will be completed by a total amount of € 26,267 of national co-financing provided by the authorities of Albania.

2.4. Overview of past and on-going CBC experience, including lessons learned and donor co-ordination (as appropriate)

- Past and on-going experience

Cross-Border Cooperation in the border area Albania-Greece was initiated with the INTERREG II (1994-1999) and PHARE CBC programmes. These programmes offered the first major opportunity for an institutionalised cooperation between the two countries. The cross-border cooperation process was continued and strengthened with the CIP INTEREG IIIA Greece-Albania 2000-2006 programme. This programme was jointly developed by Greece and Albania and revised in order to reflect the rapidly changing situation in the eligible border area and the change of status to a common Neighbourhood Programme Greece-Albania 2004-2006. Structural Funds assistance (ERDF) amounted to EUR 90 million and assistance to Albania was delivered under the CARDS instrument. The Neighbourhood Programme Greece-Albania 2004-2006 was approved in early 2005 and the first call for proposals was launched in June 2006.

The dual structure of ERDF and CARDS made the coordination among projects and partners difficult and the possibility to develop and implement joint projects was limited. The Neighbourhood programme has enabled the two countries to come closer to each other. Cooperation through bilateral meetings of the Monitoring and Steering Committees improved and the exchange of information and decision making evolved considerably. A joint secretariat has been established and is staffed with 4 persons, 2 from Albania and 2 from Greece. The need for the establishment of new structures, the Joint Monitoring Committee and the Joint Selection Committee has delayed the implementation of the programme. However, the setting up of the joint structures helped the countries to prepare the implementation of the 2007-2013 programming period.

- Donor coordination

In line with Article 20 of the IPA Regulation and Article 6(3) of the IPA Implementing Regulation, the EC has asked the representatives of Member States and local IFIs in Albania to provide their comments regarding the draft cross-border programme submitted to the Commission.

2.5. Horizontal issues (where applicable)

The joint applications will have to cover both parts of the border and fulfil the following criteria:

- benefit partners from both sides of the borders;
- support links between relevant institutions and organisations from both sides of the border;
- encourage equal participation of women and marginalised groups;

- be environmentally sustainable;

Project partners should establish agreed co-ordination mechanisms to synchronise the joint projects throughout their implementation.

2.6. Benchmarks

	N* (2009)	N+1 (2010) (cumulative)	N+2 (2011) (cumulative)
Number of calls for proposals launched in Albania	2	2	2
Number of direct grants (Technical Assistance Priority) in Albania	1	1	1
Contracting Rate (%) in Albania	10	100	100

* "N" being the date of conclusion of the Financing Agreement

2.7. Roadmap for the decentralisation of the management of EU funds without ex ante controls by the Commission

According to Article 8(4)c) of the IPA Implementing Regulation, the beneficiary countries shall establish a roadmap with indicative benchmarks and time limits to achieve decentralisation without ex ante controls by the Commission.

In Albania, the Council of Ministers adopted in September 2007 a Decision on setting up the structures, authorities and responsibilities for IPA implementation under Decentralised Implementation System (DIS). In November 2007, the Ministry of Finance transmitted a proposal for the functioning of the Central Financing and Contracting Unit (CFCU) to DG Elarg. SIGMA will assist the Albanian authorities in the DIS accreditation process until the implementation of a Technical Assistance project under IPA 2007 starts.

3. BUDGET FOR 2008

3.1. Indicative 2008 financial table for Albania

	EU – IPA assistance		National Contribution		Total (IPA plus National Contribution)	
	EUR (a)	% ⁽¹⁾	EUR (b)	(%) ⁽¹⁾	EUR (c)=(a)+(b)	(%) ⁽²⁾
Priority axis 1	669,795	85	118,199	15	787,994	45
Priority axis 2	669,795	85	118,199	15	787,994	45
Priority axis 3	148,843	85	26,267	15	175,110	10
TOTAL	1,488,433	85	262,665	15	1,751,098	100%

⁽¹⁾ Expressed in % of the Total (IPA plus National contributions) (column (c))

⁽²⁾ Expressed in % of the grand total of column (c). It indicates the relative weight of the each priority with reference to the total funds (IPA + National)

3.2. Principle of co-financing applying to the projects funded under the programme

The Community contribution has been calculated in relation to the eligible expenditure, which for that of the cross-border programme "Greece – Albania" concerning Albania is based on the total expenditure.

The provisions of Article 90 of the IPA Implementing Regulation apply.

The rate of the Community contribution for this programme amounts to 85% for Albania. The co-financing under priority axis I and II will be provided by the final grant beneficiaries and it can be from public and private funds. Final grant beneficiaries should contribute with a minimum of 15% of the total eligible cost of the project, both for investment and institution building projects. The co-financing under priority axis III will be provided by the national authorities.

4. IMPLEMENTATION ARRANGEMENTS

4.1. Method of Implementation

The "Greece – Albania IPA cross-border programme" shall be implemented according to the provisions referred to in Article 99 (Transitional arrangements) of the IPA Implementing Regulation.

The part of this programme concerning Albania shall be implemented on a centralised basis by the European Commission in accordance with Article 53a of the Financial Regulation⁷ and the corresponding provisions of the Implementing Rules⁸.

In the event of centralised management the role of the Commission in the selection of operations under a cross-border programme is specified in Article 140 of the IPA Implementing Regulation.

4.2. General rules for Procurement and grant award procedures

Procurement shall follow the provisions of Part Two, Title IV of the Financial Regulation and Part Two, Title III, Chapter 3 of its Implementing Rules⁹ as well as the rules and procedures for service, supply and works contracts financed from the general budget of the European Communities for the purposes of cooperation with third countries adopted by the Commission on 24 May 2007 (C(2007)2034).

Grant award procedures shall follow the provisions of Part One, Title VI of the Financial Regulation and Part One, Title VI of its Implementing Rules.

Where appropriate, the Contracting Authorities shall also use the standard templates and models facilitating the application of the above rules provided for in the "Practical Guide to contract procedures for EC external actions" ("Practical Guide") as published on the EuropeAid website¹⁰ at the date of the initiation of the procurement or grant award procedure.

⁷ OJ L 248, 16.9.2002, p.1, Regulation as amended by Regulation (EC, Euratom) No 1995/2006 (OJ L 390, 30.12.2006, p.1)) and by Council regulation (EC, Euratom) n°1525/2007 of 17 December 2007 (OJ L 343, 27.12.2007, p.9).

⁸ OJ L 357, 31.12.2002, p. 1, Regulation as last amended by Regulation (EC, Euratom) No 478/2007 (OJ L 111, 28.4.2007, p. 1).

⁹ See footnote 2 and 3 *supra*.

¹⁰ current address: http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

4.3. Environmental Impact Assessment and Nature Conservation (where appropriate)

All investments shall be carried out in compliance with the relevant Community environmental legislation.

The procedures for environmental impact assessment as set down in the EIA-directive¹¹ fully apply to all investment projects under IPA. If the EIA-directive has not yet been fully transposed, the procedures should be similar to the ones established in the above-mentioned directive.

If a project is likely to affect sites of nature conservation importance, an appropriate nature conservation assessment shall be made, equivalent to that provided for in Article 6 of the Habitats Directive must be documented¹².

5. MONITORING AND EVALUATION

5.1. Monitoring

The implementation of the cross-border programme will be monitored by the joint monitoring committee referred to in Article 110 of the IPA Implementing Regulation, established by the participating countries, which include representatives of the Commission.

In Albania, the Commission may undertake any actions it deems necessary to monitor the programme concerned.

5.2. Evaluation

Programmes shall be subject to evaluations in accordance with Article 141 of the IPA Implementing Regulation, with an aim to improve the quality, effectiveness and consistency of the assistance from Community funds and the strategy and implementation of the cross-border programmes.

6. AUDIT, FINANCIAL CONTROL, ANTIFRAUD MEASURES;

The accounts and operations of all parties involved in the implementation of this programme, as well as all contracts and agreements implementing this programme, are subject to, on the one hand, the supervision and financial control by the Commission (including the European Anti-Fraud Office), which may carry out checks at its discretion, either by itself or through an outside auditor and, on the other hand, audits by the European Court of Auditors. This includes measures such as ex-ante verification of tendering and contracting carried out by the Delegations in the Beneficiary Countries.

In order to ensure the efficient protection of the financial interests of the Community, the Commission (including the European Anti-Fraud Office) may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (EC, Euratom) 2185/96¹³.

¹¹ Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment(OJ L 175, 5.7.1985, p. 40. Directive as last amended by Directive 2003/35/EC, OJ L 156, 25.6.2003, p. 17.

¹² Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L206, 22.7.1992). Directive as last amended by Regulation (EC) No 1882/2003 (OJ L284, 31.10.2003, p. 1)

¹³ Council Regulation (EC,Euratom) 2185/96 of 11 November 1996, OJ L 292; 15.11.1996; p. 2.

The controls and audits described above are applicable to all contractors, subcontractors and grant beneficiaries who have received Community funds.

7. LIMITED CHANGES

Limited changes in the implementation of this programme affecting essential elements listed under Article 90 of the Implementing Rules to the Financial Regulation, which are of an indicative nature¹⁴, may be undertaken by the Commission's authorising officer by delegation (AOD), or by the Commission's authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management without an amending financing decision being necessary.

¹⁴ These essential elements of an indicative nature are, for grants, the indicative amount of the call for proposals and, for procurement, the indicative number and type of contracts envisaged and the indicative time frame for launching the procurement procedures.