



Brussels, 22.7.2015
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COMMISSION IMPLEMENTING DECISION

of 22.7.2015

**adopting a Cross-border cooperation Action Programme the former Yugoslav Republic
of Macedonia - Republic of Albania for the years 2015-2017**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures of the implementation of the Union's instruments for financing external action¹ and in particular Article 2(1) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002² and in particular Article 84(2) thereof,

Whereas:

- (1) Regulation (EU) No 231/2014³ lays down the objectives and main principles for pre-accession assistance to beneficiaries listed in Annex I to that Regulation.
- (2) In accordance with Article 7 of the Regulation (EU) No 231/2014 the assistance should be implemented through annual or multi-annual programmes, country specific or multi-country programmes, as well as cross-border cooperation programmes. These programmes should be drawn up in accordance with the Regulation (EU) No 231/2014 and the relevant country or multi-country indicative strategy papers referred to in Article 6 of that Regulation.
- (3) In accordance with Article 6(3) of Regulation (EU) No 236/2014, the Commission may adopt multi-annual action programmes for a period of up to three years in the case of recurrent actions. For years other than the initial commitment year (2015), the commitments are indicative and depend on the future annual budgets of the Union.
- (4) The Council established an Accession Partnership or a European Partnership for all beneficiaries listed in Annex I to Regulation (EU) No 231/2014. The Commission adopted an indicative multi-country strategy paper for 2014-2020 on 30 June 2014

¹ OJ L 77, 15.03.2014, p. 95.

² OJ L 298, 26.10.2012, p.1.

³ Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), OJ L 77, 15.03.2014, p. 11.

which provides indicative allocations for the 2014-2020 territorial cooperation programmes⁴.

- (5) The cross-border cooperation programme between the former Yugoslav Republic of Macedonia and the Republic of Albania for the period 2014-2020 approved through the Commission Implementing Decision C(2014) 9674 of 11 December 2014, provides the framework for the adoption of the cross-border cooperation action programmes and sets out the indicative allocations for the period 2014-2020 without constituting a financial commitment itself.
- (6) The cross-border cooperation action programme between the former Yugoslav Republic of Macedonia and the Republic of Albania for the years 2015-2017, aims at providing assistance for cross-border cooperation in the following thematic priorities: encouraging tourism, culture and natural heritage; enhancing competitiveness, business, trade and investment; protecting the environment, promoting climate change adaptation and mitigation, risk prevention and management.
- (7) It is necessary to adopt a financing decision, the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012⁵.
- (8) The maximum contribution of the European Union set by this Decision should cover any possible claims for interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Commission Delegated Regulation (EU) No 1268/2012.
- (9) Pursuant to Article 94(4) of Commission Delegated Regulation (EU) No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (10) The action programme provided for by this Decision is in accordance with the opinion of the IPA II Committee set up by Article 13 of the Regulation (EU) No 231/2014.,

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the programme

The cross-border cooperation action programme between the former Yugoslav Republic of Macedonia and the Republic of Albania under the Instrument for Pre-accession Assistance (IPA II) for the years 2015-2017 as set out in Annex 1, is hereby approved.

⁴ Commission Implementing Decision C(2014)4293 of 30.6.2014 adopting a Multi-country Indicative Strategy Paper for the period 2014-2020.

⁵ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union, OJ L 362, 31.12.2012, p. 1.

Article 2

Financial contribution

The maximum amount of the European Union contribution for the implementation of the cross-border cooperation action programme the former Yugoslav Republic of Macedonia - Republic of Albania under the Instrument for Pre-accession Assistance (IPA II) referred to in Article 1 is set at EUR 4,590,000.

EUR 1,700,000 to be financed from budget line 22.02.04.01 of the general budget of the EU for year 2015.

EUR 1,700,000 to be financed from budget line 22.02.04.01 of the general budget of the EU for year 2016.

EUR 1,190,000 to be financed from budget line 22.02.04.01 of the general budget of the EU for year 2017.

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft budget for financial years 2016 and 2017, after the adoption of the general budget for that financial year or as provided for in the system of provisional twelfths.

The financial contribution referred to in the first sub-paragraph may also cover interest due for late payment.

Article 3

Implementation modalities

This programme shall be implemented by direct management.

A Financing Agreement shall be concluded between the Commission and the Governments of the former Yugoslav Republic of Macedonia and the Republic of Albania in conformity with the Framework Agreements to be concluded between the Commission and the former Yugoslav Republic of Macedonia and the Republic of Albania respectively.

Article 4

Non-substantial changes

The following changes shall not be considered substantial provided that they do not significantly affect the nature and objectives of the actions:

- (a) increases or decreases for not more than 20% of the maximum contribution set in the first paragraph of Article 2, and not exceeding EUR 10 million;
- (b) cumulated reassignments of funds between specific actions within each budgetary year not exceeding 20% of the maximum contribution set in the first paragraph of Article 2;
- (c) extensions of the implementation and closure period;

- (d) within the limits of 20% referred to in points (a) and (b) above, up to 5% of the contribution referred to in the first paragraph of Article 2 of this financing decision may serve to finance actions which were not foreseeable at the time the present financing decision was adopted, provided that those actions are necessary to implement the objectives and the results set out in the programme.

The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 22.7.2015

For the Commission
Johannes HAHN
Member of the Commission

ANNEX 1

CROSS-BORDER COOPERATION ACTION PROGRAMME THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA - REPUBLIC OF ALBANIA FOR THE YEARS 2015-2017

1 IDENTIFICATION

Beneficiaries	The former Yugoslav Republic of Macedonia Republic of Albania
CRIS/ABAC Commitment references	EUR 1,700,000 22.02.04.01 2016/038-162
Union Contribution	EUR 1,700,000 22.02.04.01 2016/038-163
Budget line	EUR 1,190,000 22.02.04.01 2016/038-164
Management mode	Direct management by the European Commission
Responsible Structures	In the former Yugoslav Republic of Macedonia: the Ministry of Local Self Government In the Republic of Albania: the Ministry of European Integration
Final date for concluding <u>Financing Agreement(s)</u> with the IPA II beneficiary countries (tripartite)	For the budgetary commitment of year 2015: At the latest by 31 December 2016 For the budgetary commitment of year 2016: At the latest by 31 December 2017 For the budgetary commitment of year 2017: At the latest by 31 December 2018
Final date for concluding <u>procurement and grant contracts</u>	3 years following the date of conclusion of the Financing Agreement (signature of the last party) with the exception of the cases listed under Article 189(2) Financial Regulation
Final date for operational implementation	6 years following the date of conclusion of the Financing Agreement (signature of the last party).
Final date for implementing the Financing Agreement (date by which this programme should be de-committed and closed) after the acceptance of the accounts	12 years following the conclusion of the Financing Agreement (signature of the last party)
Programming Unit	DG NEAR, Unit D3 - the former Yugoslav Republic of Macedonia, Kosovo
Implementing Unit/ EU Delegation	Delegation of the European Union to the former Yugoslav Republic of Macedonia

2 DESCRIPTION OF THE ACTION PROGRAMME

2.1 OVERVIEW OF THE 2014-2020 CROSS-BORDER COOPERATION PROGRAMME AND THE 2015-2017 CBC ACTION PROGRAMME

The 2014-2020 CBC programme the former Yugoslav Republic of Macedonia - Republic of Albania was approved by Commission Implementing Decision C(2014) 9674 of 11 December 2014. The adopted 2014-2020 programme constitutes the CBC cooperation strategy for the border region, setting out among others the list of geographical eligible areas, the area context, the programme thematic priorities and the indicative budget allocations for the 7 years period.

The 2014-2020 CBC programmes also serve as a reference for the adoption of the CBC action programmes. The 2015-2017 CBC action programme aims at providing assistance for cross-border cooperation in the thematic areas spelled out in the 2014-2020 programme (as indicated in section 2.2).

- List of geographical eligible areas

In the former Yugoslav Republic of Macedonia:

Pelagonia region: municipalities Bitola, Demir Hisar, Dolneni, Krivogastani, Krusevo, Mogila, Novaci, Prilep, and Resen;

Polog region: municipalities Bogovinje, Brvenica, Gostivar, Jegunovce, Mavrovo and Rostusa, Tearce, Tetovo, Vrapciste and Zelino;

Southwest region: municipalities Centar Zupa, Debar, Debarca, Kicevo, Makedonski Brod, Ohrid, Plasnica, Struga and Vevcani.

In the Republic of Albania:

Dibra region: districts Bulqiza, Burreli and Diber;

Elbasan region: districts Cerriku, Elbasan, Gramshi, Librazhdi and Peqini;

Korca region: districts Devolli, Korça, Kolonja and Pogradec.

- Cross-border cooperation (CBC) eligible area context

1. Encouraging tourism, culture and natural heritage
2. Enhancing competitiveness, business, trade and investment
3. Protecting environment, promoting climate change adaptation and mitigation, risk prevention and management

Thematic priority 1 builds on identified strategic opportunities related to the increasing importance of tourism as an economic opportunity while fostering cultural exchange and promotion of natural heritage will sustain people-to-people and civil society dialogue between institutions.

Thematic priority 2 is needs and opportunity-driven and seeks to address low employment levels in the Programme Area.

Thematic priority 3 aims to respond to specific needs of one of the most neglected policy sectors; environment and climate change. In the CBC context this will address issues of the promotion of cleaner and greener economy, more responsible and sustainable use of natural resources, climate resilience small-scale support infrastructure (against flooding and wildfires) and soil erosion in the mountainous border area.

- Overview of past and on-going CBC experience including lessons learned

Key recommendations from interim evaluations and audits on the 2007-2013 CBC programmes have been taken on board in the development of this programme. Thus, the 2014-2020 CBC programmes are more focused as regards the number of thematic priorities addressed and the geographical eligibility, which will help to achieve better results and increased impact. Additionally the implementation of the CBC programmes has been simplified mainly by having a single contracting authority and a single financial envelope per programme.

2.2 DESCRIPTION AND IMPLEMENTATION OF THE ACTIONS

Action 1	Cross-Border Cooperation Operations	EUR 4,590,000
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(1) Description of the action, objective, expected results

Description of the action: Cross-Border cooperation operations in the border region in the fields of environment, climate change adaptation and mitigation, risk prevention and management, tourism and cultural and natural heritage, competitiveness, business and SME development, trade and investment.

Objective: Socioeconomic development and strengthening of the neighbourly relations in the cross border area through the implementation of cross-border cooperation operations aiming at:

- a) protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness;
- b) encouraging tourism and cultural and natural heritage;
- c) enhancing competitiveness, the business environment and the development of small and medium-sized enterprises, trade and investment through, inter alia, promotion and support

to entrepreneurship, in particular small and medium-sized enterprises, and development of local cross-border markets and internationalisation;

Expected results:

- a) Awareness and knowledge of sustainable use of natural resources and environment is fostered;
Public infrastructure vulnerable to floods, soil erosion and wildfire is upgraded;
- b) Mutual co-operation, understanding and respect of cultural heritage and values are furthered;
Business opportunities for local service providers and operators in the field of tourism are increased;
- c) The SMEs and start-ups awareness and capacity to tap into new markets and value chains are enhanced.

The 2015-2017 CBC Action Programme will contribute to the achievement of the overall objectives and expected results as defined in the 2014-2020 CBC programme. For further details see section 3.2 of the 2014-2020 CBC programme (Annex 2 of the Commission Implementing Decision C(2014) 9674 of 11 December 2014).

(2) Assumptions and conditions

As a necessary condition for the effective management of the programme, the participating countries shall establish a Joint Monitoring Committee and provide proper and functioning offices and staff for the Joint Technical Secretariat (to be set up under a separate Financing Decision) and the antenna, in case the latter will be set up.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

(3) Essential elements of the action

Grant – Call for proposal: EUR 4,590,000

a) The essential eligibility criteria:

The eligible activities are set out in section 3.2 of the Annex 2 of the Commission Decision C(2014) 9674 of 11 December 2014. The following list is a summary indicating the main eligible actions/operations:

- Design, development and promotion of joint tourism products and services and small scale investment in public tourism infrastructure.
- Training for uplifting of skills in hospitality industry.
- Restoration/reservation, preservation, cleaning and maintenance of cultural and historical sites and associated built environment.
- Support to joint cultural events.
- Assistance to SMEs and start-ups for internationalisation and business partner finding.
- Investment in small-scale cross-border market and trading facilities.
- Promoting and supporting sustainable use of natural resources and environment.
- Promoting investments in small-scale infrastructure for disaster resilience and environmental protection.

The beneficiaries shall be legal entities and be established in an IPA II beneficiary participating in the CBC programme.

Potential beneficiaries could be local authorities, legal entities managed by local authorities, associations of municipalities, development agencies, local business support organisations, economic factors such as SMEs, tourism and cultural organisations, NGOs, public and private bodies supporting the workforce, vocational and technical training institutions, bodies and organisation for nature protection, public bodies responsible for water management, fire/emergency services, schools, colleges, universities and research centers including vocations and technical training institutions, chambers of commerce, associations of CBC residents, farmers organisations, public enterprises.

- b) The essential selection criteria are financial and operational capacity of the applicant.
- c) The essential award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.
- d) Maximum rate of EU co-financing for grants under the calls is 85% of the eligible cost of the action.
- e) Indicative amount of the call(s): EUR 4,590,000

The responsible structures may decide to publish more than one call for proposals. Every call for proposals will have the same objectives, results, essential eligibility, selection and award criteria as described above. Each grant contract will be funded from one budgetary commitment.

- f) Indicative date for launch of the call(s) for proposals: Q3 2015 for the budgetary commitment of year 2015; Q2 2016 for the budgetary commitments of years 2016-2017.

3 BUDGET

2015				2016				2017				Total Financing Decision
	Union contribution*	Grant beneficiary/ies Co-financing**	Total expenditure		Union contribution	Grant beneficiary/ies Co-financing	Total expenditure		Union contribution	Grant beneficiary/ies Co-financing	Total expenditure	
CBC operations	1,700,000	300,000	2,000,000	CBC operations	1,700,000	300,000	2,000,000	CBC operations	1,190,000	210,000	1,400,000	4,590,000
in %	85	15	100		85	15	100		85	15	100	
TOTALS 2015	1,700,000	300,000	2,000,000	TOTALS 2016	1,700,000	300,000	2,000,000	TOTALS 2017	1,190,000	210,000	1,400,000	5,400,000

* The Union contribution has been calculated in relation to the eligible expenditure, which is based on the total eligible expenditure including public and private expenditure. The Union co-financing rate at the level of each thematic priority shall not be less than 20% and not higher than 85% of the eligible expenditure.

**The co-financing of the thematic priorities will be provided by the grant beneficiaries. Grant beneficiaries should contribute with a minimum of 15% of the total eligible cost of the project

4 IMPLEMENTATION

4.1 IMPLEMENTATION MODALITIES AND GENERAL RULES FOR PROCUREMENT AND GRANT AWARD PROCEDURES

DIRECT MANAGEMENT:

This programme shall be implemented by direct management by the Commission / by the Union Delegations in accordance with article 58(1)(a) of the Financial Regulation and the corresponding provisions of its Rules of Application.

Procurement shall follow the provisions of Part Two, Title IV Chapter 3 of the Financial Regulation No 966/2012 and Part Two, Title II, Chapter 3 of its Rules of Application.

Grant award procedures shall follow the provisions of Part Two Title IV Chapter 4 of the Financial Regulation No 966/2012 and Part Two Title II Chapter 4 of its Rules of Application.

Under the Financial Regulation Parts One and Three of the Financial Regulation apply to external actions except as otherwise provided in Part Two, Title IV.

The Commission may also use services and supplies under its Framework Contracts concluded following Part One of the Financial Regulation.

5 PERFORMANCE MONITORING ARRANGEMENTS

As part of its performance measurement framework, the Commission shall monitor and assess progress towards achievement of the specific objectives set out in the IPA II Regulation on the basis of pre-defined, clear, transparent measurable indicators. The progress reports referred to in Article 4 of the IPA II Regulation shall be taken as a point of reference in the assessment of the results of IPA II assistance.

The Commission will collect performance data (process, output and outcome indicators) from all sources, which will be aggregated and analysed in terms of tracking the progress versus the targets and milestones established for each of the actions of this programme, as well as the Indicative Strategy Papers.

The National IPA Co-ordinators (NIPACs) will collect information on the performance of the actions and programmes (process, output and outcome indicators) and coordinate the collection and production of indicators coming from national sources.

The overall progress will be monitored through the following means: a) Result Orientated Monitoring (ROM) system; b) IPA II Beneficiaries' own monitoring; c) self-monitoring performed by the EU Delegations; d) joint monitoring by DG Neighbourhood and Enlargement Negotiations (NEAR) and the IPA II Beneficiaries, whereby the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by an IPA II Monitoring committee, supported by the Joint Monitoring Committee, which will ensure a monitoring process at programme level.