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EUROPEAN COMMISSION

Brussels, 15 October 2010
C(2010) 7102 final

COMMISSION DECISION

C(2010) 7102 of 15 October 2010

adopting the revised “Cross-border programme the former Yugoslav Republic of Macedonia – Albania under the IPA-Cross-border Co-operation component, for the years 2010–2011

COMMISSION DECISION

C(2010) 7102 of 15 October 2010

adopting the revised "Cross-border programme the former Yugoslav Republic of Macedonia – Albania" under the IPA-Cross-border Co-operation component, for the years 2010–2011

THE EUROPEAN COMMISSION,

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

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 an Accession Partnership for the former Yugoslav Republic of Macedonia² and a European Partnership for Albania³. On 29 June 2009 the Commission has adopted the Multi-annual Indicative Planning Document 2009–2011 for the former Yugoslav Republic of Macedonia and on 31 July 2009 the Multi-annual Indicative Planning Document 2009–2011 for Albania, which present the main priorities for pre-accession assistance to those countries⁴.
- (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)⁵ (hereinafter referred to as the "IPA Implementing Regulation"), the Commission adopted on 10 December 2007 the multi-annual "Cross-border programme the former Yugoslav Republic of Macedonia – Albania"⁶.

¹ OJ L 210, 31.07.2006, p. 82.

² Council Decision 2008/212/EC of 18 February 2008 (OJ L 80, 19.3.2008, p. 32).

³ Council Decision 2008/210/EC of 18 February 2008 (OJ L 80, 19.3.2008, p. 1–17).

⁴ For the former Yugoslav Republic of Macedonia: C(2009)5043; for Albania: C(2009)5911

⁵ OJ L 170, 29.6.2007, p.1.

⁶ Decision C(2007)5995 of 10.12.2007.

- (5) In accordance with Article 93(1) of the IPA Implementing Regulation, at the initiative of the Commission, in agreement with the participating countries, the cross-border programme shall be amended in order to update the financing plan so as to add the appropriations for the years 2010 and 2011, according to the revision of the Multi-annual Indicative Financial Framework for 2010–2012⁷. The amendment of the programme also encompasses some minor adjustments revising outdated references. The revised "Cross-border programme the former Yugoslav Republic of Macedonia – Albania" should therefore be adopted by the Commission in accordance with Article 93(2) of the IPA Implementing Regulation.
- (6) 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 1605/2002⁸ 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 Communities⁹.
- (7) The measures provided for by this Decision are in accordance with the opinion of the IPA Committee,

HAS DECIDED AS FOLLOWS:

Article 1

The "Cross-border programme the former Yugoslav Republic of Macedonia – Albania", as set out in Annex 2 to this Decision, is hereby adopted. It replaces the programme adopted on 10 December 2007 (Decision C(2007)5995)

The Financing proposal for the years 2010–2011 of the "Cross-Border programme the former Yugoslav Republic of Macedonia – Albania", as set out in Annex 1 to this Decision, is hereby adopted.

This programme shall be implemented by centralised management.

The programme corresponding to budget years 2010 and 2011 shall be implemented by means of annual Financing Agreements to be concluded between the Commission and the Government of each of the participating Countries in conformity with the Framework Agreements concluded between the same parties on 30 October 2007 for the former Yugoslav Republic of Macedonia and on 18 October 2008 for Albania. Each such Financing Agreement shall cover the European Union contribution for the beneficiary country and the year concerned.

⁷ COM(2008)705 final of 5 November 2008.

⁸ OJ L 357, 31.12.2002, p.1.

⁹ OJ L 248, 16.09.2002, p.1.

Article 2

In the budget year 2010, the maximum amount of the European Union contribution shall be EUR 1 000 000 for the former Yugoslav Republic of Macedonia] and EUR 850 000 for Albania to be financed through Item 22.02.04.01 of the general budget of the European Union.

In the budget year 2011, the maximum amount of the European Union contribution shall be EUR 1 000 000 for the former Yugoslav Republic of Macedonia and EUR 850 000 for Albania to be financed through Item 22.02.04.01 of the general budget of the European Union, subject to the approval of the Budget 2011 by the budgetary authority.

Done at Brussels,

*For the Commission,
Štefan Füle
Member of the Commission*

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ANNEX 1
FINANCING PROPOSAL FOR THE YEARS 2010 and 2011
OF THE CROSS-BORDER PROGRAMME
the former Yugoslav Republic of Macedonia - Albania

1. IDENTIFICATION

Beneficiaries	the former Yugoslav Republic of Macedonia and Albania
CRIS number	the former Yugoslav Republic of Macedonia 2010/022-402; 2011/022-404 Albania 2010/022-403; 2011/022-405
Years	2010 and 2011
Cost	2010: the former Yugoslav Republic of Macedonia: EUR 1.0 million Albania: EUR 0.85 million Total value of the IPA contribution: EUR 1.85 million 2011: the former Yugoslav Republic of Macedonia: EUR 1.0 million Albania: EUR 0.85 million Total value of the IPA contribution: EUR 1.85 million
Operating structures	In the former Yugoslav Republic of Macedonia: the Ministry of Local Self Government In Albania: the Ministry of European Integration
Contracting Authority / Implementing Agency	For the former Yugoslav Republic of Macedonia: European Commission For Albania: European Commission

Final date for concluding the Financing Agreements:	For the 2010 funds: at the latest by 31 December 2011 For the 2011 funds: at the latest by 31 December 2012
Final date for contracting	2 years following the date of conclusion of each 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 for each Financing Agreement These dates apply also to the national co-financing.
Sector Code	41010, 33210, 15150, 16010
Budget lines concerned	22.02.04.01
Programming Task Managers	ELARG Unit B2 the former Yugoslav Republic of Macedonia
Implementation Task Managers	For the former Yugoslav Republic of Macedonia: EU Delegation , Operations Section For Albania: EU Delegation, Operations Section

2. SUMMARY

2.1. Introduction

2.1.1. *Link with the MIPD*

The programme's strategic reference is the Multi-Annual Indicative Planning Document (MIPD) 2009-2011. Regional cooperation is one important element for European Integration, as the MIPDs of both partner countries outline. Besides, given the candidate status of the the former Yugoslav Republic of Macedonia , cross-border cooperation is aimed *inter alia* at familiarizing future member states with rules and procedures governing the European Territorial Cooperation objective under Structural Funds. It, most of all, concentrates on creating closer links between border regions, supporting joint environmental protection activities and improving the potentials for tourism. These are the main priorities and objectives that have prevailed in the preparation of the CBC with neighbouring Western Balkan countries.

2.1.2. Programming process

The programming process took place between December 2006 and May 2007 and was supported in both countries by the Cross-border Institution Building project (CBIB). It was coordinated in each country by the respective cross-border coordinators (Ministry of Local Self Government in the former Yugoslav Republic of Macedonia and Ministry of European Integration in Albania).

The different stages of the cross-border programme (situation and SWOT analyses, objectives and strategy, implementing provisions) were discussed during meetings organized almost every month in each country. These meetings were also attended by representatives from the European Commission (European Agency for Reconstruction EAR or the Delegations). During this period, the Joint Programming Committee met twice, once in Ohrid on 12 April (approval of the eligible region and presentation of the situation and SWOT analyses) and once in Korca on 23 May (approval of the final draft document).

In October 2009 a limited revision of the programme was undertaken by the Operating Structures with the support of the CBIB, in order to update financial allocations, indicators and factual changes as necessary; this revised version was accepted by the Joint Monitoring Committee in November 2009.

2.1.3. List of eligible areas [and adjacent areas]

The eligible area in the former Yugoslav Republic of Macedonia includes three statistical regions corresponding to NUTS III equivalent classification: Pelagonia, Southwest and Polog.

The eligible area in Albania includes three administrative regions corresponding to NUTS III equivalent classification: Dibra, Elbasan and Korca Regions.

The territory of the eligible areas is almost the same in each country and the population is also well balanced. However, the analysis of the cross-border region revealed great differences between the two countries and even more between the southern and the northern part of the region: the demographic features and the economic trends are different and sometimes contradictory. These discrepancies were taken into account when defining the programme strategy.

2.2. Global objective(s) of the programme

The global objective of the programme is to promote sustainable development in the cross-border area. Joint actions implemented within the programme should have an impact on the social and economic situation of the population, improve the joint management and valorisation of human, natural and cultural resources and strengthen the image and the cohesion of the cross-border region and sub-regions.

Three specific objectives have been defined:

2.2.1. To support the establishment of joint actions and strategies aiming at protecting and valorising the natural resources of the region.

2.2.2. To foster sustainable economic development of the region.

2.2.3. To develop long term partnerships and networking between civil society organizations (NGOs, sport organizations, etc), professional organizations (i.e. Chambers of Commerce, entrepreneurs and farmers' organizations) and decentralized institutions, particularly schools and faculties, including research and development units.

2.3. Priority axis, the related measures and their specific aspects concerning the implementation of the 2010–2011 budget

2.3.1. Priority 1: Fostering cross-border economic, environmental and social development.

This priority is a response to the different and sometimes contrasted situations and needs to be identified within the cross-border region. The protection and management of natural resources are considered to be a major cross-border issue in the southern part (Ohrid and Prespa lakes), and the social issues related to poverty and unemployment are considered to be of high priority in the north. Priority 1 tries to reconcile these two approaches. It also tries to give space to the economic actors, particularly, but not exclusively, in the tourism sector, which takes into account the current low level of business cooperation at the border. More generally, this priority should allow the definition and implementation of people-to-people actions, thus fostering cross-border cooperation on the level of communities and civil society.

Measure 1: Economic development with an emphasis on tourism related areas.

Tourism is one of the main economic potentials of the region and in some areas it is already developed, almost as an industry. This measure intends to support the development of small infrastructures, good practices and strategic plans in order to extend tourism activities to the whole cross-border region. Specific attention is given to the transfer of know-how from the former Yugoslav Republic of Macedonia to Albania where the tourism industry is still at an early stage. The measure gives priority to alternative types of tourism (rural and family tourism, eco-tourism, etc) to be developed in parallel to more classical practices. More generally, the measure aims at fostering all sectors of the economy that contribute to building a strong and specific identity of the cross-border region. This includes the promotion and protection (branding, better access to the market) of the traditional agro-food products, as well as handicrafts. As a transversal objective and in order to give the business community the possibility to participate in the programme, the measure also aims at facilitating trans-boundary business cooperation (organization of fairs, consumers' studies, etc.).

Measure 2: Sustainable environmental development with an emphasis on protection, promotion and management of natural resources and ecosystems.

This measure intends to build on the cross-border dynamic launched in the environmental sector during recent years. It supports the current efforts of the local and national authorities in establishing joint environmental policies and pilot programmes and involves the civil society in the process. It takes into account the crucial importance of sustainable management of the natural resources for the economic development of the region.

Measure 3: Social cohesion and cultural exchange through people-to-people and institution-to-institution actions.

Based on the fact that the cross-border cooperation is still at a low level, the third measure is specifically intended to promote people-to-people and institution-to-institution (such as schools, universities, research centres) operations. The priority sectors are the valorisation of the unique historical and cultural heritage and all types of operations that support the social integration of the marginalized groups, unemployed, rural youth, women in the labour force, etc. This measure also aims at encouraging joint research and educational activities.

2.3.2. Priority 2: Technical Assistance (TA)

TA funds (10% of the Union contribution) will be used to support the activities of the Operating Structures and the Joint Monitoring Committee. TA funds can be used to cover the costs of management and implementation of the programme in each participating country.

These may include, inter alia, the following costs:

Establishment and functioning of the Joint Technical Secretariat and its antennae, including cost of staff with the exclusion of salaries of public officials;

Expenses for participation in different meetings related to the implementation of the programme;

Administrative and operational costs, including the costs of preparation, monitoring and evaluation of programmes, appraisal and selection of operations, the organisation of meetings related to the programme, translation, information and publicity costs.

According to article 90(2) of Regulation (EC) No 718/2007 (IPA Implementing Regulation) the TA priority, as with any priority of the CBC programmes, requires 15% co-financing from national funds.

Tentative timetable and indicative amounts for the implementation of the measures:

For Priority 1, it is tentatively foreseen to launch two joint calls for proposals: one concerning the total amount of funds for the year 2010, to be tentatively launched in the second half of 2010; the second covering the total amount of funds for the year 2011, to be tentatively launched in the second half of 2011.

The essential selection and award criteria for the award of grants should be those laid down in the practical guide (PRAG) to contract procedures for EU external aid. The detailed selection and award criteria for the award of grants will be laid down in Call for proposals–Application Pack (Guidelines for applicants).

For grants awarded through Calls for proposals, the use of lump sums and/or flat rate financing is possible (in accordance with Art. 181 of the Implementing Rules to the Financial Regulation), up to an amount of EUR 25,000 per grant. Where relevant, the detailed conditions for the use of lump sums or flat rate financing shall be included in the Call for proposal/Guidelines for applicants.

For Priority 2, considering that the relevant national authorities (Operating Structures in the former Yugoslav Republic of Macedonia and Albania) enjoy a *de facto* monopoly situation (in the sense of Art. 168, paragraph 1, sub-paragraph c of the Implementing Rules¹⁰ to the

¹⁰ Regulation (EC, Euratom) No 2342/2002 (OJ L 357, 31.12.2002, p.1)

Financial Regulation¹¹) for the implementation of the cross-border programme, the relevant contracting authorities in both countries should establish individual direct grant agreements without call for proposals with the Operating Structures for amounts up to those provided under the TA Priority in each country. Subcontracting by the Operating Structures of the activities covered by the direct grant agreements (e.g. TA, evaluation, publicity etc.) is allowed in accordance with Article 120 of the Financial Regulation and Article 184 of the Implementing Rules to the Financial Regulation.

The direct grant agreements can be signed as soon as the respective Financing Agreements have been concluded. For the purpose of an efficient use of TA funds, a close co-ordination between national authorities (Operating Structures, CBC coordinators) of the participating countries is required.

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

The cross-border cooperation dynamic between the former Yugoslav Republic of Macedonia and Albania was initiated in 1997-1999 by the Phare multi-country programme CREDO, which aimed at promoting good neighbour relation, social stability and economic development in the border region. The programme provided funds for the implementation of cross-border projects in the area of environment, NGO collaboration and local administrations.

So far, the cross-border initiatives in the eligible area have mainly been targeting environmental issues and have been particularly concentrated in the southern part. Although the region already has a lead in establishing a joint management of trans-boundary natural resources, the overall cross-border cooperation is still at a low level.

The Lake Ohrid Conservation Project, supported by the World Bank, is often considered to be a model of integrated management of trans-boundary water resources. In 2004, the governments of the two countries signed an agreement for “the protection and sustainable development of Lake Ohrid and its watershed”. The existing joint structures, as well as the bilateral agreement, provide a good frame for further cross-border initiatives.

The Regional Environmental Centre (REC) supported in 2006 a cross-border initiative between Debar in the former Yugoslav Republic of Macedonia and Peshkopia in Albania. The project trained local decision makers and relevant experts to identify and prepare environmental investment projects and to create professional financing applications. Priority problems concerned water supply and collection and discharge of wastewater.

The first Financing Agreements concerning the IPA Cross-border programme the former Yugoslav Republic of Macedonia - Albania for the year 2007 were signed in Skopje on 27 March 2008 and in Tirana on 16 April 2008, while the first joint call for proposals was launched in June 2009. Evaluation of applications received is on-going and implementation of projects is expected to start after the summer 2010.

¹¹ Regulation (EC, Euratom) No 1605/2002 (OJ L 248, 16.09.2002, p.1)

2.4.1. Lessons learned

Most of the cross-border initiatives started only recently, making it somewhat premature to define “lessons learned”. However, the following points can be highlighted:

Most of the presently implemented projects are focused on environment protection issues. These projects reflect the priorities defined by the national and regional institutions, providing for a sound embedding in local and national development priorities. However, it is important to strongly associate civil society and private sector.

Low capacity in project preparation of most of the final beneficiaries. This could impede the implementation of the programme, particularly in the northern part where almost no initiative has been implemented so far (with the exception of the axis Debar-Peshkopia). Specific training of potential applicants will be essential throughout the programme.

A few municipalities, mainly located in the south, have had a leading role in the past and current cross-border initiatives. These municipalities should play a key role in implementing the programme (transfer of know-how, etc.).

Establishing operational and sustainable cross-border partnerships will be a challenge for most of the beneficiaries. Specific support will certainly be required in order to facilitate the communication and the establishment of viable partnerships.

2.4.2. Donor's coordination

During the previous IPA committees, the Member States clearly indicated their wish that their embassies as well as the local branches of the IFIs and the civil society be consulted on the IPA programming documents. These consultations are already carried out in the former Yugoslav Republic of Macedonia since the drafting process of the MIPD 2007-2009.

After the draft CBC programme was submitted to the Commission, the delegations circulated it to Member States embassies and local branches of IFIs in the capitals of the countries. The comments received have been taken into account in finalising the cross-border programme.

2.5. Horizontal issues

2.5.1. Equal opportunities and non-discrimination

Abiding by the legal obligations in both countries, the programme will ensure equal access to the programme’s activities by all different groups in society. In particular, measure three will foster social cohesion and cultural exchange through people-to-people and institution-to-institution actions through support to the social integration of the marginalized groups, unemployed, rural youth and women in the labour force.

2.5.2. *Support for minority and vulnerable groups*

The measure three of priority one aims at developing and implementing programmes for social integration of vulnerable groups such as unemployed, rural youth and women in the labour market. Most of the cultural actions to be implemented under this measure aim at valorising the multiethnic feature of the region, considered as an asset for the economic and social development. Participation of the minorities and vulnerable groups in the cross-border activities will therefore be highly encouraged.

2.5.3. *Environmental protection*

The measure two of priority one is entirely dedicated to environmental protection. The aim of the proposed activities will be to raise awareness on environmental issues and to encourage the private sectors and small municipalities to participate more actively in the dynamic already launched at the institutional level.

2.5.4. *Good governance, with particular attention to fight against corruption.*

Especially through measure one, but also relevant in the other measures, support will be provided for the development of inter alia good practices and strategic plans, transfer of know-how as well as facilitation of trans-boundary cooperation. In addition, measure two will stimulate cooperation between different national and municipal authorities to establish joint environmental policies and pilot programmes, while the inclusion of the civil society in these activities will be further enhanced.

2.6. **Conditions**

The successful implementation of the programme depends on adequate staffing and functioning of the Operating Structures, Joint Monitoring Committee, and Joint Technical Secretariat and its antenna.

2.7. **Benchmarks**

2010	N	N+1 (cumulative)	N+2 (cumulative)
Number of direct grant agreement in the former Yugoslav Republic of Macedonia	1	1	1
Number of direct grant agreement in Albania	1	1	1
Number of joint calls for proposals launched	1	1	1
Contracting Rate (%) in the former Yugoslav	10	10	100

Republic of Macedonia			
Contracting Rate (%) in Albania	10	10	100

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

2011	N	N+1 (cumulative)	N+2 (cumulative)
Number of direct grant agreement in the former Yugoslav Republic of Macedonia	1	1	1
Number of direct grant agreement in Albania	1	1	1
Number of joint calls for proposals launched	1	1	1
Contracting Rate (%) in the former Yugoslav republic of Macedonia	10	10	100
Contracting Rate (%) in Albania	10	10	100

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

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

A roadmap with indicative benchmarks and time limits to achieve decentralisation without ex ante controls by the Commission will be developed once the Commission has conferred the management powers to the national authorities.

Concerning the indicative roadmap for decentralisation with *ex ante* control (DIS), the situation is the following:

In the case of the **former Yugoslav Republic of Macedonia**, the establishment of the management and control system was decided by the Government in October 2005; following the changes in IPA Regulations it was revised in December 2006. The National Fund (NF) and the Central Contracting and Financing Department (CFCD) were established and the Programme Authorising Officer (PAO), the Competent Accrediting Officer (CAO) and the Senior Programme Officers (SPOs) were nominated. In the first half of 2007 a Gap Assessment to comply with the new IPA Implementing Regulation was carried out and the National Authorities submitted a Gap Assessment report to the Commission. In a subsequent step, gap plugging was done during the second half of 2007-beginning of 2008. Following a compliance assessment and the accreditation of the system, the CAO submitted the

application to the Commission for conferral of management of Component I in January 2009. The Commission completed a verification mission in March 2009, which identified a substantial number of 'high risks' in the services of the NAO, NIPAC and line ministries. In parallel to the already granted conferrals of management powers for Components III, IV and V (during the second half of 2009), a number of actions are on-going for mitigating the high risks identified by the auditors for IPA component I. The final verification mission took place in February 2010, after which the conferral of management powers may be granted (Commission decision expected for July 2010).

In Albania, the roadmap for the decentralised management process of IPA Component I was developed in December 2008 and reviewed during the summer 2009. The key actors for decentralised management have been appointed by a Government Decree of 5 September 2007: National IPA Coordinator (NIPAC), Competent Accrediting Officer (CAO), National Authorising Officer (NAO) and Programming Authorising Officer (PAO). The National Fund (NF) is not yet established within the Ministry of Finance but two persons are nominated in charge of all issues for the NF in this preparatory stage. The Contract and Finance Coordination Unit (CFCU) is established within the structure of the Ministry of Finance by Decree of 13 June 2007 and it was restructured in July 2008. A Steering Committee (SC) for Decentralised management preparations, chaired by the NAO, has been established. Senior Programming Officers (SPOs) for IPA Component I in line ministries have been re-appointed in November 2009 after the summer 2009 legislative elections. The Audit Authority was established by Council of Minister's Decision of 14 October 2009. The IPA 2007 project to support the Albanian administration to prepare for decentralised management for IPA Component I is currently ongoing and preparing for Stage 1 (gap assessment). A European Commission joint mission in January 2010 allowed the kick-off of preparations for the decentralised management process for components III, IV and V. While the structures have already been set-up, EU funded technical assistance to the Albanian authorities for the drafting of a roadmap for the decentralised management of IPA Component II is scheduled to start during spring 2010. The IPA 2009 project to support the Albanian national authorities' further progress towards the decentralised management of IPA Components II, III, IV and V in Albania should start being implemented in winter 2010.

3. BUDGET FOR 2010 AND 2011

3.1. Indicative 2010 financial table for the former Yugoslav Republic of Macedonia

(1)	(2) IPA EU contribution		(3) National contribution		(4) Total	
	(5) EUR (a)	(6) % ⁽¹⁾	(7) EUR (b)	(8) % ⁽¹⁾	(9) EUR (c)=(a)+(b)	(10) % ⁽²⁾
(11) Priority axis 1	(12) 900 000	(13) 85	(14) 159 000	(15) 15	(16) 1 059 000	(17) 0
(18) Priority axis 2	(19) 100 000	(20) 85	(21) 18 000	(22) 15	(23) 118 000	(24) 0
(25) TOTAL	(26) 1 000 000	(27) 85	(28) 177 000	(29) 15	(30) 1 177 000	(31) 00

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

(33)⁽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. Indicative 2010 financial table for Albania

(34)	(35) IPA EU contribution		(36) National contribution		(37) Total	
	(38) EUR (a)	(39) % ⁽¹⁾	(40) EUR (b)	(41) % ⁽¹⁾	(42) EUR (c)=(a)+(b)	(43) % ⁽²⁾
(44) Priority axis 1	(45) 765 000	(46) 85	(47) 135 000	(48) 15	(49) 900 000	(50) 0
(51) Priority axis 2	(52) 85 000	(53) 85	(54) 15 000	(55) 15	(56) 100 000	(57) 0
(58) TOT AL	(59) 850 000	(60) 85	(61) 150 000	(62) 15	(63) 1 000 000	(64) 00

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

(66)⁽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)

3.3. Indicative 2011 financial table for the former Yugoslav Republic of Macedonia

(67)	(68) IPA EU contribution		(69) National contribution		(70) Total	
	(71) EUR (a)	(72) % ⁽¹⁾	(73) EUR (b)	(74) % ⁽¹⁾	(75) EUR (c)=(a)+(b)	(76) % ⁽²⁾
(77) Priority axis 1	(78) 900 000	(79) 85	(80) 159 000	(81) 15	(82) 1 059 000	(83) 0
(84) Priority axis 2	(85) 100 000	(86) 85	(87) 18 000	(88) 15	(89) 118 000	(90) 0
(91) TOT AL	(92) 1 000 000	(93) 85	(94) 177 000	(95) 15	(96) 1 177 000	(97) 00

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

(99)⁽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)

3.4. Indicative 2011 financial table for Albania

(100)	(101) IPA EU contribution		(102) National contribution		(103) Total	
	(104) EUR (a)	(105) % ⁽¹⁾	(106) EUR (b)	(107) % ⁽¹⁾	(108) EUR (c)=(a)+(b)	(109) % ⁽²⁾

(110) Priority axis 1	(111) 765 000	(112) 85	(113) 135 000	(114) 15	(115) 900 000	(116) 0
(117) Priority axis 2	(118) 85 000	(119) 85	(120) 15 000	(121) 15	(122) 100 000	(123) 0
(124) TOTAL	(125) 850 000	(126) 85	(127) 150 000	(128) 15	(129) 1 000 000	(130) 00

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

(132) ⁽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)

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

The Union contribution has been calculated in relation to the eligible expenditure, which for the "Cross-border programme the former Yugoslav republic of Macedonia – Albania" is based on the total expenditure, as agreed by the participating countries and laid down in the cross-border programme.

The Union contribution at the level of priority axis shall not exceed the ceiling of 85% of the eligible expenditure.

The Union contribution for each priority axis shall not be less than 20% of the eligible expenditures.

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

The co-financing under Priority axis 1 will be provided by the final grant beneficiaries and can come from public or private funds. The co-financing under Priority axis 2 (TA) will be provided by national public funds.

4. IMPLEMENTATION ARRANGEMENTS

4.1. Method of Implementation

This programme shall be implemented on a centralised basis by the European Commission in accordance with Article 53a of the Financial Regulation¹² and the corresponding provisions of the Implementing Rules¹³.

In the event of centralised management the role of the Commission in the selection of operations under a cross-border programme among beneficiary countries 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 Rules as well as the rules and procedures for service, supply and works contracts financed from the general budget of the European

¹² Regulation (EC, Euratom) No 1605/2002 (OJ L 248, 16.09.2002, p.1)

¹³ Regulation (EC, Euratom) No 2342/2002 (OJ L 357, 31.12.2002, p.1)

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 should 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 website¹⁴ at the date of the initiation of the procurement or grant award procedure.”

4.3. Environmental Impact Assessment and Nature Conservation

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

The procedures for environmental impact assessment as set down in the EIA-directive¹⁵ 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 Directive¹⁶.

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 142 of the IPA Implementing Regulation, established by the participating beneficiary countries, which include representatives of the Commission.

In the former Yugoslav Republic of Macedonia and 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 European Union funds and the strategy and implementation of the cross-border programmes.

¹⁴ current address:
http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

¹⁵ 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).

¹⁶ 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).

An interim evaluation of each of the 8 CBC programmes between candidate–potential candidate countries is being (2010) conducted by independent evaluators under the responsibility of the Commission (DG Enlargement). The final evaluation reports should be available end 2010, early 2011.

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 European Union, 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) 2185/96¹⁷."

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

7. NON SUBSTANTIAL REALLOCATION OF FUNDS

The authorising officer by delegation (AOD), or the 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, may undertake non substantial reallocations of funds without an amending financing decision being necessary. In this context, cumulative reallocations not exceeding 20% of the total amount allocated for the programme, subject to a limit of EUR 4 million, shall not be considered substantial, provided that they do not affect the nature and objectives of the programme. The IPA Committee shall be informed of the above reallocation of funds.

8. LIMITED ADJUSTMENTS IN THE IMPLEMENTATION OF THE PROGRAMME

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 nature¹⁸, 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.

¹⁷ Council Regulation (EC, Euratom) No 2185/96 (OJ L 292; 15.11.1996, p. 2)

¹⁸ 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.