



ANNUAL REPORT 2009
REGARDING THE IMPLEMENTATION OF THE ROMANIA -
SERBIA IPA CROSS-BORDER COOPERATION
PROGRAMME



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Glossary of acronyms

AA	Audit Authority
CA	Certifying Authority
EC	European Commission
EU	European Union
FLCU	First Level Control Unit within the Regional Office for Cross-Border Cooperation Timișoara
IPA	Instrument for Pre-accession Assistance
JEC	Joint Evaluation Committee
JMC	Joint Monitoring Committee
JTS	Joint Technical Secretariat
LP	Lead Partner
MA	Managing Authority
MIS-ETC	Management Information System-European Territorial Cooperation
MoU	Memorandum of Understanding
MRDT	Ministry of Regional Development and Tourism (Romania)
MF	Ministry of Finance (Serbia)
NA	National Authority
Programme	Romania - Republic of Serbia IPA Cross-Border Cooperation Programme
RO	Romania
ROCBC TM	CBC Regional Office Timisoara
TAAS	Technical Assistance Annual Strategy

1- Identification

OPERATIONAL PROGRAMME	Objective concerned: European Territorial Cooperation
	Eligible area concerned The Romania-Serbia border is 546 km long, with the River Danube forming a natural frontier for approximately 230 km of this length. The eligible programme area is defined at NUTS 3 level for the Romanian side: - Timis county, Caras-Severin county and Mehedinti county; As there is no NUTS classification in Republic of Serbia, as defined by the Serbian Government: - Severno-Banatski district, Srednje-Banatski district, Južno-Banatski district, Braničevski district and Borski district.
	Programming period: 2007-2013
	Programme number (CCI No): 2007 CB 16 IPO 005
	Programme title: Romania-Serbia IPA Cross-Border Cooperation Programme
	ANNUAL IMPLEMENTATION REPORT
Reporting year: 2009	
Date of approval of the annual report by the joint monitoring committee:	

2. Overview of the implementation of the Programme

2.1. Achievement and analysis of progress

2.1.1. Information on the physical progress of the Programme

This is the first annual implementation report for the Romania-Republic of Serbia IPA Cross-Border Cooperation Programme.

The Managing Authority for the programme is the Romanian Ministry of Regional Development and Tourism, having as counterpart the Serbian Ministry of Finance.

The programme has been drafted within a large partnership at national, regional and local level from both states and it has been officially approved by the European Commission on March 27, 2008 under the Commission Decision no. 1076.

The programme was officially launched on the May 8, 2008 and a Conference was organized in the eligible area, in order to better promote the funding opportunities under the Programme.

The structure of the Joint Monitoring Committee at institutional level has been established by each partner country and consequently members, observers and their deputies have been nominated by each concerned body.

The first JMC meeting was held on November 5, 2008 but the Rules of Procedure of the JMC were approved on the second JMC meeting held on March 5, 2009. The strategic documents for the implementation of the Programme were also adopted on the 5th of March 2009 at the Joint Monitoring Committee meeting.

There were also 4 written procedures initiated in 2009, approving documents related to the technical assistance of the programme, calls for proposals, communication plans and rules of procedure.

Based on the Applicant Package approved by the JMC, the first call for proposals within the Programme was launched on the 30th of April 2009 and the promotion campaign took place until the deadline for submission of projects - 29th of July 2009.

The first call for proposals was launched for all priority axes, for both "soft" and "hard" projects. A number of 166 projects were submitted within the first call for proposals and were evaluated by a Joint Evaluation Committee.

A number of activities aiming at promoting the programme and supporting the potential beneficiaries have been performed and an important number of questions from potential beneficiaries were answered. The most relevant questions and answers have been posted on the programme website.

An implementation agreement was signed on 19th of February 2009, between the Ministry of Regional Development and Housing and the Regional Office for Cross Border Cooperation Timisoara, hosting the Joint Technical Secretariat (JTS) and the first level control unit (FLCU) for Romanian partners.

No project was selected by the Joint Monitoring Committee in 2009 for priority axes 1-3 and, therefore, no project implementation took place by the end of the year.

One global financing decision for the MA and one financing contract with the ROCBC related to 2009 technical assistance activities were signed in 2009.

A number of activities aiming at promoting the programme and supporting the potential beneficiaries have been achieved using resources from Phare programmes and state budget.

As no project was selected in 2009, it was decided that all necessary measures would be taken in order to postpone the first programme interim evaluation, initially foreseen for the second half of 2009, in the second half of 2010.

The draft description of the management and control systems together with the operational procedures of the programme were elaborated in 2008 and 2009, and

were submitted to the Audit Authority for verification. However, until the finalization of the Description of management and control systems and the signature of the MoU, the Audit Authority cannot give an unqualified opinion.

The indicators which will be used to monitor the progress at OP level are shown in the table below:

Indicators	measurement		2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Indicator 1: Increased degree/intensity of Cooperation between public services/public authorities, municipalities	Number of projects between public authorities with joint development, joint implementation and joint financing.	Achievement		0	0							
		Target ¹									197	
		Baseline	0	0	0							
Indicator 2: Increase in cross-border contacts between people in the border area	Number of participants benefiting from the joint public cross-border events organised within the projects.	Achievement		0	0							
		Target									1200	
		Baseline	0	0	0							
Indicator 3: Increased overall competitiveness of the economy of the border area	Number of projects aimed at improving the business environment and economic performance of the SMEs.	Achievement		0	0							
		Target									5	
		Baseline	0	0	0							
Indicator 4: Improved quality of life in the communities of the border area	Number of projects focusing on improving the living conditions in the border area (developing new services, tackling environmental problems, and other topics which impact the life of people in the border area).	Achievement		0	0							
		Target									113	
		Baseline	0	0	0							
Indicator 5: Increase in population with qualifications received or improved from cross-border training activities	Number of participants benefiting from the training activities organised within projects.	Achievement		0	0							
		Target									600	
		Baseline	0	0	0							

¹ The target can be given either annually or for the whole programming period.

2.1.2. Qualitative analysis

In 2009 the Programme was promoted in the eligible area of Romania and the Republic of Serbia and even at national level in each country with the help of the *mass-media* and the *information and clarification events* organized, with **great impact** visible in the **number of articles published** (over 250 articles), the **number of participants in the events** (over 1000 people) and most importantly, in the number of **projects submitted** for the first call: **166 projects with Romanian and Serbian lead partners**.

The level of information and awareness regarding the programme was increased due to the excellent collaboration with the press throughout the year. The number of articles published was sustained by the 17 press releases used by the JTS to promote events and new information regarding the programme, the 10 press conferences organized in Romania and the Republic of Serbia and one contracted media campaign implemented in both countries at eligible area level concerning the financing opportunities of the programme and promotion of the first call for proposals.

The impact of the Programme in the eligible area will be measured accurately after the initialization of the implementation of financed projects.

2.1.3. Financial information (All financial data should be expressed in euro)

Priority axes by source of funding (EUR)

	Expenditure paid out by the beneficiaries included in payment claims sent to the managing authority	Corresponding public contribution	Private expenditure	Expenditure paid by the body responsible for making payments to the beneficiaries	Total payments received from the Commission
Priority Axis 1					
Of which IPA type expenditure	0	0	0	0	0
Priority Axis 2					
Of which IPA type expenditure	0	0	0	0	0
Priority Axis 3					
Of which IPA type expenditure	0	0	0	0	0
Priority Axis 4					
Of which IPA type expenditure	79,218.10² (IPA: 67,335.39)	11,882.71	0	87,018.10 ^{*3}	0
Grand Total	79,218.10	11,882.71	0	87,018.10	0

² Funds received from the Managing Authority as a result of the First Reimbursement Claim. The sum representing the first payment was not submitted to the Certifying Authority and afterwards to the European Commission as the Annual Implementation Report was not transmitted to the EC in 2009. However, payment claims sent by RO CBC Timisoara hosting the JTS were paid from the Romanian state budget and 85% representing the corresponding IPA contribution shall be reimbursed when IPA amounts are available.

³ This sum represents the first payment to Regional Office for Cross-border Cooperation Timisoara and the MA costs (EUR 7,800) used for technical assistance. The sums spent by the MA are estimative, as they were made in RON. Up to this moment, the MA has not requested reimbursement of expenditure. The expenditure shall be calculated in Euro at the Inforeuro exchange rate of the month in which the expenditure is submitted to the first level controllers, according to Article 127 of the Commission Regulation No. 718/ 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA), with subsequent amendments.

2.2. Ensuring the quality and effectiveness of implementation

2.2.1 Monitoring and evaluation measures taken by the managing authority or the joint monitoring committee, including data collection arrangements

Based on the Romania - Republic of Serbia IPA Cross-Border Cooperation programme, as well as on the Commission Regulation no. 718/2007 implementing Council Regulation no. 1085/2006 establishing an instrument for pre-accession assistance (IPA) with its subsequent modifications and amendments, ongoing evaluation of the programme is envisaged throughout the programme implementation.

The main programme evaluation tools considered are the Multi-Annual Evaluation Plan, which covers the programme duration and which is further on detailed through Annual Evaluation Plans. Both the Multi-Annual Evaluation Plans and the Annual Evaluation Plans are approved by the Joint Monitoring Committee of the programme, prior to this being endorsed by an Evaluation Steering Committee including all the programme implementation bodies. It sets out an evaluation strategy throughout the programme implementation period, with a provisional character, proportionate with the financial allocation.

Consequently, the following evaluations are envisaged for the programme implementation:

Second half of 2010 - first half of 2011: focused on: data collection for monitoring and evaluation, efficient functioning of the call for project proposal mechanism, programme implementation system, quality of project proposals received, evaluation as to whether the initial objective is still relevant within the given socio-economic context, project contracting system, evaluation related to the relevance of the indicator system.

End of 2011 - first half of 2012: *evaluation on reaching the target indicators set in the programme, evaluation on cross / cutting issues (gender equality and environment) - based on the programme document provisions, evaluation of the actual project implementation stage as to the planned one, contribution of the project implementation to the achievement of the programme axis objectives, evaluation of the financial progress of the programme.*

2013 - 2014: Evaluation of project partnership efficiency and sustainability; efficiency of project implementation; evaluation on the implementation of the programme priority axes (results in relation to the objectives of the axes); evaluation in relation to the development of the implementation capacity of Joint Technical Secretariat as against 2007; evaluation of local community development (in relation to the Priority Axis “Promoting <people to people> exchanges”); evaluation of the efficiency and effectiveness of the Technical Assistance strategy provided for the Romania - Republic of Serbia IPA Cross-Border Cooperation Programme.

These evaluations are meant to improve the quality, effectiveness and consistency of the assistance and the strategy and implementation of the programme. They will

analyse problems that occur during the implementation and propose solutions to improve the operation of the system. Among the expected recommendations of these evaluations, it is envisaged that **the programme implementation system performance in terms of efficiency and effectiveness, monitoring systems, project quality, coherence between project objectives and programme objectives are to be the major outputs meant to enhance overall programming.** Each evaluation report shall be followed by a detailed action plan consisting of recommendations. The action plan and the recommendations shall be also submitted for Joint Monitoring Committee (JMC) approval. For recommendations that are approved by the JMC, a systematic follow up will then be considered to ensure that the report's recommendations are implemented. This will include examinations of the implementation of the recommendations during the next JMC meetings.

Each of the evaluation envisaged shall be conducted on the basis of a clear participatory process between the Managing Authority, National Authority and Joint Technical Secretariat, to secure the effectiveness of the process.

Management Information System

The Managing Authority has put in place procedures to ensure that there is a system for recording and storing in computerized form accounting records and that the data on implementation necessary for financial management, monitoring, verifications, audits and evaluation are collected. The main tool is the Management Information System - European Territorial Cooperation (MIS-ETC), containing in computerized form all the necessary information and to which all the relevant bodies will have access. Procedures for access, data input, validation and managements have been put in place.

MIS-ETC has been developed based on the SMIS architecture and functionalities, under a Technical Assistance contract, in order to address the more detailed specificities regarding ETC Objective Programmes, with due regard to EU ENPI and IPA regulations and procedures and in accordance to the requirements of users in the institutions involved.

The system does not have a direct link with the System for Fund Management in the European Community 2007-2013 (SFC2007). Nevertheless, the data that are introduced into the SFC 2007 shall be manually correlated with the SMIS data.

Also, there is no direct link between the SMIS and the accounting system (Stru CONTAB ORACLE). To make sure that the accounting records reflect the accurate image of the performed operations, GDPAP through the Programmes Accounting Unit makes monthly reconciliations with the SMIS data.

MIS-ETC addresses the needs of all management levels (Managing Authority, Certifying and Paying Authority, JTS, Audit Authority), at all stages of the programme's lifecycle (programming, tendering, contracting, implementation, audit and control, monitoring and evaluation). Furthermore, SMIS-ETC is based on open architectures that maximize the further development possibilities as well as connections with existing IT systems and databases.

The SMIS design follows three main principles:

- data **availability** (data are directly available following the request of an authorized user);
- data **confidentiality** (data are provided only to those users authorized for accessing that specific piece of information);

data **integrity** (data processing should occur only by authorized users under authorized means)

2.2.2. Difficulties encountered and steps taken to solve them (including the response to comments made under Article 113 where appropriate).

Implementation of the TA funds according to the provisions of art. 121 of the Commission Regulation No. 718/2007, was a major set-back for the implementing bodies established on the territory of the Member State. Also, in its attempts to find a solution, the MA repeatedly asked for EC support, but the late answers led to delays in launching the procurement procedures. The MA also encountered a series of problems in receiving offers for IT equipment; the reasons for which the MA did not receive any offers were that the offers had to be submitted in English, signing of the contracts in English and the impossibility for the tenderers to provide a certificate or a declaration stating the origin of the products.

Delays in receiving answers from the European Commission on specific programme implementation issues led to further delays in the decision-making process of the programme bodies. This would include the MA repeated requests for modification of art. 19 from Council Regulation 1085/ 2006 establishing an Instrument for Pre-Accession Assistance. Rule of origin led to the impossibility of procurement the necessary IT equipment and will further led to problems in implementation as projects beneficiaries are requested to apply for derogations from the rule of origin from the European Commission services in Brussels.

INTERACT Point Viena developed at the end of the year 2009 a Procurement Manual dedicated to IPA CBC Programmes implemented through shared management but this manual is not approved or endorsed by the European Commission, therefore it cannot create the grounds for a different approach than the one stipulated in the IPA Regulations.

The pre-financing amounts were not received from the Commission in 2009 and all programme related activities have been financed from the Romanian state budget (JTS and JTS Antenna set-up, launch of the call for proposals, information and communication activities, etc.)

In addition to the above-mentioned, programme authorities faced difficulties in their efforts to implement information and publicity activities. The Managing Authority analysed the situation emerged due to the specificity of the programme and the impossibility to comply with the Visibility Guidelines for European Union External Actions.

In order to better ensure a wide dissemination of information regarding the programme, the Managing Authority elaborated under the project RO2004/016-772.04.03.01.03.05 "Awareness campaign for the Regional Operational Programme" a visual identity manual for the programme which was later approved by the JMC. In addition, a comparative analysis between the Visual Identity Manual of the programme and the Visual Communication Guidelines for EU External Actions presented below was elaborated and sent the European Commission.

Comparative analysis Visual Identity Manual of the Programme - Visual Communication Guidelines for EC External Actions

No.	Visual Identity Manual of the Programme	Visual Communication Guidelines for EC External Actions
1	Provision for a specific logo of the programme	N/A
2	Provision for a specific slogan of the programme	N/A
3	Order of precedence of the logos	N/A
4	Templates for stationeries	Contractors or implementing bodies should use their normal stationary in letterheads or fax header sheets but should also add a specific phrase regarding EU funds
5	No obligation to organize information and publicity events in collaboration with the European Commission	Information and publicity events should always be organized in cooperation with the EC
6	The Lead partner and partners are responsible to inform the implementing bodies regarding their project information and publicity measures for IPA funds	Clearance from the EC needed when issuing releases and statements by the contractors
7	N/A	Definition of the EU incorporated in the printed materials
8	N/A	At the press conference itself the EU flag should be displayed if other flags or symbols are being displayed
9	For the purpose of verifications, contractors, implementing bodies and beneficiaries are encouraged to maintain and share a database of all items issued with the EU funds	When finished, items issued with EU funds must be transmitted to the Delegation, Europeaid Information Communication and Front Office Unit, Press and Information Officer of the EC Delegation for possible further use
10	N/A	Contractors and/or implementing bodies are required to produce administrative reports to update and inform the EC on the progress and findings of EU actions
11	Specific templates for press	Specific templates for press releases,

releases, information and publicity items, etc.	and	information and publicity items, etc.
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Regardless of the specific issues raised by the Managing Authority in their efforts to receive specific solutions, the European Commission did not provided specific guidance and support.

Moreover, the European Commission participates in the JMC in an advisory capacity and it participated in this capacity at the moment the Visual Identity Manual was approved by the JMC. According to the minutes of the JMC meeting the European Commission did not provide any advice or guidance to the JMC on the Visual Identity Manual.

Problems encountered in implementing the Technical Assistance priority axis no.4, and measures taken to overcome them

1) The forecast of expenditure made for 2009 and approved by the programme JMC was overestimated

By the end of 2009 it was revealed that some overestimations occur while drawing the technical assistance budgets for 2009. Some of the activities were covered by other financing sources, while some of them were just not accomplished in 2009 because of delays in the implementation schedule or because the financing sources were missing until the reimbursement by the programme.

The funds from technical assistance which were not spent in 2009 will be reallocated to the technical assistance of the programme and will be used in the next years.

2.2.3 The use made of technical assistance:

According to Article 94, 1 (f) of Commission Regulation No. 718/2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA), „Each cross-border programme shall contain (...) a specific technical assistance priority axis covering the preparatory, management, monitoring, evaluation, information and control activities related to the implementation of the programme, together with activities to reinforce the administrative capacity for implementing the programme, up to a maximum of 10% of the Community contribution allocated to the programme (...)”.

Based on this article, Romania - Republic of Serbia IPA CBC Programme includes a priority axis dedicated to the technical assistance used to finance activities that are necessary for the effective implementation and management of the Programme. This concerns the preparatory, management, monitoring, evaluation, information and control and auditing activities of the Programme.

The Technical Assistance Priority Axis of the Programme is split into **two measures**:

- Measure 1: Support for the implementation, overall management and evaluation of the Programme

- Measure 2: Support for the publicity and information activities of the Programme

The beneficiaries of the technical assistance priority axis include:

- the Managing Authority for the Romania - Republic of Serbia IPA CBC Programme, as defined in the Romanian legislation;
- the RO CBC Timișoara for the Joint Technical Secretariat/ Antenna of the JTS/ First Level Control Unit and RO CBC Timișoara for supporting activities (including staff costs);
- the Serbian National Authority of the Romania - Republic of Serbia IPA Cross-Border Programme, represented by the Serbian Ministry of Finance;
- the Audit Authority of the Romania - Republic of Serbia IPA Cross-Border Programme, represented by the Audit Authority within the Court of Accounts of Romania.

In this concern, the Managing Authority elaborated a Multiannual Technical Assistance Strategy (MTAS). It represents the framework document of all TA interventions dedicated to the Romania - Republic of Serbia IPA CBC Programme and details the basic elements used to reach the MTAS objective, the actors involved in the strategy implementation, the eligible actions, general methodology, allocated resources and action plan for the MTAS. MTAS shall apply for all programming period 2007-2013. Detailed activities and allocated budget shall be included in the Annual TAS which shall be subject of JMC approval each year.

The mission of MTAS is to provide adequate support of the actions in order to ensure an efficient management and a sound use of resources of the Romania - Republic of Serbia IPA CBC Programme.

The overall aim of the MTAS is to ensure a high and qualitative absorption of the funds allocated for the Programme.

The specific objectives of the strategy are:

- Sound financial planning and effective use of the resources allocated to the TA priority axis, in order to cover the identified needs throughout the implementation of the Programme;
 - Efficient and effective management of the Programme;
 - Increase of the level of information and awareness of the Programme and dissemination of results to ensure that the purpose and scope of the Programme are widely understood and that it is accessible to the maximum range of eligible partners;
 - Increase of the cooperation level between partners in the cross-border area.
- According to MTAS, under **Measure 4.1 “Support for the implementation, overall management and evaluation of the Programme”** the following indicative activities could be supported (the list is not exhaustive):
 - Support to the MA, NA, Audit Authority and the Joint Technical Secretariat/ Antenna of the JTS/ First Level Control Unit and RO CBC Timișoara for supporting activities (including staff costs) for tasks which will support the

preparatory, selection, evaluation, control, audit and monitoring activities arising during the implementation of the Programme, including the preparation, selection, evaluation, control, audit and monitoring of projects;

- Preparation and organization of the meetings of Joint Monitoring Committee, Group of Auditors and other committees especially involved in the implementation of the Programme, related to the organisation and logistics;
- Procurement and installation of IT (other than Single Management Information System) and office equipment required for the management and implementation of the Programme;
- Maintenance of the Management Information System;
- Evaluation of the Programme including ad-hoc, on-going evaluations and ex-post evaluation, statistics and studies, development of evaluation methods;
- Support for gathering and monitoring the baseline data to enable the appropriate monitoring and evaluation of Programme's performance and the performance of each Priority Axis;
- Elaboration of studies and surveys and/ or expert-consultancy on themes relevant for programme implementation for the Programme and for the future programming period;
- Expenditures on salaries of contractual staff and experts involved in tasks connected with preparation, selection, appraisal, monitoring control and audit of the Programme;
- Organisation of seminars and training sessions for building skills capacity for the staff of Programme implementing bodies and all the other parties involved in the Programme implementation (inter alia: for experts involved in project appraisal, members of the Joint Monitoring Committee, etc.), including participation of employees in the training sessions and in the promotion events;
- External expertise related to the management of the programme;
- Elaboration / revision of internal procedure manuals.

Within Measure 4.2 “Support for the publicity and information activities of the Programme” the following indicative activities could be supported (the list is not exhaustive):

- Development of an information framework regarding the Programme for all interested actors including preparation and dissemination of information and publicity materials (current official Programme documents, manuals of procedures, bulletins, brochures, posters, objects with EU logo, Programme logo);
- Organising conferences, fora, road shows, workshops, training for beneficiaries, networking, awareness-raising and cooperation/exchange of experience;
- Organisation of seminars and training sessions for building skills capacity for the potential beneficiaries / beneficiaries;

- Elaboration of information and publicity related studies / surveys.

Annual Technical Assistance Strategy for 2009 (ATAS)

The Annual Technical Assistance Strategy represents the document for TA interventions in 2009, developed in order to ensure the efficient and effective implementation of the Programme. It includes information on the annual work plans of each TA beneficiary, the implementation system of the strategy, allocated budget.

Elaboration / revision of relevant documents for the implementation of technical assistance priority axis

During the reporting period, the managing bodies elaborated the following relevant documents:

- The Multiannual Technical Assistance Strategy, approved on March 5, 2009;
- The Annual Technical Assistance Strategy for 2009, approved on March 5, 2009;
- The Communication Action Plan of the Programme, approved on March 5, 2009;
- Internal working procedures for the Programme: Technical Assistance Procedure, approved in February 2009 and revised in July 2009, together with the Information and Publicity Procedure , approved in November 2008.

Eligible expenditure

The order for eligible expenditure under the technical assistance priority axis of the programme on the Romanian side of the border was elaborated and approved in 2009.

Technical assistance contracting and payments

A global financing decision for the MA was issued in March 2009 and was modified in October 2009. Its implementation period was prolonged up to 31st of December 2010. Also a financing contract was signed in 2009 with the Regional Office for Cross-border Cooperation (RO CBC) Timișoara related to 2009 technical assistance activities.

Expenditure under the technical assistance priority axis incurred in 2009, but only RO CBC submitted reimbursement requests to the MA by the end of the year.

Payments incurred for the implementation of the Technical Assistance by MA during 2009

The funds available for the implementation of the Technical Assistance priority axis were used in activities organized under the two measures for the management and

promotion of the Programme: organization of meetings, conference for the launch of the call for proposals, participation of the MA staff to trainings, seminars for beneficiaries, technical meetings, translation and interpretation services.

The amounts allocated through the ATAS 2009 for the MA, together with the payments made during 2009 by the MA for the implementation of the Technical Assistance priority axis are presented in the table below:

Measure	2009 Budget approved through ATAS by JMC (IPA 85% + National co-financing 15%) (Euro)	Payments made in 2009 by the Managing Authority for TA (Euro)*	Percentage usage of 2009 allocated funds
4.1 - Support for the implementation, overall management and evaluation of the Programme	191.079	5.174	0,26%
4.2 - Support for the publicity and information activities of the Programme	275.606	2.626	0.13%

Expenditure incurred by the 31st of December 2009.

** The sums presented for the 2009 budgetary execution are estimative, as the expenses are in RON and the exact exchange rate shall be established at the moment of submission of the reimbursement request to the first level controllers.*

As resulting from the figures in the table, the usage during 2009 of the allocated amounts were at a low level. During 2009, the MA encountered many difficulties in the execution of the budget, out of which the most important are the application of provisions of art. 121 of the Commission Regulation 718/ 2007 and of art. 19 of the Council Regulation No. 1085/2006.

The remaining amounts were transferred to the 2010 budget of the MA for the implementation of the Technical Assistance priority axis.

Payments incurred for the implementation of the Technical Assistance by NA during 2009

Measure	2009 Budget approved through ATAS by JMC (IPA 85% + National co-financing 15%) (Euro)	Payments made in 2009 by the Managing Authority for TA (Euro)	Percentage usage of 2009 allocated funds
4.1 - Support for the implementation, overall management	176.150	0	0%

and evaluation of the Programme			
4.2 - Support for the publicity and information activities of the Programme	63.210	0	0%

Payments incurred for the implementation of the Technical Assistance by RO CBC Timișoara during 2009

Measure	2009 Budget approved through ATAS by JMC (IPA 85% + National co-financing 15%) (Euro)	Payments made in 2009 by the Managing Authority for TA (Euro)*	Percentage usage of 2009 allocated funds
4.1 - Support for the implementation, overall management and evaluation of the Programme	458.388	60.925,62	3,11%
4.2 - Support for the publicity and information activities of the Programme	42.562	18.292,48	0,94%

*Payments made in RON, and calculated at the Inforeuro exchange rate of the month in which the reimbursement claim was submitted to the MA.

Payments incurred for the implementation of the Technical Assistance by Audit Authority during 2009

Measure	2009 Budget approved through ATAS by JMC (IPA 85% + National co-financing 15%) (Euro)	Payments made in 2009 by the Managing Authority for TA (Euro)	Percentage usage of 2009 allocated funds
4.1 - Support for the implementation, overall management and evaluation of the Programme	5.580	0	0%
4.2 - Support for the publicity and information activities of the Programme	0	0	0%

Technical assistance indicators

The indicators used to measure the progress of this priority axis, together with the progress achieved up to date, are shown in the table below:

Priority Axis 4: Technical Assistance				
Output indicators				
Indicators	Measurement	Baseline	Target 2015	2009
Effective expenditure of the budget	%	0	100 %	4,44%
Number of relevant studies/surveys carried out	Number	0	5	0
Number of monitoring meetings organised	Number	0	16	1
Number of evaluations commissioned	Number	0	2	0
Number of information materials for the publicity and information of the programme(types)	Number	0	10	2
Number of events organised for the publicity and information of the programme	Number	0	100	13
Number of seminars and training sessions delivered for building skills capacity	Number	0	6	0

Result indicators				
Indicators	Measurement	Baseline	Target 2015	2009
Number of participants to different events (conferences, workshops, seminars, trainings, networking)	Number	0	2.000	1.505
Number of people reached by the publicity and information campaigns	number	0	1.000.000	0 ⁴

Other technical assistance available for the programme

During 2009, the programme also benefited of support from projects financed from other financing sources than the technical assistance of the programme or the Ministry own budget.

RO/2005/IB/OT/01- Twinning for preparing the structures involved in INTERREG / NEIGHBOURHOOD instrument programmes

The project aimed at helping the Ministry of Development, Public Works and Housing - Romania in finalizing the programming documents for the European Territorial Cooperation programmes it manages. The project also aimed at enhancing the administrative capacity of the ministry for the implementation, management and control of the European Territorial Cooperation programmes.

Implementation period: 18 months starting with 28.03.2007

The Managing Authority for Romania-Serbia IPA Cross-border Cooperation Programme benefited of assistance on specific issues - list of eligible expenditure, drawing-up evaluation and selection procedure, elaborating performance indicators for JTS financing contracts, etc.

RO 2005/017-533.04.01.05.04.01 - “Technical Assistance for supporting the Managing Authorities and the Intermediate Bodies for the Regional Operational Programme and the Operational Programmes financed under Objective 3”

⁴ Due to specific procurement procedures applied under the Romania-Republic of Serbia IPA CBC Programme, professional survey services could not be contracted at this stage.

The general objective of the project was to strengthen the administrative capacity of the central and regional bodies involved in the management and implementation of ROP and OP financed under Objective 3- ETC, in order to successfully fulfil their obligations as Managing Authorities and Intermediate Bodies/Joint Technical Secretariats. The project had three main components, referring to the development of strategies/plans for organizational change, training and consultancy delivery for the Managing Authorities and the Intermediate Bodies on specific themes and improving/updating of manuals/guides/internal instructions.

Implementation period: 29.02.2007-30.11.2008

MA and RO CBC Timișoara staff benefited of tailored-made training on topics related to the ETC - strategic project generation, evaluation and selection, financial management of ETC projects, first level control, information and publicity.

RO 2006/018-147.04.01.05.01 - “Training at national and regional levels for enhancing the absorption capacity for the Operational Programmes managed by the Ministry of Regional Development and Housing” Romania

The general objective of this project was to improve the overall absorption capacities at national and regional levels, with the aim to ensure a correct utilisation of ERDF, European Neighbourhood and Partnership Instrument and Instrument for Pre-Accession Assistance.

The specific project objectives were:

- To reinforce the skills of final beneficiaries in preparing good project proposals that correctly match the priorities of the National Development Plan and would lead to a proper project pipeline for financing from the Structural Funds' ERDF type of intervention;
- To strengthen the capacity of the Training Units within MRDH and RDAs/ RO CBCs to efficiently coordinate and manage the training delivered both at national and regional levels, within the framework of the Human Resources development policy;
- To strengthen the capacity of ROP and ETC Beneficiaries in terms of Organisational structure, partnership, etc., as well as regards critical issues to be observed in the process of application to SF financing opportunities and SF project implementation.

Implementation period: 30 June 2008 - 30 November 2009

The final beneficiaries of this project - the local Romanian potential applicants of the RO-SE IPA CBC Programme in the eligible area - received technical support by the TA team in terms of partial development in the preparation of project ideas.

“Continuous training for the staff involved in Structural and Coesion Funds”, financed by Operational Programme for Technical Assistance. Authority for Coordination of Structural Instruments

Period: 2009-2010

The staff of the Regional Office for Cross Border Cooperation Timișoara (host of the JTS and of the Romanian controllers) has participated as target group in some of the projects mentioned above.

During the entire programme implementation period, ACSI shall provide adequate guidance to MA and CPA in order to ensure the sound management of structural funds.

Adequate guidance for the JTS and the controllers verifying the legality and regularity of the expenditure shall be provided by the Managing Authority, with the involvement of its own staff and of external experts. The CPA shall also be involved in providing adequate guidance to the controllers on both sides of the border.

The guidance shall be continuously provided through the following methods: on the job training, training sessions, INTERACT workshops, exchanges of experience with similar IPA CBC programmes etc.

2.3 Information and publicity

1. Information and Publicity events

Official kick-off conference for Romania-Serbia IPA Cross-border Cooperation Programme Romania-Serbia

Date & Location: Timișoara - May 8, 2008

Target groups: potential beneficiaries of the Romania-Republic of Serbia IPA Cross-border Cooperation Programme, decision-makers, representatives of the European Commission, National Authority, Managing Authority, officials and experts of the county councils and mayoralties in the eligible area, of Regional Development Agencies, representatives of the civil society, mass-media.

Financing source: Own budget of MDPWH⁵ and RO/2005/IB/OT/01 - Twinning for preparing the structures involved in INTERREG / NEIGHBOURHOOD instrument programmes

Short description: Approximately 100 persons took part in the event including high level representatives from the MDPWH, the Serbian NA and the European Commission.

Official kick-off conference for the Romania-Republic of Serbia IPA Cross-border Cooperation Programme launch of the first call for proposals on Serbian territory

Location: Vrsac

Date: May 11, 2009

Target groups: potential beneficiaries of the Programme, mass-media, European Commission representatives, bodies involved in the management and implementation of the Programme

Financing source: NA own budget

⁵ Actual MRDT

Short description: The conference marked the launch of the first call for proposals in the Serbian eligible area.

Approximately **70 participants** attended the event.

Official kick-off conference for the Romania-Republic of Serbia IPA Cross-border Cooperation Programme launch of the first call for proposals on Romanian territory

Location: Timișoara

Date: May 12, 2009

Target groups: potential beneficiaries of the Programme, mass-media, European Commission representatives, bodies involved in the management and implementation of the Programme

Financing source: technical assistance budget of the Programme and own budget of the Ministry of Regional Development and Housing, Romania

Short description: The conference marked the launch of the first call for proposals.

Approximately **100 participants** attended the event.

Information materials

Electronic channels for information and communication

www.romania-serbia.net

Target groups: potential beneficiaries of the Romania-Serbia IPA Cross-border Cooperation Programme, mass-media, bodies involved in the management and implementation of the programme.

Financing source: PHARE Awareness Campaign for the Regional Operational Programme, RO 2004/016-772.04.03.01.03.05

Short description: The web page has been functional starting 2007. During the year of 2008 the web page was updated continuously with new information: documents, news, events, useful announcements for the applicants, information about the calls for proposals, the list of the approved projects, a list of FAQ etc.

www.infocooperare.ro

Target groups: potential beneficiaries of the ETC Programmes, mass-media, bodies involved in the management and implementation of the programme.

Financing source: the own budget of the Ministry of Development, Public Works and Housing, Romania

Short description: the web page presents the ETC programmes in Romania, both with EU member and non-member states, the structures involved in their management and implementation, relevant implementation documents, information about the calls for proposals, partners search, news and others. One

page in this section is dedicated to the RO-SE Programme, containing information taken from the official web page of the programme.

www.mdrt.ro, sections:

- Territorial Cooperation Programmes and
- European Territorial Cooperation Objective Beneficiaries Support Portal

This is the official website of the Romanian Ministry of Regional Development and Tourism.

Target groups: potential beneficiaries of regional and territorial development programmes, mass-media, bodies involved in the management and implementation of the programme and other interested audiences.

Financing source: the own budget of the Ministry of Regional Development and Tourism, Romania

Short description: The web page presents the activity of the MRDT regarding regional and territorial development, including the ETC programmes in Romania, both with EU member and non-member states, the structures involved in their management and implementation, relevant implementation documents, information about the calls for proposals, partners search, news and others.

The support portal addresses potential beneficiaries in search for funds under the 2007-2013 European Territorial Cooperation Objective Programmes available in Romania: Romania-Bulgaria CBC Programme, Hungary-Romania CBC Programme, Romania-Serbia IPA CBC Programme, Romania-Ukraine-Republic of Moldova ENPI CBC Programme, Hungary-Slovakia-Romania-Ukraine ENPI CBC Programme, Black Sea ENPI CBC Programme, Transnational Cooperation in South-East Europe Programme, INTERREG IV C Programme, URBACT II Programme and ESPON 2013 Programme. The registered participants have the opportunity to start up dialogues with potential partners and programme stakeholders.

Information system ISDACON - <http://www.evropa.gov.rs>

Target groups: potential beneficiaries of regional and territorial development programmes, mass-media, bodies involved in the management and implementation of the programme and other interested audiences.

Short description: The ISDACON information system provides timely information on IPA funds funding opportunities and sections with usefull documents, news and links related to the Romania-Republic of Serbia IPA CBC Programme as well as other relevant information for the target audiences.

Promotion materials

Media campaign

Target groups: general public in the eligible area of the Programme, in Romania

and Republic of Serbia

Financing source: Technical Assistance of the Programme

Short description: In the campaign to promote the first call for proposals, the Joint Technical Secretariat of the RO CBC Timisoara aimed to increase the awareness of the general public and the potential applicants on the Romania-Republic of Serbia IPA Cross-border Cooperation Programme, so that the European funds available through this programme will have an absorption rate as high as possible. From 30 April 2009 to 29 July 2009, JTS held information seminars and workshops with the beneficiaries in order to promote the Romania-Republic of Serbia IPA CBC Programme, ensuring media coverage of these events with the local media in Timis, Caras-Severin and Mehedinti counties. Press releases and announcements have been promoted to local mass-media and press conferences and an advertising campaign were organised in the eligible area of the programme in both Romania and Republic of Serbia.

Other information and promotion activities

Electronic and phone communication

Approximately 73 registered phone inquiries and 30 registered e-mails regarding the first call for proposals under the programme were addressed to the MA and the JTS and a estimate of 61 potential applicants contacted directly the JTS consultants at JTS headquarters in Timisoara.

2.4. Changes in the context of the operational programme implementation (if relevant)

In 2010 a revised programming document will be adopted by the Commission based on the decision of the joint monitoring committee from 26.11.2009.

Legislation issues

The legal framework for establishing the Romanian national legislation regarding the eligibility of expenditures was finalised in 2009 (Order of eligible expenditures for Priority axis no. 4 - Technical Assistance and the Orders for eligible expenditures for Priority axes 1-3). Government Ordinance no. 46/2007 regarding the allocation of non-reimbursable external funds and of the national contribution to the budget of the institutions involved in the management and implementation of the “European territorial cooperation” objective was amended, thus being established the fact that the all Lead Partners in the Programme will receive advance payments from the IPA funds, within the limits of the IPA funds available in the accounts of the Certifying Authority.

Art. 121 of the Commission Regulation no. 718/ 2007 and art. 19 of the Council Regulation 1085/2006 were not modified thus problems which existed in 2009, will continue.

On the Serbian side the legislation on eligible expenditures will not be elaborated. However, the Romanian legislation, translated into English and enclosed in the First Level Control Manual will be respected by the Serbian controllers.

Economic crisis

At the end of 2008 the global economic crisis effects started to be observed in the programme area.

The global economic crisis may generate some risks upon the Programme implementation. It is expected that in 2010 an important number of organizations will have difficulties, especially in financing/ co-financing the activities started, therefore:

- The organization priorities may change related to the ones settled for the application submission dates
- The co-financing possibilities of partners may decrease
- The human resources of partners may decrease - for example some staff may leave the organizations; the remaining staff will be overloaded and not able to implement all activities.
- It is possible that some of the partners enter into bankruptcy procedures

All aspects mentioned above may result during 2010 into:

- decreased number of applications submitted,
- low quality of applications,
- redraws of submitted applications during evaluation or pre-contractual phases,
- important number of addendums to contracts signed and
- termination of contracts.

2.5. Information about compliance with Community law

Public procurement

The provisions of art. 121 of the Commission Regulation No. 718/ 2007 led to delays in the implementation of the TA funds. Thus the execution of the TA budget for 2009 is very poor.

State Aid

The Managing Authority organized two meetings with the Competition Council from Romania, on the 27th of March 2008 and on the 31st of June 2008, before launching each call for proposals. The goal of these meeting was to analyze if the indicative operations financed through the Programme fall under the incidence of state aid.

As a result of the meetings with the Competition Council from Romania, special provisions were inserted in the Applicant Pack, provisions that must be respected in order for the projects not to be subject of state aid rules (also considering the fact that for the financed activities the beneficiaries do not act as economic operators and for which there are no considerations to assume that the competition will be distorted).

Horizontal Themes (gender equality & equal opportunities and sustainable development)

The Application Form addresses each of the horizontal themes of the Programme; by this the beneficiaries must state how their project observes the Programme provisions on horizontal themes.

The evaluation criteria, approved by the Joint Monitoring Committee, together with the applicant pack, make sure that the horizontal themes are respected. At the same time, the better a project is addressing these aspects the more extra points will receive in the evaluation process.

Also, during the entire lifetime of a project, these rules must be observed, since such a provision is inserted in the financing contract.

Environment

According to the SEA Directive Article 10, significant environmental effects of implementation of plans and programmes shall be monitored in order to identify at an early stage unforeseen adverse effects, and to be able to undertake appropriate remedial action.

The data regarding the monitoring of the environmental impact will be collected annually, will be submitted for analysis to the Ministry of Environment and Sustainable Development and will be included in the annual report presented to the Joint Monitoring Committee. For 2009 this cannot be performed as no project was implemented during this year.

Environmental data collection will use as much as possible the Management Information System allowing the bottom up aggregation of output environmental indicators at project level. In addition, relevant statistical information (State Environmental Report, Romanian Statistical Yearbook) will be used whenever relevant. The relevant ex-post report will be used as well.

The monitoring of the significant environmental impacts will also be an integrated part of the interim evaluations of the Programme. As regards the environmental component, the first interim evaluation will focus more on the indicators established for monitoring the environmental impacts and will aim to refine them so as to ensure that an appropriate monitoring system is in place.

2.6. Assistance repaid or re-used

Not applicable as no project has been implemented in 2009.