

*Annual Report 2012
on the implementation of
the IPA Adriatic Cross-
Border Cooperation
Programme*

according to Art. 112

of the EC Regulation n. 718/2007

approved by the JMC on 21/06/2013



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Adriatic IPA

Cross Border Cooperation 2007-2013



IDENTIFICATION OF THE PROGRAMME

Indicative table of the Programme

Community Instrument	Instrument for Pre-Accession (IPA) Component II "Cross-Border Cooperation"
Area of intervention	<p>a) NUTS level 3 regions or, in the absence of NUTS classification, equivalent areas along land borders between the Community and the beneficiary countries;</p> <p>b) NUTS level 3 regions or, in the absence of NUTS classification, equivalent areas along maritime borders between the Community and the beneficiary countries separated, as a general rule, by a maximum of 150 kilometres, taking into account potential adjustments where needed to ensure the coherence and continuity of the cooperation action.</p>
Denomination of the Programme	IPA Adriatic Cross-Border Cooperation Programme
Period of Programming	2007-2013
Number CCI	2007CB 16 IPO 001
Decisions of Commission	<p>Dec. EC No. C(2008) 1073 as of 25/03/2008</p> <p>Dec. EC No. C(2010) 3780 as of 30/06/2010</p> <p>Dec. EC No. C(2011) 3396 as of 18/05/2011</p> <p>Dec. EC No. C(2011) 3740 as of 26/05/2011</p> <p>Dec. EC No. C(2012) 4937 as of 13/07/2012</p>
Duration of Programme	01/01/2007 – 31/12/2013
Start of admissibility of expenses	<p>For Final Beneficiaries from EU Countries from 1/01/2007.</p> <p>For Beneficiary from non-EU States from the date of signature of the Financing Agreement between the relevant Country and the European Commission, namely:</p> <ul style="list-style-type: none"> - Albania: 18th June 2009; - Bosnia and Herzegovina: 20th February 2009; - Croatia: 1st December 2008; - Montenegro: 22nd June 2009; - Serbia: 16th April 2009.
Period of assumption	25/03/2008
Period of payment closure	31/12/2016
Managing Authority:	Abruzzo Region – <i>"Direzione Affari della Presidenza, Politiche Legislative e Comunitarie Programmazione, Parchi, Territorio, Valutazioni ambientali, Energia - Servizio Cooperazione Territoriale - IPA Adriatic"</i>



The Programme is co-funded by the European Union, Instrument for Pre-Accession Assistance (IPA)

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Funds involved	IPA funds which include an ERDF contribution
Costs of Programme²:	
<i>Total cost:</i>	288.955.196
<i>Community contribution:</i>	245.611.916
<i>National contribution:</i>	43.343.280

¹ On 18/03/2013 Mrs. Paola Di Salvatore has officially took over the position of Managing Authority of the IPA Adriatic CBC Programme, in accordance with the Regional Council Decision No. 188 as of 12/03/2013, published on 13/03/2013.

² The cost of the Programme does not take into consideration the reduction of EUR 7.249.192 of Community funds from the 2013 allocation (Ref. Ares(2013)284459 as of 4/03/2013) and the de-commitment from the 2009 allocation following the n+3 rule (Ref. ARES(2013)511104 as of 26/03/2013).



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Programme background

On the basis of long experience gained from three previous programming cycles, concerning Cross-Border Cooperation between Member States and neighbouring candidate/potential candidate countries, the EU financial framework 2007-2013 provides for a single instrument approach through the new Instrument for Pre-Accession Assistance (IPA).

Council Regulation (EC) No. 1085/2006 which establishes an instrument of Pre-Accession Assistance - the IPA Regulation - replaces the previously existing legal basis in the pre-Accession area. As so it constitutes a framework regulation.

The IPA instrument seeks to provide targeted assistance to countries which are Candidates or Potential Candidates for membership of the EU rationalizing Pre-Accession Assistance by replacing the various instruments which previously existed for the assistance that are Phare/ISPA/SAPARD/CARDS/Turkey Instruments.

IPA prepares, *inter alia* Candidate for the implementation of Structural and Cohesion Funds and Rural Development on accession, by specifically supporting institution building and introducing procedures as close as possible to the Structural Funds.

The five IPA components are detailed in Art. 3 (a) of the IPA framework Regulation: (I) Transition Assistance and Institution Building, (II) Cross-Border Cooperation, (III) Regional Development, (IV) Human Resources Development, (V) Rural Development.

The first two components apply to all countries. Additionally, Candidate Countries also benefit from components III, IV and V. Cross-Border Cooperation along borders between Candidate Countries/Potential Candidate Countries and between them and the Member States is supported by the IPA Component II (the CBC component).

Thus, the IPA Adriatic CBC Programme 2007–2013 is supported by IPA Component II. It is financed by IPA funds which include an ERDF contribution (Art. 21 of the Structural Funds Regulation 1083/2006) and is governed by the IPA legal structure (IPA Framework Regulation No 1085/2006 and the IPA Implementing Regulation No 718/2007³).

On 25th March 2008, with its Decision No. C(2008) 1073, the European Commission has adopted the Operational Programme “IPA Adriatic CBC”.

The Operational Programme has been subject to two amendments from the 25th March 2008, the first of which approved with EC Decisions No. C(2010) 3780 as of 30/06/2010 and No. 3396 as of 18/05/2011 and the second approved on 13/07/2012 (EC Decision No. C(2012) 4937).

Planned Programme budget

The Community Contribution for the period 2007-2013 was established by the EC Decision No. C(2012) 4937 as of 13.07.2012 amending the EC Decision No. C(2008) 1073 adopting the IPA Adriatic CBC Programme, as indicated in the following tables.

Tab. 1. Annual commitment of IPA in the Programme (in Euro)

<u>Years</u>	Total IPA CBC allocation
2007	19.764.156
2008	33.767.061
2009	36.909.920
2010	37.648.116

³ Commission Regulation (EC) No 718/2007 of 12/06/2007



2011	38.401.079
2012	39.169.100
2013	39.952.484
Total 2007-2013	245.611.916

General considerations and modification of the Operational Programme

This is the fourth Annual Report for the IPA Adriatic Cross Border Cooperation Programme 2007-2013 and it provides details on the implementation of the Programme in 2012 and, in particular for the 12 months ending 31 December 2012.

No modification to the Operational Programme occurred in 2012 and consequently the in-force version is the one approved with the Decision of the European Commission No. C(2012)4937 as of 13/07/2012.



IMPLEMENTATION PROGRESS OF PRIORITY AXES AND MEASURES

Starting from the date of admissibility declaration (1st January 2007), until the date of definitive approval (25th March 2008) the main activities implemented within the Programme were concentrated on the phase of negotiation.

Instead, **during 2009** the main activities implemented concerned Technical Assistance activities (as the set up of the JTS) and to the launch of the 1st Calls for Ordinary projects proposals.

All **2010** was instead mainly devoted to the submission of the “*Description of management and control systems under 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), article 115*”, to the drafting of the “*Agreement on shared implementation of the IPA Adriatic Cross-Border Cooperation Programme*” between the Programme bodies (Managing Authority, Certifying Authority and Audit Authority) and the Participating Countries which defines the relationship between these bodies and the concerning tasks with the aim to ensure a joint and effective implementation of the IPA Adriatic Cross-Border cooperation Programme. Moreover 2010 was even dedicated to the *evaluation of the 282 project proposals* submitted under the 1st Call for Ordinary projects proposals for Priority 1, Priority2 and priority 3 closed on the 29th October 2009. The evaluation process (formal and quality assessment) was closed on the 2nd December 2010, thus the activities carried out and the corresponding expenditure starting from the 1st January 2010 and until the 31st December 2010 was exclusively related to Priority 4 (Technical Assistance for realization of the Programme) and was not interested in specific projects of the first 3 Priorities.

During **2011**, 33 Ordinary Projects selected under the 1st Calls for Ordinary projects and the Strategic Project “AlterEnergy” officially started the implementation of their project activities, the “Programme Management and Control Manual” establishing the Programme eligibility rules as well as the management and control procedures was approved and published in August 2011 and the 2nd Calls for Ordinary projects were launched and closed (3rd August – 2nd November 2011).

Year 2012 was instead mainly devoted to the selection of 32 Ordinary projects financed under the 2nd Calls for proposals, to the approval and launch of the Calls for strategic projects proposals and to the management, monitoring, evaluation, information and control activities related to the implementation of financed projects.



Priority 1: Economic, Social and Institutional Cooperation

Indicators of physical realization

By November 2012, 23 Ordinary Projects were formally financed under the 1st and the 2nd Calls for Ordinary Project Proposals under Priority 1. In November 2012 Lead Beneficiaries of 1st Call Ordinary Projects submitted their third Project Progress Report on the state of the implementation of the whole project with a summary of the activities and costs of all Final Beneficiaries of the project for the related period.

Consequently, at the end of 2012 only outputs delivered and results achieved by 1st Call Ordinary Projects could be considered. The 2nd Call Ordinary Projects which formally started by September – October, due to the short time of project implementation, have delivered a very limited number of outputs (i.e Kick-off Meeting and cross - border project management and coordination activities). The following tables show the indicators and the related target value of the output and result indicators listed in § 5.5 “Quantified targets and indicators” of the OP and the output and results so far achieved by the projects.

OUTPUT INDICATORS	TARGET	ACHIEVED
Number of Projects		
Total Number of Projects	65	23
Number of Projects: Research and Innovation	10	8
Number of Projects: Financial Support for innovative SMEs	20	2
Number of Projects: Social, Labour and Health Networks	15	7
Number of Projects: Institutional Cooperation	20	6
Types of Projects		
Developing Common Policies and Strategies	25	9
Developing Common Tools	25	16
Developing Pilot Actions	13	10
Developing Common Feasibility Studies	2	12
Partnership		
Number of Projects involving 2-4 partners	> 60 %	4% (1)
Number of Projects involving 5-8 partners	> 35 %	26% (6)
Number of Projects involving more than 8 partners	> 5 %	70% (16)
Number of Projects involving 2-3 countries	> 60 %	13% (3)
Number of Projects involving 4-6 countries	> 35 %	83% (19)
Number of Projects involving more than 6 countries	> 5 %	4% (1)
Specific Outputs		
N° of research activities supported	15	17
N° of RTD/Innovation networks created	10	17
N° of university/research centres involved	10	100



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N° of SMEs assisted of which:	30	269
<i>N° of female SMEs assisted;</i>	15	0
<i>N° of SMEs developing environmental products</i>	8	0
N° of new companies assisted of which:	15	0
<i>N° of female SMEs assisted</i>	7	0
<i>N° of SMEs developing environmental products</i>	3	0
N° of projects developing collaboration in the field of public services	10	7
N° of people participating in joint education or training activities	300	773
N° and type of facilities improved (social, health, labour)	10	10
N° of projects strengthening institutional capacity	20	16

RESULT INDICATORS	TARGET	ACHIEVED
N° of new services/products/process developed with cross-border partners	15	12
Increase in turnover in SME assisted (already existing)	25	n.a.
% of new companies assisted surviving more than 18 months	70%	n.a.
Percentage of population accessing social, health and labour facilities	30%	n.a.
N. of Beneficiaries involved (described by type)	700	3.170

According to the above mentioned tables, projects within the first priority deal with Research and Innovation (8) and Social, Labour and Health Networks (7). Moreover, the analysis showed that the greatest gap between the approved and targeted number of projects is to be found within the measure 1.2 (Financial Support for innovative SMEs) with only 2 out of 23 projects and also within the measure 1.4 (Institutional Cooperation) with 6 out of 23 projects, considering the established target fixed on 20 projects to be financed for the measures 1.2 and 1.4.

As for specific outputs, there are still some neglected areas, or the information provided is not sufficient to better understand within the number of the SMEs assisted (269) which is the number of female SMEs assisted and/or the number of SMEs developing environmental products. On the contrary, the analysis indicated that approved projects concentrate rather on joint education or training activities (773) and inclusion of university/research centres (100) and the creation of RTD/innovation networks (17).

Finally, the targeted number of the projects approved which improve (social, health, labour) facilities has been achieved (10/10).



State of financial progress

Priority 1: Economic, Social and Institutional Cooperation						
Year	Planned Amount	% per year	Realisations			
			Commitments		Payments	
			Amount	Com/Plan%	Amount	Pay/Plan%
2007	6.975.584	10,78%	0	0,00%	0	0,00%
2008	11.917.786	18,41%	0	0,00%	0	0,00%
2009	13.027.031	20,12%	0	0,00%	0	0,00%
2010	13.287.571	20,53%	0	0,00%	0	0,00%
2011	13.553.322	20,94%	24.914.856	38,49%	295.249	0,46%
2012	2.985.836	4,61%	26.332.189	40,68%	1.910.657	2,95%
2013	2.985.837	4,61%	-	-	-	-
TOTAL	64.732.967	100,00%	51.247.044	79,17%	2.205.906	3,41%

State of realization

On 26th July 2012 the ranking list of all project proposals eligible for funding under the 2nd Call for Ordinary Projects for Priority 1 has been approved by the Joint Monitoring Committee and on 31st July 2012 the ranking list of the projects to be financed by the Programme (according to the available budget of the call for proposals and under conditions set by the Joint Monitoring Committee) has been published in the Programme website.

11 Subsidy Contracts were duly signed by the Managing Authority with the Lead Beneficiaries of the 11 projects finally selected under the **2nd Call for Ordinary projects Proposals for Priority 1** and between September and October 2012 all those projects started their activities.

On 3rd September 2012 the **Call for Strategic projects Proposals for Priority 1** was launched and at its closure (2nd November 2012) 14 proposals were submitted. The formal admissibility check performed by the JTS was concluded on 6th December 2012 and on 12th December, the Managing Authority of the Programme approved the ranking list of the project proposals subject to the 1st step Quality Assessment procedure.

Expenditure incurred by Final Beneficiaries by 31/12/2012 under Priority 1 (from the beginning of the Programme) amounted to **6.611.570 EUR**, of which **2.205.906 EUR** has been validated by First Level Control Offices on time for their inclusion in the last certification of expenditure for 2012. Besides some reporting related issues (as missing documents and consequent request for integrations from FLCO to Final Beneficiaries) as well as delays (over the three-month deadline established by art. 108 of EC Reg. 718/2007) in the validation of expenditure detected in some FLCOs, part of the 6.611.570 EUR has been submitted by Final Beneficiaries after the 30th October 2012, not permitting then to perform the first level control in time for the last certification of expenditure.

Communication and awareness raising at project level

External communication throughout the projects and publicity of project outcomes to key stakeholder and target groups is essential to make the project as widely visible as possible, achieve objectives and obtain necessary backing. During 2012, the following activities for communication and awareness raising have been developed by projects of the **1st Calls for Ordinary Projects** financed under Priority 1:



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	2011	2012	Total
N° of press releases disseminated	16	153	169
N° brochure created	1	8	9
N° of copies of brochure disseminated	300	23050	23350
N° of newsletters created	1	18	19
N° of copies of newsletters disseminated	2	206	208
N° of dissemination events organized	6	74	80
N° of other events participated in	3	31	34

The projects financed by the **2nd Calls for Ordinary Projects** due to their start in late 2012 have implemented only the initial communication activities: most of the projects created the basic visibility elements (project logo) and some of them also implemented the Kick-Off meeting along with first press-releases.

Priority 2: Natural and Cultural Resources and Risk Prevention

Indicators of physical realization

By November 2012, 20 Ordinary Projects under the 1st and the 2nd Calls for Ordinary Project Proposals and the Strategic Project AlterEnergy were formally financed under Priority 2. In November 2012 Lead Beneficiaries of 1st Call Ordinary Projects and the Strategic Project AlterEnergy submitted their third Project Progress Report on the state of the implementation of the whole project with a summary of the activities and costs of all Final Beneficiaries of the project for the related period.

Consequently, at the end of 2012 only outputs delivered and results achieved by the 1st Call Ordinary Projects and by AlterEnergy could be considered. The 2nd Call Ordinary Projects which formally started by September – October, due to the short time of project implementation have delivered a very limited number of outputs (i.e Kick-off Meeting and cross - border project management and coordination activities) . The following tables show the indicators and the related target value of the output and result indicators listed in § 5.5 “*Quantified targets and indicators*” of the OP and the output and results so far achieved by the projects.

OUTPUT INDICATORS	TARGET	ACHIEVED
Number of Projects		
Total Number of Projects	53	21
<i>Number of Projects: Protection and Enhancement of Sea and Coastal Environment</i>	12	2
<i>Number of Projects: Natural and Cultural Resources Management and Prevention of Natural and Technological Risks</i>	15	9
<i>Number of Projects: Energy saving and Renewable Energy Resources</i>	20	5
<i>Number of projects: Sustainable Tourism</i>	6	5
Types of Projects		
Developing Common Policies and Strategies	18	8



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Developing Common Tools	13	10
Developing Pilot Actions	20	8
Developing Common Feasibility Studies	2	10
Partnership		
Number of Projects involving 2-4 partners	>60%	10% (2)
Number of Projects involving 5-8 partners	>35%	19% (4)
Number of Projects involving more than 8 partners	>5%	71% (15)
Number of Projects involving 2-3 countries	>60%	19% (4)
Number of Projects involving 4-6 countries	>35%	62% (13)
Number of Projects involving more than 6 countries	>5%	19% (4)
Specific Outputs		
Km of coast protected	60	280
N° of newly created cross-border emergency teams and issues addressed	2	2
N° of cross-border agreements/networks between operators/agencies in environmental field	3	5
N° of projects encouraging and improving the joint protection and management of the environment	3	4
N° of co-operation agreements/networks to improve emergency preparedness	3	0
N° of campaigns on energy conservation and renewable energy sources	2	4
N° of pilot projects on the use of renewable resources	15	5
N° of tourist packages/routes/trademarks created	10	6
N° of cross-border tourism products/joint marketing approaches and joint information services	10	15
N° of marketing initiatives supported (or joint promotion campaigns)	2	8
N° of new/improved attractions/facilities	25	23

RESULT INDICATORS	TARGET	ACHIEVED
N° of ecosystems protected	5	0
N° of natural/cultural heritage sites protected	10	0
% of natural resources interested by Joint Management	20	n.a.
Improved environmental management and promotion of bio-diversity	2	n.a.
% increase number of overnights stays in the Adriatic Area	2%	n.a.



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According to the above mentioned tables, the majority of projects within the second priority cover Natural and Cultural Resources Management and Prevention of Natural and Technological Risks (measure 2.2) and Sustainable tourism (measure 2.4), respectively 9 and 5 financed projects. It is worth mentioning that projects financed under these 2 measures are also close with the targeted number established by the OP. Additionally, the analysis showed that the greatest gap between the approved and targeted number of projects is to be found within the measure 2.1 (Protection and Enhancement of Sea and Coastal Environment) with only 2 out of 21 projects.

As for specific outputs, there are still some neglected areas, such as, number of newly created cross-border emergency teams and issues addressed and number of co-operation agreements/networks to improve emergency preparedness or the number of pilot projects on the use of the renewable resources since there are no projects that satisfy these criteria or the number of the projects is far below the target number. On the contrary, the analysis indicated that approved projects concentrate rather on cross-border tourism products/joint marketing approaches and joint information services and marketing initiatives (joint promotion campaigns) with 15 and 8 projects respectively.

The biggest mismatches between planned and target indicators concern the number of projects which have planned cross-border agreements/networks between operators/agencies in environmental field, the number of projects which have planned to implement pilot actions on the use of renewable resources, the number of tourist packages/routes/trademarks and the number of new improved attractions/facilities.

It is worth mentioning that number of the participants in the events organized in the framework of the projects financed under the Priority 2 amounts in 26.474 persons.

State of financial progress

Priority 2: Natural and Cultural Resources and Risks Prevention						
Year	Planned Amount	% per year	Realisations			
			Commitments		Payments	
			Amount	Com/Plan%	Amount	Pay/Plan%
2007	6.975.584	6,34%	0	0,00%	0	0,00%
2008	11.917.786	10,83%	0	0,00%	0	0,00%
2009	13.027.031	11,83%	0	0,00%	0	0,00%
2010	13.287.571	12,07%	0	0,00%	0	0,00%
2011	13.553.322	12,31%	37.407.420	33,98%	445.062	0,40%
2012	25.606.210	23,26%	27.327.300	24,82%	2.172.232	1,97%
2013	25.726.239	23,37%	-	-	-	-
TOTAL	110.093.743	100,00%	64.734.720	58,80%	2.617.294	2,38%

State of realization

On 26th July 2012 the ranking list of all project proposals eligible for funding under the 2nd Call for Ordinary Projects for Priority 2 has been approved by the Joint Monitoring Committee and on 31st July 2012 the ranking list of the projects to be financed by the Programme (according to the available budget of the call for proposals and under conditions set by the Joint Monitoring Committee) was published in the Programme website.

11 Subsidy Contracts were signed by the Managing Authority with the Lead Beneficiaries of the 11 projects finally selected under the **2nd Call for Ordinary projects Proposals for Priority 2** and between September and October 2012 all those projects started their activities.

On 3rd September 2012 the **Call for Strategic projects Proposals for Priority 2** was launched and at its closure (2nd November 2012) 36 proposals were submitted. The formal admissibility check



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performed by the JTS was concluded on 6th December 2012. On 12th December, the Managing Authority of the Programme approved the ranking list of the project proposals subject to the 1st step Quality Assessment procedure.

Expenditure incurred by Final Beneficiaries by 31/12/2012 under Priority 2 (from the beginning of the Programme) amounted to **8.098.261 EUR**, of which **2.617.294 EUR** has been validated by First Level Control Offices on time for their inclusion in the last certification of expenditure for 2012. Besides some reporting related issues (as missing documents and consequent request for integrations from FLCO to Final Beneficiaries) as well as delays (over the three-month deadline established by art. 108 of EC Reg. 718/2007) in the validation of expenditure detected in some FLCOs, part of the 8.098.261 EUR has been submitted by Final Beneficiaries after the 30th October 2012, not permitting then to perform the first level control in time for the last certification of expenditure.

Communication and awareness raising at project level

External communication throughout the projects and publicity of project outcomes to key stakeholder and target groups is essential to make the project as widely visible as possible, achieve objectives and obtain necessary backing. During 2012, the following activities for communication and awareness raising have been developed by projects of the **1st Calls for Ordinary Projects** financed under Priority 2 and by the **strategic project ALTERENERGY**:

	2011	2012	Total
N° of press releases disseminated	45	159	204
N° brochure created	642	30	672
N° of copies of brochure disseminated	721	15130	15851
N° of newsletters created	2	1	3
N° of copies of newsletters disseminated	301	300	601
N° of dissemination events organized	15	43	58
N° of other events participated in	5	19	24

The projects financed by the **2nd Calls for Ordinary Projects** due to their start in late 2012 have implemented only the initial communication activities: most of the projects created the basic visibility elements (project logo) and some of them also implemented the Kick-Off meeting along with first press-releases.



Priority 3: Accessibility and Network

Indicators of physical realization

By November 2012, 21 Ordinary Projects were formally financed under the 1st and the 2nd Call for Ordinary Project Proposals under Priority 3. In November 2012 Lead Beneficiaries of 1st Call Ordinary Projects submitted their third Project Progress Report on the state of the implementation of the whole project with a summary of the activities and costs of all Final Beneficiaries of the project for the related period. Moreover, during 2012 one Ordinary project was terminated.

Consequently, at the end of 2012 only outputs delivered and results achieved by 1st Call Ordinary Projects could be considered. The 2nd Call Ordinary Projects which formally started by September – October, due to the short time of project implementation have delivered a very limited number of outputs (i.e Kick-off Meeting and cross - border project management and coordination activities). The following tables show the indicators and the related target value of the output and result indicators listed in § 5.5 “Quantified targets and indicators” of the OP and the output and results so far achieved by the projects.

OUTPUT INDICATORS	TARGET	ACHIEVED
Number of Projects		
Total Number of Projects	58	21
<i>Number of Projects: Physical Infrastructure</i>	8	4
<i>Number of Projects: Sustainable Mobility Systems</i>	20	9
<i>Number of Projects: Communication Networks</i>	30	8
Types of Projects		
Developing Common Policies and Strategies	38	11
Developing Common Tools	20	17
Developing Pilot Actions	0	7
Developing Common Feasibility Studies	0	9
Partnership		
Number of Projects involving 2-4 partners	> 60%	0% (0)
Number of Projects involving 5-8 partners	> 35%	48% (10)
Number of Projects involving more than 8 partners	> 5%	52% (11)
Number of Projects involving 2-3 countries	> 60%	29% (6)
Number of Projects involving 4-6 countries	> 35%	71% (15)
Number of Projects involving more than 6 countries	> 5%	0% (0)
Specific Outputs		
N° of projects developing joint use of infrastructure	15	8
N° of ports/airports modernized	10	6
N° of transport services improved	15	4
N° of projects improving links	15	7



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N° of gaps filled in transport links	5	6
N° of projects reducing isolation through improved access to ICT and networks	25	12

RESULT INDICATORS	TARGET	ACHIEVED
N° of new moorings created	2	n.a.
N° of inter-modal transport facilities improved	10	1
N° of additional public transport services	5	3
Percentage of population using new transport links (early)	2%	n.a.
N° of new ICT services established	4	12
Increase % of population with access to ICT	2%	n.a.

According to the abovementioned analysis, the majority of projects within the third priority cover Sustainable Mobility Systems (5) and Communication Networks (4). Only 4 projects out of 21 fall within Physical Infrastructure. The analysis showed that the greatest gap between the approved and targeted number of projects is to be found within the measure 3.3 (Communication Networks), with only 8 out of 30 foreseen projects. The analysis of specific outputs showed that Priority 3 projects mostly concentrate on reducing isolation through improved access to ICT networks (12), development of joint use of infrastructure (8), improving links (7) and modernization of ports and airports (6).

State of financial progress

Priority 3: Accessibility and Networks						
Year	Planned Amount	% per year	Realisations			
			Commitments		Payments	
			Amount	Com/Plan%	Amount	Pay/Plan%
2007	6.975.584	8,18%	0	0,00%	0	0,00%
2008	11.917.786	13,98%	0	0,00%	0	0,00%
2009	13.027.031	15,28%	0	0,00%	0	0,00%
2010	13.287.570	15,59%	0	0,00%	0	0,00%
2011	13.553.322	15,90%	24.789.303	29,08%	348.422	0,41%
2012	13.035.037	15,29%	24.527.515	28,78%	2.225.287	2,61%
2013	13.436.636	15,76%	-	-	-	-
TOTAL	85.232.966	100,00%	49.316.818	57,86%	2.573.708	3,02%



State of realization

On 26th July 2012 the ranking list of all project proposals eligible for funding under the 2nd Call for Ordinary Projects for Priority 3 has been approved by the Joint Monitoring Committee. On 31st July 2012 was published on the Programme website the ranking list of the projects to be financed by the Programme (according to the available budget of the call for proposals and under conditions set by the Joint Monitoring Committee).

10 Subsidy Contracts were signed by the Managing Authority with the Lead Beneficiaries of the 10 projects finally selected under the **2nd Call for Ordinary projects Proposals for Priority 3** and between September and October 2012 all those projects started their activities.

On 3rd September 2012 the **Call for Strategic projects Proposals for Priority 3** was launched and at its closure (2nd November 2012) only 7 proposals were submitted. The formal admissibility check performed by the JTS was concluded on 6th December 2012. On 12th December, the Managing Authority of the Programme approved the ranking list of the project proposals subject to the 1st step Quality Assessment procedure.

Expenditure incurred by Final Beneficiaries by 31/12/2012 under Priority 3 (from the beginning of the Programme) amounted to **6.510.948 EUR**, of which **2.573.708 EUR** has been validated by First Level Control Offices on time for their inclusion in the last certification of expenditure for 2012. Besides some reporting related issues (as missing documents and consequent request for integrations from FLCO to Final Beneficiaries) as well as delays (over the three-month deadline established by art. 108 of EC Reg. 718/2007) in the validation of expenditure detected in some FLCOs, part of the 6.510.948 EUR has been submitted by Final Beneficiaries after the 30th October 2012, not permitting then to perform the first level control in time for the last certification of expenditure.

Communication and awareness raising at project level

External communication throughout the projects and publicity of project outcomes to key stakeholder and target groups is essential to make the project as widely visible as possible, achieve objectives and obtain necessary backing. During 2012, the following activities for communication and awareness raising have been developed by projects of the **1st Calls for Ordinary Projects** financed under Priority 3:

	2011	2012	Total
N° of press releases disseminated	83	54	137
N° brochure created	3	105	108
N° of copies of brochure disseminated	0	700	700
N° of newsletters created	3	2	5
N° of copies of newsletters disseminated	0	1300	1300
N° of dissemination events organized	10	10	20
N° of other events participated in	9	8	17

The projects financed by the **2nd Calls for Ordinary Projects** due to their start in late 2012 have implemented only the initial communication activities: most of the projects created the basic visibility elements (project logo) and some of them also implemented the Kick-Off meeting along with first press-releases.



Priority 4: Technical assistance for the implementation of the OP

Indicators of physical realization

Output indicators

NAME	TARGET VALUE	REALIS. VALUE
Number of projects		
Total number of projects	4	12
<i>Number of projects: Administration and Implementation</i>	2	7
<i>Number of projects: Information, Publicity and Evaluation</i>	2	5
Specific outputs		
N° of cross-border programme structures established	3	3
N° of seminars/public events	15	48
N° of projects evaluated/assessed	500	/

Result indicators

NAME	TARGET VALUE	REALIS. VALUE
N° of manuals/guidelines created	4	4
N° of participants in the events organised for the publicity and implementation of the Programme	600	820
N° of quality of projects submitted for funding and success rate	50%	/

State of financial progress

Priority 4: Technical Assistance for the setting-up of the PO						
Year	Planned Amount	% per year	Realisations			
			Commitments		Payments	
			Amount	Com/Plan%	Amount	Pay/Plan%
2007	2.325.195	8,05%	0	0,00%	0	0,00%
2008	3.972.595	13,75%	145.000	0,50%	145.000	0,50%
2009	4.342.344	15,03%	9.610.597	33,26%	145.000	0,50%
2010	4.429.190	15,33%	3.650.000	12,63%	145.000	0,50%
2011	4.517.774	15,63%	4.098.047	14,18%	8.407.420	29,10%
2012	4.454.211	15,41%	290.000	1,00%	502.158	1,74%
2013	4.854.211	16,80%	-	-	-	-
TOTAL	28.895.520	100,00%	17.793.644	61,58%	9.344.578	32,34%



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§. 1. FINANCIAL REALISATION

Commitments and payments of Final Beneficiaries-Total Programme on 31/12/2012											
PRIORITY	Planned Amount			Commitments				Payments			
	Total	IPA co-financing 85%	National co-financing 15%	Total	Com/PI an %	IPA co-financing 85%	National co-financing 15%	Total	Pay/P lan %	IPA co-financing	National co-financing
Priority 1 - Economic, Social and Institutional Cooperation	64.732.967	55.023.022	9.709.945	51.247.044	79,17	43.559.988	7.687.057	2.205.906	3,41	1.875.020	330.886
Priority 2 - Natural and Cultural Resources and Risks Prevention	110.093.743	93.579.682	16.514.061	64.734.720	58,80	55.024.512	9.710.208	2.617.294	2,38	2.224.700	392.594
Priority 3 - Accessibility and Networks	85.232.966	72.448.021	12.784.945	49.316.818	57,86	41.919.296	7.397.523	2.573.708	3,02	2.187.652	386.056
Priority 4 - Technical Assistance	28.895.520	24.561.192	4.334.328	17.793.644	61,58	15.124.598	2.669.047	9.344.578	32,34	7.942.891	1.401.687
TOTAL PROGRAMME	288.955.196	245.611.917	43.343.279	183.092.227	63,36	155.628.393	27.463.834	16.741.486	5,79	14.230.263	2.511.223

It is highlighted that that the expenditure incurred by Final Beneficiaries by 31/12/2012 amounted to 32.136.745,92 EUR, 21.329.961,79 EUR of which only have been validated by First Level Control Offices on time for their inclusion in the last certification of expenditure for 2012.



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DISPOSITIONS ADOPTED BY THE MANAGING AUTHORITY AND JOINT MONITORING COMMITTEE FOR GUARANTEEING THE QUALITY AND EFFICIENCY OF IMPLEMENTATION.

Initiatives taken by the Managing Authority

In respect of its tasks according to art. 103 of Commission Regulation (EC) no 718/2007, the Managing Authority *has guided the work of the Joint Monitoring Committee* also providing it with the documents required to permit the quality of the implementation of the cross-border Programme.

As concerns the *selection of projects*, on July 2012 (during the 13th JMC meeting) 32 new projects were finally selected for funding under the *2nd Calls for Ordinary Projects Proposals (Priority 1, 2 and 3)* and the Managing Authority adopted all the necessary administrative acts to finalize the signature of the IPA subsidy contracts between September and October.

On September 2012, the MA has launched the *Calls for Strategic Projects Proposals (Priority 1, 2 and 3)* in order to select operations in accordance with the selection criteria agreed by the Joint Monitoring Committee applicable to the cross-border programme and by December 2012 has completed, with the support of the JTS, the formal assessment on the 57 proposals received.

Additionally, in order to ensure that expenditure of each final beneficiary participating in an operation has been *validated by the controller referred in Article 108* of the IPA Implementing Regulation, the Managing Authority has monitored that each FLCOs respected their duties related to the verification of the legality and regularity of the expenditure declared by the Final Beneficiaries established in their territory.

On June 2012 the MA has submitted to the European Commission the *3^d Annual Report on implementation* (concerning 2011) approved by the JMC.

Moreover, on 14th November 2012, the Managing Authority has even provided to the JMC the De-commitment Action Plan Report n. 1 with the analysis of the risk of automatic de-commitment of 2009 funds, by the end of 2012, the actions already taken to avoid such de-commitment as well as some proposals to avoid de-commitment also in 2013.

For the sound implementation of the Programme, during 2012, the MA has launched the following written procedures, pursuant to Art. 8 of the Rules of Procedures of the Joint Monitoring Committee:

- written procedure **No. 1-2012**, closed with positive result for the reduction to 10 days the deadline for the submission of the documents required under the 2nd Calls for Ordinary projects proposals;
- written procedure **No. 2-2012**, closed with positive result for the approval of the Guidance for First Level Controllers;
- written procedure **No. 3-2012**, closed with positive result for the approval of the Quality Assessment and Selection procedure of the 2nd Calls for Ordinary projects proposals;
- written procedure **No. 4-2012**, closed with positive result for the approval of modification of the partnership of the project AHVN (1^oord/004) pursuant to art. 17.2 of the General Conditions of the IPA Subsidy Contract;
- written procedure **No. 5-2012**, closed with positive result for the approval of the micro themes for the Calls for Strategic Projects proposals;
- written procedure **No. 6-2012**, closed with negative result for the approval of the Terms of reference for drawing up the "Roster of Experts" for the assessment of the Strategic Projects proposals;
- written procedure **No. 7-2012**, closed with positive result for the approval of the following request of project modifications for which a JMC decision is required pursuant to art. 17.2 of the General Conditions of the IPA Subsidy Contract.
- written procedure **No. 8-2012**, first and second consultations, both closed with negative result for the approval of the modifications to the Programme Management and Control Manual;



- written procedure **No. 9-2012** closed with negative result for the approval of the replacement of the Lead Beneficiary of the project F.L.A. (1^oord/151);
- written procedure **No. 10-2012** closed with positive result for the approval of the Annual Report 2011;
- written procedure **No. 11-2012** closed with positive result for the approval of the annexes to the Calls for Strategic projects proposals: Application package for Strategic projects; IPA Subsidy Contract and its General Conditions; No. Terms of Reference;
- written procedure **No. 12-2012** closed with positive result for the approval of the corrigendum to the Calls for Strategic projects proposals;
- written procedure **No. 13-2012**, closed with positive result for the approval of the following request of project modifications for which a JMC decision is required pursuant to art. 17.2 of the General Conditions of the IPA Subsidy Contract.
- written procedure **No. 14-2012**, first and second consultations, closed with positive result for the approval of the Sub-questions related to the “Quality criteria both for the 1st and 2nd Step related to the Calls for Strategic Projects proposals”;
- written procedure **No. 15-2012**, closed with positive result for the approval of the employment requirements and tasks of the JTS’ Project Management Unit Head;
- written procedure **No. 16-2012**, first and second consultations, closed with positive result for the approval of the “Evaluation and Selection Manual for the Quality Assessment of Strategic Project Proposals”;
- written procedure **No. 17-2012**, first and second consultations, closed with positive result for the approval of the Tasks of the JTS Coordinator
- written procedure **No. 18-2012**, closed with positive result for the approval of the following request of project modifications for which a JMC decision is required pursuant to art. 17.2 of the General Conditions of the IPA Subsidy Contract.

Actions taken by Joint Monitoring Committee

The functions and composition of the JMC are described in § 7.1.1 of the OP and its rules of functioning are established within the “Rules of Procedures” approved in L’Aquila on July 8th, 2008.

This being said, during the whole year it has monitored the progress made towards achieving the project and programme targets on the basis of the periodical reports on the state of implementation of financed projects submitted by the JTS and authorized project modifications required pursuant to art. 17.2 of the General Conditions of the IPA Subsidy Contract (No. 17 requests of project changes submitted to the JMC during 2012).

Moreover, in the first semester of 2012, the JMC has discussed and approved the eligibility and selection criteria of the **Calls for Strategic Projects Proposals** for all the three Priorities (1, 2 and 3) whilst during its 13th meeting it even selected projects to be financed under the 2nd Calls for ordinary projects proposals.

On January 2012, through written procedure n. 2-2012 it approved the Guidance for First Level Controllers, whilst on July 2012, during its 13th meeting, the JMC has even formally approved, after having discussed its contents, the revision of the **Programme Management and Control Manual**, which provides the general and specific (community and Programme) rules that have to be respected for the eligibility of expenditure.

Finally, the JMC formally approved the **Annual report 2011** referred to in Article 112 of the EC regulation 718/2007.

Actions for sound financial management

The Managing Authority is responsible for managing and implementing the cross-border programme in accordance with the principle of sound financial management.

Verification of efficiency and reliability of systems of management used, are the activities of control carried out together with the management (that is part of it).



Regularity of realization of the operations, in compliance with a good financial management, presumes adequate office organization involved in activity of management control.

In addition the Managing Authority and the Joint Monitoring Committee shall carry out monitoring by reference to the identified financial indicators, as well as the indicators referred to in Article 94(1)(d) and art 111 (2) of Regulation (EC) No 718/2007.

In this respect, the Managing Authority, supported by the Joint Technical Secretariat, in the interests of efficiency, coordinated the work of all the Programme's bodies in order to secure quality standards while avoiding duplication.

Moreover, in order to avoid risk of de-commitment of 2009 Programme funds, since the beginning of September 2012 the Managing Authority put in place several actions both at project and Programme level. In particular:

- monitoring project spending at the date of 5th of September, also reminding to under-spending projects their obligations and clarifying the link between the eligibility of expenditure and the automatic de-commitment,
- organization of meetings with Final Beneficiaries,
- monitoring if First Level Controls are performing checks within time limits and ensuring that the controllers are quickly approved,
- contracting the projects approved under the 2nd Calls for ordinary project proposals as quickly as possible.

Management activities and ordinary control

The Managing Authority and the Certifying Authority work together in order to:

- facilitate the identification of possible scarcities and risks during the implementation process of actions and/or projects;
- verify the correspondence of the summarized data, which have been certificated with each registration of expense, with the justifications documentation at each level;
- verify the payment requests and the expenses declarations presented at each level, through selective criteria and an analysis of threats;
- make available the technical and financial plans of the actions and procedures documents at each level;
- allow the identification of all the level authorities, which are responsible for reporting the expenses and the description of the relationships among these authorities.

Verification of the effectiveness of the management and control system and the control at a second level

The management and control system of the IPA Adriatic CBC Programme has been described into the "Description of management and control systems" ex art. 115 Reg. (EC) n. 718/2007 submitted by the Managing Authority.

The Audit Authority performed its controls on the management and control system as well as on operations.

Summary of main problems encountered

First of all, the Programme incurred in an interruption of payment as of the 20/02/2012, pursuant to Article 135 (1)(b) of Commission Regulation (EC) No 718/2007, concerning the interim payment claim sent on 19 December 2011 as communicated with note Ref. Ares(2012)194113 as of 20/02/2012, which has partly affected the propensity of Final Beneficiaries to implement their project activities, due to the risk of not being refunded.



Moreover, during 2012 the Programme faced the **risk of automatic de-commitment of funds**, due to low Programme commitments, projects under-spending, slow validation procedures and delay in reimbursements of eligible expenditure to Final Beneficiaries.

The Managing Authority has then taken the following actions during 2012 in order to solve as much as possible such problems and avoid to incur them again during 2013:

- modification of the procedure for the authorization of project changes requests in order to speed up the implementation of projects due to the needs for modification;
- monitoring project spending at the date of 5th of September, also reminding to under-spending projects their obligations and clarifying the link between the eligibility of expenditure and the automatic de-commitment of funds;
- organization of meetings with Lead and Final Beneficiaries;
- monitoring if First Level Control Offices were performing their checks within the three-month deadline;
- contracting the projects approved under the 2nd Calls for ordinary project proposals within October 2012;
- proposing to the JMC the following actions to be taken for 2013:
 - thematic workshops addressed to Lead, Final Beneficiaries and FLCOs, to be held in those Countries with main difficulties in incurring expenditure, reporting and validating expenditure, with the support of the National Info Points and Technical Assistance in order to analyze more in depth difficulties encountered by Final Beneficiaries of that Country;
 - targeted meetings, organized by the JTS' premises, with Lead Beneficiaries of projects with spending difficulties in order to understand and solve the main difficulties encountered;
 - development of Country's FACT SHEET, in National language, in order to provide useful tools and targeted clarifications to Final Beneficiaries and FLCO according to their national main difficulties.

Measures taken to provide information on and publicise the Cross-border Programme

Publicity and Communication, in accordance with art. 62 of the IPA Implementing Regulation, is subject to a comprehensive information and publicity strategy aimed at informing and obtaining participation to the widest possible degree of public and private actors, as well as the dissemination of the results.

This being said, on July 2008 the Joint Monitoring Committee approved the IPA Adriatic CBC Programme Communication Plan, which defines:

- the communication strategy;
- the strategic and specific objectives to be pursued during the implementation of the Communication Plan;
- the communication targets;
- the activities to be implemented for communicating the funding opportunities of IPA Programme, as well as to ensure the dissemination of results achieved by the single Projects;
- the tools to be activated for communicating the funding opportunities of IPA Programme, as well as to ensure the dissemination of results achieved by the single Projects;
- the implementation procedures and the responsible bodies for the Communication Plan;
- the reporting system of the communication activities and tools.

The planned Programme strategy uses then all available channels of communication to disseminate the information.

The general aim of this strategy is to highlight the role of the European Union and to ensure that assistance from Funds is transparent by actively disseminating information and furnishing platforms



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that stimulate exchange of experience in order to raise awareness of specific or general audiences of the reasons for the action and the EU support for the action in the Participating Countries, as well as the results and the impact of this support.

The specific objectives of the strategy are:

- (a) Spreading information about the opportunities created by the Programme and ensuring transparency for groups targeted by the Programme including relevant actors for specific Programme priorities.
- (b) Making the general public fully aware of the results and benefits achieved by cross-border projects.
- (c) Informing, correctly and punctually, potential beneficiaries of the rules and procedures to guarantee sound project implementation.

In this respect, during 2012 the following measures were taken to provide information on and publicise the Cross-border Programme:

A) Activities to communicate the Programme funding opportunities under the Calls for Strategic Projects proposals:

- ✓ No. 12 Info-days:
 - for Italian potential Applicants (Campobasso, 11/09/2012);
 - for Slovenian potential Applicants (Ljubljana, 18/09/2012);
 - for Greek potential Applicants (Corfu, 21/09/2012);
 - for Montenegrin potential Applicants (Podgorica, 24/09/2012);
 - for Albanian potential Applicants (Tirana, 25/09/2012);
 - for Serbian potential Applicants (Belgrade, 27/09/2012);
 - for potential Applicants from Bosnia and Herzegovina (Sarajevo, 28/09/2012);
 - No. 2 Info days for Croatian potential Applicants (Zagreb, 1/10/2012; Rijeka 4/10/2012);
 - No. 3 info days, organized by the Albanian Ministry of Integration with local representatives of 5 regions (Shkodra, Lezha, Durrës, Fier and Vlore) between October and November 2012;
- ✓ An informative leaflet distributed to all potential applicants by the Albanian Info Point.

B) Activities to disseminate results achieved by the single Projects:

- ✓ Participation to transnational communication events:
 - Final Conference of the "Accordo di Programma Quadro - Programma di Sostegno alla Cooperazione Regionale Paesi del Mediterraneo e dei Balcani" (Cagliari, 12-13/09/2012);
 - OPEN DAYS 2012 (Bruxelles, 9-11/10/2012);
 - Annual Event 2012 - Regional Policy Unitary (PRU) organized by the Marche Region (Ancona, 30/11/2012).
- ✓ update of programme website (www.adriaticpacbc.org) with information on projects events and results achieved (indicatively 4,5 news per month)
- ✓ maintenance and update of country national web sites with information about the Adriatic CBC Programme and regular updates also in national languages::
 - Slovenia: <http://www.arhiv.svlr.gov.si/>
 - Serbia: <http://www.evropa.gov.rs/CBC/PublicSite/Programme.aspx?Id=42>
 - Greece: <http://www.interreg.gr/en/programmes/2012-05-11-09-00-08/adriatic.html>;
 - Albania: <http://www.mie.gov.al/>; <http://al-asistencateknike.com>

Finally, all the materials produced (gadget, reports, calls...) incorporated the basic elements of the EU (the EU flag) and of the programme (Programme logo and slogan: "**Let's grow up together**") visual identity as well as the obligatory statement: "The Programme is co-funded by the European Union, Instrument for Pre-Accession Assistance".



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Measures undertaken to assure the compatibility of the Community policies with the general coordination

In this respect, it can be assessed that the Participating Countries follow the Community policy orientations in their own activities, not only in the framework of the IPA fund Programmes or IPA Adriatic CBC Programme. To ensure the compatibility with the Community policies the following measures have been anyway undertaken.

Competition and public procurement

According to the Article 90.6 of the EC Regulation n. 718/2007, “for State aid in the meaning of Article 87 of the Treaty, public aid granted under cross-border programmes shall observe the ceilings on State aid”. It means that State aid rules must be applied under the IPA Adriatic CBC Programme both in Member States and non Member States.

Under the 1st and 2nd Calls for Ordinary projects proposals as well as for the Calls for Strategic projects, the JMC has decided that the public assistance to final Beneficiaries constituted under public or private law and operating in the market would be granted by IPA Adriatic CBC Programme under the *de minimis* rule, according to the EC Regulation n. 1998/2006. This means that any Final Beneficiary of Programme funds acting as an undertaking - that is any entity engaged in an economic activity regardless its legal status (public or private) and the way in which it is financed – in the project, for that Beneficiary the *de minimis* discipline will apply. Each Beneficiary had to declare if the activities that it will carry out in the project are relevant for the application of the *de minimis* rules. In case the Beneficiary project activity is considered state aid relevant, it had to provide a declaration indicating the total amount of state aid received in the preceding three fiscal years, awarded explicitly as *de minimis* funding (“*The de minimis Declaration*”).

The JMC has also decided that, if Beneficiaries’ project activities can be considered as State aid relevant, and thus the maximum grant will be calculated in compliance with the *de minimis* regime, the Beneficiary has to ensure 15% of its project budget with own resources.

In this respect, all projects financed under the 1st and 2nd Calls for Ordinary projects proposals have been subjected to a “*de minimis check*” in order to evaluate whether involved Final Beneficiaries were making economic activities potentially affecting competition among participating Countries or not. In case the result of the “*de minimis check*” highlighted that some Final Beneficiaries were acting as undertakings into the project, the maximum aid intensity granted is equal to 85% of the grant that would have been assigned if the Beneficiary was not acting in the project as an undertaking.

Moreover, the Managing Authority has implemented a Programme database on de minimis subsidies paid to Final Beneficiaries. Thus, every time a payment order for such beneficiaries is issued the Managing Authority updates such database and promptly informs National Authorities of Participating Countries for the update of their national (or regional) *de minimis* databases too.

As concerns Public Procurement, according to Article 121 of Regulation (EC) n. 718/2007, all Final Beneficiaries (Member States and non Member States; public and private as well) shall follow the procurement procedures for the award of service, supply and work contracts, foreseen by the EU “External aid rules”. This obligation has been ruled in the Subsidy Contract between the Managing Authority and the Lead Beneficiary and in the Partnership Agreement as well. Additionally, the JTS has produced a guide for Final Beneficiaries for the application of these rules for awarding of procurement contracts. Additionally, in order to ensure that all Final Beneficiaries are applying the correct procurement procedures, the JTS has even developed a specific form (“Contract award declaration”) that Final Beneficiaries have to provide to the Managing Authority (generally by uploading it into the M.I.S.) every time a procurement procedure has been awarded.



Environmental Protection

The Managing Authority, in parallel with drafting the Programme has decided – in accordance with Strategic Environmental Assessment (SEA) Directive 2001/42/CE – to develop procedures for the Programme's Strategic Environmental Assessment.

Such procedures were applied with close cooperation between the programmer, the ex-ante evaluator and the environmental evaluator.

The SEA, as it is known, is formed by a set of activities listed here: drawing up the Environmental Report on the Programme content, environmental authority and public consultation, integration of the Environmental Report results in the Programme and monitoring environmental impact indicators.

The Environmental Report was prepared within SEA with:

- (a) verification of the coherence of the Programme strategy with EU environmental sustainability objectives;
- (b) analysis of the environmental context (anthropomorphic pressures and current environmental conditions) of the entire Adriatic area, in relation to aspects concerning the Programme's strategy;
- (c) analysis of the Adriatic's environmental situation. Summary of the principal problems and potentialities of the area;
- (d) assessment of potential effects that implementation of the Cross-Border Cooperation Programme might generate on the environment in the Adriatic area;
- (e) formulation of proposals to improve the Programme's environmental sustainability;
- (f) definition of actions and indicators for monitoring environmental effects which might be generated by the implementation of Programme interventions.

In line with the SEA Directive, the Programme Draft and the Environmental Report have been made available to Authorities with specific environmental tasks and to the wider public to allow them to make comments on environmental aspects of the Programme.

At project level instead, financed projects are required to be coherent with the objectives of protection and improvement of the environment foreseen in Article 11 of the Treaty for the EU Functioning. Whereas in the Application Form applicants are asked to describe the coherence of the planned project activities with the environmental objectives at EU, in the implementation stage, for activities that may have negative impacts on the environment (as investment), First Level Controllers have to verify that:

- evidence is provided by the Lead Beneficiary/Final Beneficiary that specific compulsory requirements by Community or national legislation are fulfilled (e.g. feasibility study, environmental impact assessment, building permission, etc. are available);
- self-declaration of the related Final Beneficiary is available stating the respect of all community and national laws in terms of environmental impact.

Equal Opportunities

The implementation of the Programme and of approved projects should be in line with the provisions concerning equal opportunities for men and women as well as combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

At **Programme level**, equal opportunities principles have been respected in the selection of the staff of JTS, Managing Authority technical assistance, FLCOs and Info Points.

At **project level** instead, whereas the promotion of equal opportunities will be considered among other horizontal policies, as a positive factor in the selection of projects for funding, Final Beneficiaries are required to respect these principles and first level controllers have the task to control the respect of the provisions concerning equal opportunities.

For control purposes, self-declarations from the partners should be in principle sufficient in order to guarantee the respect of the principle of equal opportunities. These declarations include the following minimum confirmations:



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- that staff recruitment processes carried out in the project adhere to the principles of equal opportunities;
- that equality is promoted in the project's committees and boards;
- that the events organised by the project do not represent any barrier to participation (e.g., location favouring accessibility);
- that there are no other barriers to participation;
- that all national rules on the issue of equal opportunities have been respected.

Nevertheless, in case of specific actions (e.g. trainings) foreseen in the project, the principles of equal opportunities should be particularly ensured. In this respect, further checks should be performed by the controllers by examining - for example - the list of participants.

