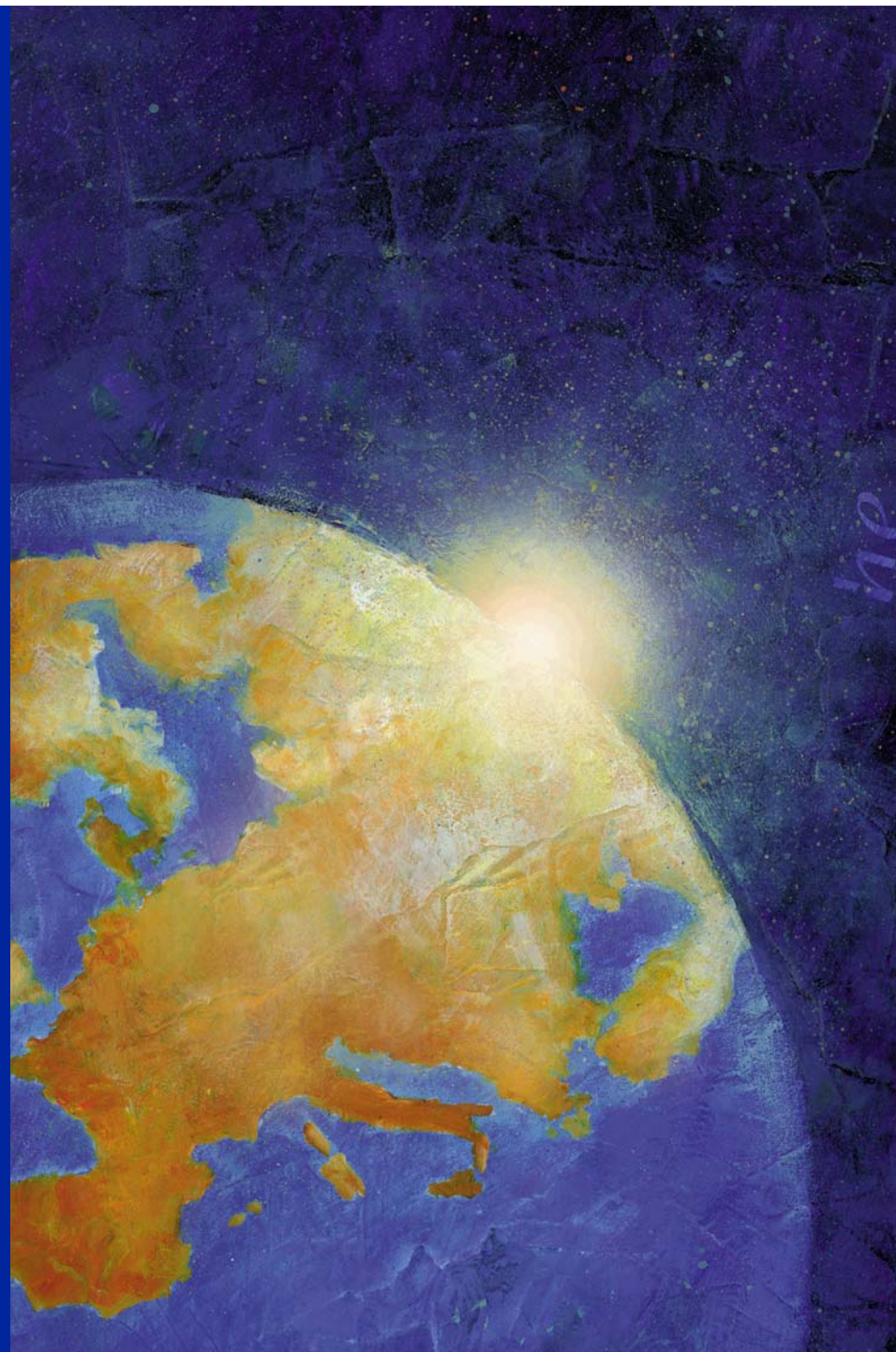




IRE Expert Conference

Varaždin,
21 November 2006





IRE Expert Conference

EU ~~subsidies~~ strategic investments for the Croatian Regions

Oskar Benedikt, Counsellor
Florian Hauser, Sector Manager
EC Delegation to Croatia



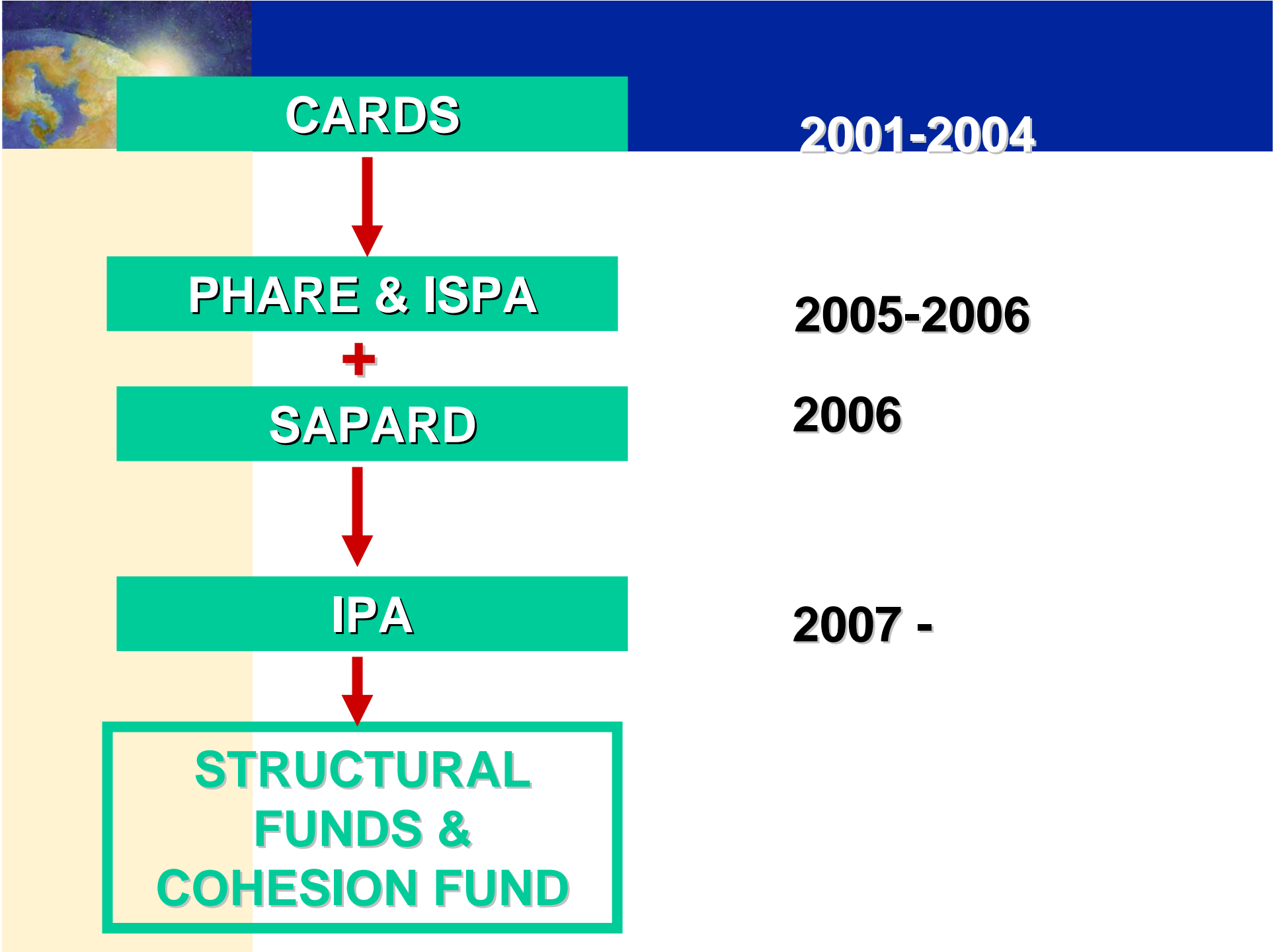
Structure of the presentation

- 1. EU funds for Croatia**
- 2. EU Structural Funds –
rationale & preparation**



Overview – EU funds for Croatia

- **The past: Humanitarian Aid & Post war reconstruction**
- **The present: Building capacity in a pre-accession context**
- **The future: Instrument for Pre-accession & Structural Funds**





EU pre-accession assistance: Objectives

Objectives for EU Assistance

- Focus:
 - ✓ Preparation for EU membership
- Ownership”:
 - ✓ Corresponds to a political priority for Croatia
 - ✓ Progressive decentralisation of implementation responsibility to Croatia
 - ✓ Co-financing of investments



EU pre-accession assistance: Financial Allocations

Totals for 2001 – 2006:

- **CARDS: €262 million** (*projects run until 2009*)
- **PHARE: €167 million**
- **ISPA: €60 million**
- **SAPARD: €25 million**



EU pre-accession assistance: PHARE 2005 – 2006

- Institution Building – transfer of know-how (all chapters of *acquis*)
- Institution Building - Investments required to adopt and implement the *acquis*
- Investments to support Economic and Social Cohesion



EU pre-accession assistance:

ISPA - *Instrument for Structural Policies for Accession*

- Investments in environment and transport infrastructure (50:50%)
- Preparation for Cohesion Fund
- Components:
 - Investment Heavy Environmental Directives
 - Trans-European transport network
 - Technical assistance in project preparation
- Requirement: 25% of national co-financing
- Minimum project size: 5 million €



EU pre-accession assistance: SAPARD

- Support to the implementation of EU agricultural policy and to rural development
- Preparation for European Agricultural Guidance and Guarantee Fund and Financial Instrument for Fisheries Guidance
- Requirement: min. 25% of national co-financing of SAPARD measures



New Financial Perspectives (2007-2013): Instrument for Pre-Accession

- From 2007: EU Assistance to Croatia through IPA
- Replaces:
 - Phare
 - ISPA
 - SAPARD
 - CARDS

**Total amount for Croatia 2007-2010:
€590 Mio**



New Financial Perspectives (2007-2013): Instrument for Pre-Accession

- Five components:
 - Institution Building (ca. €45 Mio p.a.)
 - Cross-Border Cooperation (ca. €14 Mio p.a.)
 - Regional Development (ca. €47 Mio p.a.)
 - Human Resources (ca. €13 Mio p.a.)
 - Rural Development (ca. €25 Mio p.a.)



EU pre-accession assistance: Programming and Implementation Modalities

- The Croatian Government fixes the priorities based on the Accession Partnership, Progress Report and in consultation with the European Commission
- Latest Progress Report was published on 8 November 2006



EU pre-accession assistance: Programming and Implementation Modalities

- EC funds are non-repayable grants
- They are issued following a competitive procedure



Recently financed projects (still in implementation...)

- **More than 80 grants in areas of border region development, vocational education & training, social service delivery, local development in war-affected areas (tourism, SME, small infrastructure)**
- **Investments (works & supplies) for water & waste water supply, business zones, demining, improving technical schools**
- **Technical assistance for regional development planning (in 8 counties) and project preparation in all counties**



EU pre-accession assistance: Tendering procedures

- **3 main types of Contracts**

SERVICES	$\geq \text{€}200,000$ International restricted tender procedure	$< \text{€}200,000$ but $> \text{€}5,000$ 1 Framework contracts 2 Competitive negotiated procedure		$\leq \text{€}5,000$ Single tender
SUPPLIES	$\geq \text{€}150,000$ International open tender procedure	$< \text{€}150,000$ but $\geq \text{€}30,000$ Local open tender procedure	$< \text{€}30,000$ but $> \text{€}5,000$ Competitive negotiated procedure	$\leq \text{€}5,000$ Single tender
WORKS	$\geq \text{€}5,000,000$ 1 International open tender procedure 2 International restricted tender procedure (exceptional cases).	$< \text{€}5,000,000$ but $\geq \text{€}300,000$ Local open tender procedure	$< \text{€}300,000$ but $> \text{€}5,000$ Competitive negotiated procedure	$\leq \text{€}5,000$ Single tender



Upcoming opportunities – examples (open calls)

- **CARDS 2004 – Local Partnerships for Employment (only 8 counties) - €0,65 Mio**
- **PHARE 2005 Business Related Infrastructure grant Scheme - €5 Mio**
- **Cross-border co-operation Serbia, BiH, Montenegro - €1 Mio**
- **Social service delivery - €2 Mio**
- **Etc..**



EU Pre-accession assistance:

If you are looking for funding...

- Project proposals should be submitted to the **National Aid Coordinator =**

*Central Office for Development
Strategy and Co-ordination of EU
Funds (CODEF)*



Further Information

**Ministry of Finance, Central Finance
and Contracting Unit (CFCU):**

<http://cfcu.mfin.hr/>

**National Aid Co-ordinator, Central
Office for Development Strategy and
Co-ordination of EU Funds:**

www.strategija.hr

**Delegation of the European
Commission:**

www.delhrv.ec.europa.eu