

STANDARD SUMMARY PROJECT FICHE

1. Basic Information

- 1.1 CRIS Number: 2003/005-704.02
- 1.2 Title: Economic Development focusing on support of Tourism
- 1.3 Sector: Cross border co-operation
- 1.4 Location: Slovak - Austrian border region (HTU-s Bratislava, Trnava)

2. Objectives

2.1 Overall Objective(s):

- Improvement of the cross-border co-operation of businesses in the region and strengthening of the regional economic infrastructure;
- Creation of conditions for stabilisation and further growth of Economic Development in the border area.

2.2 Project purpose:

Creation of conditions for sustainable development of tourism sector in the border area.

2.3 Accession Partnership and NPAA priority

The Grant Scheme is in line with the Accession Partnership and National Programme for the Adoption of the Acquis (NPAA) objectives addressing the economic issues. The implementation mechanism will contribute to the preparation of central, regional and local authorities for the implementation Structural Policies.

Accession Partnership

Continue enterprise restructuring and promote private sector development

NPAA-Chapter Economic Development:

- promotion of organisations associating entrepreneurs

- prepare a “Waste Management Programme of the Slovak Republic” and subsequently waste management programmes of regions, districts and individual producers of waste (including municipalities),

The implementation mechanism will contribute to the preparation of central, regional and local authorities for the implementation Structural Policies.

2.4 Contribution to National Development Plan

The project deals with the **Priority I - Cross Border Economic Co- operation**, Measure III (Tourism and Leisure) and Measure IV (Strengthening the economic development) and **Priority III - Cross Border Organisational Structures and Networks**, Measure I (Support of Cross Border Organisational Structures and Development of Cross Border Networks) of the Joint Programming Document (JPD).

The Grant Scheme represents in fact the preparation for the future participation in the Partnership Initiative INTERREG. It deals with the implementation of an important EU regional policy principle with the objective to harmonise economic standards of cross-border areas with the neighbouring EU countries.

The project is in line with the draft SPD for the Bratislava region and the operational programme Economic Development.

In Slovakia, the importance attributed cross border co-operation as a tool of Regional Development is reflected in Act of Regional Development No.503/2001 that came into force in October 2001.

2.5 Cross Border Impact

The grant scheme primarily supports projects of local initiatives that can directly contribute to the improvement of tourism conditions of the direct border region and also have a direct cross-border impact.

The projects can be submitted from the entire area of counties constituting the border region, with restrictions as follows:

- Investment projects should be initiated mainly in the close-to-border territories (micro-regions/districts along or near to the border) thus investments will have a direct cross-border impact.
- Non-investment projects are welcome from the whole territory of the border region.

Implementing Agency will take these aspects into consideration in the Call for Proposals and during the evaluation of the project proposals.

3. Description

3.1 Background and justification:

Slovakia as a perspective tourist destination with great natural, cultural and historical values provides the domestic and foreign visitors with a broad spectrum of activities and services for tourism.

Slovakia has got qualification for using the tourism as a flagship of the national economy. The share of the tourism in a gross domestic product is currently only 4%, but it could be multiplied in a short period by a targeted governmental support. The sector of tourism is open to foreign investment and the access for a potential investor is not difficult.

Bratislava region is the smallest of all the Slovak regions but it is the economically most important region of Slovakia. It is made up by "Podunajska nizina" and "Zahorska nizina" lowlands separated by the Little Carpathian Mountains. The important geographical feature is the river Danube, which bounds the region from the south and the river Morava which bounds it from the west.

While many regions claim a strategic location, Bratislava is a genuine central European crossroad with borders on the Czech republic, Austria and Hungary. From other regions the only one having common border with Bratislava is Trnava region. Important ethnic minorities are Hungarians 5.2% and Czechs 2%.

Bratislava, as capital of the Slovak Republic, is also the seat of national government and various organisations of nation-wide importance.

The Trnava region is one of the smallest regions of Slovakia, in regard to area as to population. Its major part is made up of the Danube plain and the Zahorska nizina lowland, separated by the Little Carpathian Mountains. The water resources are rich; the rivers Danube, Vah and Morava drain the region.

The regions have common borders with three countries – Czech Republic, Hungary and Austria. This explains the presence of Hungarian and Czech minorities in the regions.

The Grant Scheme outlines the activities, which are specifically targeted at the cross-border co-operation of institutions, more efficient co-ordination of cross-border economic activities, transfers of technology and know-how, exchange of experience and information, improved co-operation in the field of tourism, and harmonisation of conditions necessary for the existence of a single economic area.

3.2 Linked activities:

The development of cross-border economic co-operation and tourism was supported through previous Phare financed projects and in a lesser extent through past CBC Small Projects Funds.

3.3 Results:

The Grant Scheme shall deliver the following results:

- Capacity of regional and local institutions to support the promotion of the economic development through tourism improved (e.g. tourism agencies, regional development agencies, business associations, institutions dealing with tourism);
- Network of cross border "impulse" centres to support the initiation and development of business contacts and implementation of joint Phare CBC /INTERREG IIIA co-operation projects developed.

3.4 Activities

Activities supported by the Grant scheme

1 - Tourism activities

- Creating of new or improvement of the existing Cycle routes, cycle foot bridges on the border river Morava
- Creating a network of the tourist marks to improve the tourism condition for the cyclists, walkers or pedestrian
- Development of tourist attractions and visitor development plans, in particular those having a cultural-heritage value.
- Organization of sector workshops, seminars, conferences etc.
- Preparation of brochures, Guidebooks for Tourism
- Improvement of the Eco Tourism through support of information campaign, organizing workshops, market research and preparation of information brochure and manuals concerning Eco Tourism

The total budget for the window is 0.8 MEUR. This window shall provide grants in an amount of 50,000 – 150,000 EUR for the procurement of services, works and supply.

Organisations eligible for support will be non-profit or non-governmental organisations as follows:

- Non-profit organisations, tourism associations
- Municipal, educational institutions
- HTU - Higher Territorial Units, municipalities
- Bodies of the public administration
- Co-operation, association of the above organisations.

Profit oriented organisations are not eligible.

Projects for support will be selected according to the following criteria:

CBC criteria:

- co-operation between Austrian and Slovak partners - common project preparation

Formal selection criteria (*in accordance with the evaluation grid of PRAG*):

- studies, training and information campaigns prepared under this window of the Grant Scheme must be related to activities that are eligible

Relevance:

- Conformity with relevant regional development plans and the Joint Programming Document.
- Relevance of the project to the needs of the target group

Methodology:

- The preparedness and elaboration of the project proposal.
- Involvement of the partners in the elaboration of the project proposal.
- Realistic time-schedule for implementing of the project proposal.
- Well defined target group.

Sustainability:

- Further utilisation and long term sustainability of the project results.
- Beneficial social, economic and environmental impacts of the project results.
- Possible multiplier effects of the project results.

Budget and cost effectiveness:

- Reality and transparency of the financial plan of the project proposal.
- Justification of the planned budget,
- Cost effectiveness of the development.

Management capacity and expertise:

- Availability of the necessary personal, organisational and institutional capacity for the implementation of the project proposal.
- Developments implemented with the collaboration of various settlements or organisations (consortia).

2 - Cross border information centres - networking

Eligible activities are the following:

- Establishing of the Cross-border information centres along the border region to create a systematic network with already existing Austrian centres.
- Development of network of cross border "impulse" centres for initiation and development of business contacts and implementation of joint Phare CBC /INTERREG III A co-operation projects.

The total budget for the window is 0.9 MEUR. This window shall provide grants in an amount of 300,000 – 500,000 EUR for the procurement of works, supplies and services.

Organisations eligible for support will be non-profit or non-governmental organisations as follows:

- Non-profit organisations, tourism organisation
- Municipal, educational institutions
- HTU - Higher Territorial Units, municipalities
- Bodies of the public administration
- Co-operation, association of the above organisations.

Profit oriented organisations are not eligible.

Projects for support will be selected according to the following criteria:

CBC criteria:

- co-operation between Austrian and Slovakian partners - common project preparation

Formal selection criteria (in accordance with the evaluation grid of PRAG):

- Compliance with projects financed by other international aid schemes (e.g. ISPA, Sapard), the technical content of the project proposal does not overlap with other internationally financed projects.
- Consortium in case of joint application of several municipalities or organisations

Documentation required for application:

- Certification of settled ownership conditions.

Methodology:

- The preparedness and elaboration of the project proposal.
- Involvement of the partners in the elaboration and implementation of the project proposal.
- The necessity and rationality of the project proposal.
- Realistic time-schedule for implementing of the project proposal.
- An awareness raising activity related to the development is part of the project proposal.

Sustainability:

- Guaranteed sustainability of the developments implemented through the grant scheme.
- Beneficial social, economic and environmental impacts of the development

- Possible multiplier effects of the development.

Budget and cost effectiveness:

- Reality and transparency of the financial plan of the project proposal.
- Justification of the planned budget
- Cost effectiveness of the development.

Management capacity and expertise:

- Availability of the necessary personal, organisational and institutional capacity for the implementation of the project proposal.
- Developments implemented with the collaboration of various settlements or organisations (consortia).

3 - Project pipeline for INTERREG III A- adoption

Training, workshops and seminars concerning the project pipeline for the INTERREG IIIA adoption.

The total budget for the window is 0.2 MEUR. This window shall provide grants in an amount of 50,000 – 75,000 EUR for the procurement of services.

Organisations eligible for support will be non-profit or non-governmental organisations as follows:

- Non-profit organisations
- Municipal, education institutions
- HTU - Higher Territorial Units, municipalities
- Bodies of the public administration
- Co-operation, association of the above organisations.

4 - Technical assistance for the Implementing Authority - relating to the preparation, selection, appraisal, external audit and monitoring.

The total budget for the window is 0.1 MEUR.

3.5 Lessons learned :

The Regional Development Support Agency has already gained some experience notably through similar projects financed under previous programmes and the various Joint Small Projects Funds.

4 Institutional Framework

Implementing arrangements are set up according to the Phare CBC rules.

The grant scheme will be managed in accordance with the “Practical Guide to Phare, ISPA and SAPARD Contract Procedures”.

The recipient institution is the Ministry of Construction and Regional Development, the Regional Development Support Agency of the Ministry of Construction and Regional Development SR will be responsible for the technical and financial management of the Grant scheme.

5 Detailed Budget

MEUR	Phare Support			National Co-financing	TOTAL
	Investment Support	Institution Building	Total Phare (=I+IB)		
1.Tourism activities	0.8		0.8	0.27	1.07
2.Cross border information centres-networking	0.9		0.9	0.3	1.2
3. Project pipeline		0.2	0.2	-	0.2
4.Technical assistance for the Implementing Agency		0.1	0.1	-	0.1
Total	1.7	0.3	2	0.57*	2.57

* The national co-financing for a value up to 0.57 MEUR (25% of total project costs) will be ensured by the beneficiaries.

6 Implementation Arrangements

6.1 Implementing Agency:

Ministry of Construction and Regional Development of SR
Regional Development Support Agency
Špitálska 8
816 44 Bratislava
Contact: Mr. Július Slovák
Tel : +421 2 5975 3414
Fax : + 421 2 5975 3438

6.2 Twinning: not applicable

6.3 Non-standard aspects

The Practical guide to Phare, ISPA and SAPARD contract procedures will be strictly followed for contracts co-financed by Phare.

6.4 Contracts

The Grant Scheme with two windows will be implemented through an open call for project proposals according to the stipulations of the PRAG on Grant Schemes. Beneficiaries will sign Grant Contracts with the PAO laying down the rules of the project implementation based on the list of supported projects approved by the IA and endorsed by the EC Delegation in case of the Phare co-financed projects. Tendering and contracting of the required services and supplies will follow the PRAG manual.

7 Implementation Schedule

7.1 Call for proposals: 2.Q 2004

7.2 Start of project activity: 3.Q 2004

7.3 Project Completion: 3.Q 2006

8 Equal Opportunity – Equal opportunity principles and practices in ensuring equitable gender participation in the project will be guaranteed

9 Environment

The criteria for project selection include those, which deal with actual or probable environmental impact of projects. Proposals for projects, which have potentially negative impacts, will routinely be identified and removed from the project selection process. Such projects will only be considered again once they have been modified to reduce associated environmental problems to acceptable levels.

10 Rates of return

The individual project applications submitted to the IA for grants shall determine the rate of return of individual investments in the form of indicators.

Each study will contain the calculation of the economic and financial internal rate of return. The period covered by the analysis will be based on the works life and will include its construction and operation periods.

11 Investment criteria

11.1 Catalytic effect:

Projects implemented under the Grant Scheme are of a public nature and they must comply with regional priorities. In the near future, the projects selected for funding could not be implemented without the financial assistance from the EU funds

11.2 Co-financing:

The national co-financing for a total value of 0,57 MEUR is 25% of the project costs. The national co-financing will be financed by the final beneficiaries.

11.3 Additionality:

Financial support to be provided by Phare will not replace any other funding. The projects implemented in the Grant Scheme are of a public nature and are not suitable for funding from private funds due to the low financial rate of return on the investment. The contribution from EU funds shall not substitute other available funds.

11.4 Project readiness and Size:

A draft of the Co-operation Agreement, Call for Proposal, Application form, Guidelines for applicants and Grant Contracts will be elaborated by all concerned organisations (Ministry of Construction and Regional Development of Slovak republic with Technical assistance) after signing of the Financing Memorandum. All documents shall be prepared according to the PRAG template and submitted to the Delegation for endorsement prior to the launch of the Call for proposals. Only projects ready for tendering can be supported.

11.5 Sustainability:

Projects implemented under the Grant Scheme must be sustainable and comply with European norms and standards and must be in compliance with applicable EU laws.

11.6 Compliance with state aids provisions

The investment respects the state aid provisions of Slovak Law 231/99 on State Aid and to the Europe Agreement.

11.7 Contribution to National Development Plan

The project contributes to the achievement of the objectives of the Sector Operational Programme Economic Development of the NDP approved by the Government Decree 240/2001.

12 Conditionality and sequencing

Implementation of the Grant Scheme is conditioned by the successful completion of the following steps:

Finalisation of the Grant Scheme Operational Guidelines and the Call for Proposals documentation	1st quarter 2004
First Call for Proposal	2nd quarter 2004
Signature of grant contracts	3rd quarter 2004
Completion of projects	3rd quarter 2006
Last date of grants disbursement	4th quarter 2006

Beneficiaries must meet their commitments to provide project co-financing and they are responsible for the quality of the works. After the project is implemented, beneficiaries must arrange for its full operation and use.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

LOGFRAME PLANNING MATRIX			Programme nr: 2003/005-704.02	
Economic Development through support of Tourism			Contracting period expires: 30.11.2005	Disbursement period expires: 30.11.2006
Overall Objectives	Objectively Verifiable Indicators	Sources of verification	Total Budget: 2.57 MEUR	Phare contribution: 2 MEUR
Improvement of the cross-border co-operation of businesses in the region and strengthening of the regional economic infrastructure Creation of conditions for stabilisation and further growth of Economic Development in the border area.	Increase in number of joint ventures, further development and better position of tourist organization in the cross-border area Conditions for tourism in border area improved	Reports of MoE <ul style="list-style-type: none"> • Local governments' data • Reports of the Central Statistics Office • Municipal statistics 		
Project Purpose	Objectively Verifiable Indicators	Sources of verification	Assumptions	
Creation of conditions for sustainable development of tourism sector in the border area.	<ul style="list-style-type: none"> ▪ Development of cross-border partnership by the increase of co-operation networks ▪ Number of new products and services in tourist field developed 	<ul style="list-style-type: none"> • Reports of the Central Statistics Office (KSH) • Reports of MoE • Municipal statistics 	Favorable political climate, successful integration process into the EU The positive trend in the economy continues More efficient support of business through tourism on national and regional levels	

Results	Objectively Verifiable Indicators	Sources of verification	Assumptions
<ul style="list-style-type: none"> Improved capacity of regional and local institutions to support the economic development through tourism (e.g. tourism agencies, regional development agencies, business associations, institutions dealing with tourism); Development of network of cross border "impulse" centres for initiation and development of business contacts and implementation of joint CBC Phare/INTERREG co-operation projects. 	<p>Number of joint projects supported by CBC Phare/INTERREG programme</p> <p>Network of Impulse Centers established</p>	<ul style="list-style-type: none"> Reports from beneficiaries Monitoring reports Project dossiers Questionnaires Annual Statistics Final report of the project 	<p>Close and co-ordinated co-operation and support of national authorities and regional level</p> <p>Better information exchange</p> <p>Interest in an active co-operation with counterpart institution in the cross-border area</p>
Activities	Means	Cost	Assumptions
1. Tourism activities	Grant/Service contracts	0.8 MEUR	<p>Active Co-operation of the Slovak and Austrian partners</p> <p>Sufficient number of suitable projects and efficient co-operation between IA's and beneficiaries</p> <p>Successful completion of tenders – selection of reliable contractors for delivery of work, equipment and services</p>
2. Cross border information centres - networking	Grant/Works	0.9 MEUR	
3. Project pipeline	Grant/Service contracts	0.2 MEUR	
4. Training for the Implementing authority	Service with selected consultant company	0.1 MEUR	
			<p>Preconditions</p> <p>Trained and sufficiently staffed structures for the Grant Scheme implementation</p>

CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (MEUR)

Project	1Q/04	2Q/04	3Q/04	4Q/04	1Q/05	2Q/05	3Q/05	4Q/05	1Q/06	2Q/06	3Q/06	4Q/06
Contracting		0.1	2.0									
Disbursement			0.1	0.3	0.6	0.9	1.2	1.5	1.8	1.9	2.0	

TIME IMPLEMENTATION CHART

Project Component	2004				2005				2006			
	1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q	1 st Q	2 nd Q	3 rd Q	4 th Q
Activity 1 Call for proposals		ö										
Activity 2 - Project evaluation and selection		ö	ö									
Activity 3 - Contracting (Grant contracts)			ö									
Activity 4 - Implementation and disbursement			ö	ö	ö	ö	ö	ö	ö	ö	ö	

Activity 1 – Call for Proposals

Activity 2 – Project evaluation and selection

Activity 3 – Contracting (Grant contracts)

Activity 4 – Implementation and disbursement