



Annex II

ANNUAL IMPLEMENTATION REPORT
2016
of the
INTERREG - IPA CBC Romania - Republic of Serbia Programme

CITIZENS SUMMARY

June 2017

1. OVERVIEW OF THE IMPLEMENTATION OF THE PROGRAMME

The present document represents the second annual implementation report for the **Interreg - IPA CBC Romania - Serbia Programme and covers 2016 financial year.**

The programming process took place over the year 2014. It has been drafted based on **lessons learned and past experiences** from the previous programming periods with an effort to **capitalize the results** of projects financed under different frameworks. Also the identification of the most relevant fields and **focusing the intervention** was the result of the appraisal of relation between **challenges and needs** and objectives for **smart, sustainable and integrative growth.**

The Programme was officially submitted to the European Commission on **26 September 2014** and re-submitted as revised version following the comments received from the EC services on 31 March 2015. The Programme was officially approved on **6 August 2015** under the **Commission Decision no. 5667/ 06.08.2015.**

The programme was officially launched on the **15 September 2015** together with the launching event of first call for proposals. With this occasion a Conference was organized in the eligible area, in order to better promote the funding opportunities under the Programme.

As the documents needed for the start of programme implementation were already drafted before the programme adoption, the **first JMC meeting** was held on **13-14 August 2015** during which the following documents have been approved: the *Rules of Procedure of the JMC*, the *Technical Assistance Multi-Annual Strategy*, the *Communication Strategy*, the *Description of management and control systems*, the *Applicant Guidelines for the first call for proposals*, including for the *strategic projects*, the *procedure for evaluation, selection and contracting of projects.*

During the period March 7th - May 6th 2016 a compliance assessment audit of the management and control system for the Programme, with the designation criteria set in Annex XIII to Regulation (EC) 1303/2013, has been carried out by the Audit Authority. As a result of this assessment, a report and an unqualified opinion have been issued by the Audit Authority on July 17th 2017.

Call for strategic project proposals

Based on the Applicant Guidelines approved by the JMC, the first call for proposals within the Programme was launched on the **15 September 2015** and the information campaign took place until December 2015. The deadline for the submission of projects was 1.02.2016 respectively 15.03.2016 for strategic projects.

Within the **Call for strategic project proposals** a number of **17 strategic projects proposals** have been submitted, out of which **one** has been submitted after the deadline set in the Applicant's Guide.

From the **17** projects proposals, **8** strategic projects proposals have been submitted within the deadline for **Priority Axis 1 - Employment promotion and basic services strengthening for an inclusive growth**, **4** strategic projects proposals have been submitted for **Priority Axis 2 - Environmental protection and risk management**, **3** strategic projects proposals have been submitted for **Priority Axis**

3 - Sustainable mobility and accessibility and **2** strategic projects proposals have been submitted for **Priority Axis 4 - Attractiveness for sustainable tourism**.

The assessment of the strategic projects has consisted of two stages:

1. Administrative compliance and eligibility check
2. Technical and financial evaluation and state aid assessment

Following the administrative compliance and eligibility check:

- **Priority Axis 1:** 3 strategic projects proposals have been declared accepted and 5 strategic projects proposals were rejected;
- **Priority Axis 2:** 2 strategic projects proposals have been declared accepted and 2 strategic projects proposals were rejected;
- **Priority Axis 3:** all three strategic projects proposals have been declared accepted;
- **Priority Axis 4:** one strategic project proposal has been declared accepted and one strategic project proposal was rejected.

After the technical and financial evaluation and state aid assessment, **3** strategic projects proposals have been declared accepted, **one project proposal** for Priority Axis 1 and **2 projects proposal** for Priority Axis 3 and **6** strategic projects proposals were rejected.

Following the finalisation of the evaluation process, the strategic projects proposals were selected through JMC Decision no.43 by the Joint Monitoring Committee of the Programme on **5th of October 2016** in Timisoara, Romania.

In accordance with the scores received during the technical and financial evaluation and the available financial allocations, **2** strategic projects were proposed for financing for Priority Axis 3. The other strategic project for Priority Axis 1 that passed the evaluation was included on the reserve list.

First call for proposals

For the **First call for proposals** a number of **194** projects proposals have been submitted, out of which **8** have been submitted after the deadline set in the Applicant's Guide.

The **194 projects proposals**, requesting 149.445.445,52 Euro (IPA), were split on the four priority axes as follows:

- **98** application forms have been submitted for **Priority Axis 1 - Employment promotion and basic services strengthening for an inclusive growth**, requesting for 71.195.186,31 Euro (IPA);
- **46** application forms have been submitted for **Priority Axis 2 - Environmental protection and risk management** requesting for 40.039.154,32 Euro (IPA),
- **9** application forms have been submitted for **Priority Axis 3 - Sustainable mobility and accessibility** requesting for 14.605.236,52 Euro (IPA)

- 41 application forms have been submitted for **Priority Axis 4 - Attractiveness for sustainable tourism**, requesting for 23.605.868,37 Euro (IPA)

The assessment of the projects has consisted of two stages:

1. Administrative compliance and eligibility check
2. Technical and financial evaluation and state aid assessment

For **Priority Axis 1**, following the Administrative compliance and eligibility check, 77 projects have been declared accepted and 21 projects have been rejected. For the second assessment step, 31 projects were rejected during the technical and financial evaluation and 2 projects were rejected during state aid incidence assessment. After the finalisation of the evaluation process, a total of 44 projects, requesting 32.407.266,06 Euro IPA have been declared accepted.

For **Priority Axis 2**, following the Administrative compliance and eligibility check, 33 projects have been declared accepted and 13 projects have been rejected. For the second assessment step, 7 projects were rejected during the technical and financial evaluation. After the finalisation of the evaluation process, a total of 26 projects, requesting 23.640.108,58 Euro IPA have been declared accepted.

For **Priority Axis 3**, following the Administrative compliance and eligibility check, 8 projects have been declared accepted and one project has been rejected. For the second assessment step, 3 projects were rejected during the technical and financial evaluation. After the finalisation of the evaluation process, a total of 5 projects, requesting 8.529.695,49 Euro IPA have been declared accepted.

For **Priority Axis 4**, following the Administrative compliance and eligibility check, 33 projects have been declared accepted and 8 projects have been rejected. For the second assessment step, 10 projects were rejected during the technical and financial evaluation and 1 project was rejected during state aid incidence assessment. After the finalisation of the evaluation process, a total of 22 projects, requesting 12.784.629,69 Euro IPA have been declared accepted.

After the finalisation of the evaluation process, **97 projects proposals** have been declared accepted, **44 project proposal** for Priority Axis 1, **26 project proposal** for Priority Axis 2, **5 project proposal** for Priority Axis 3 and **22 project proposal** for Priority Axis 4.

Following the finalisation of the evaluation process, the projects proposals were selected by the Joint Monitoring Committee of the Programme on **13th of December 2016** in Kikinda, Republic of Serbia through JMC Decision no.47.

In accordance with the scores received during the technical and financial evaluation and the available financial allocations, 32 projects proposals were proposed for financing and 65 projects proposals were included on the reserve list, as follows:

- for Priority Axis 1, 11 projects proposals were proposed for financing (requesting 6.197.819,51 Euro IPA) and 330 projects proposals were included on the reserve list;
- for Priority Axis 2, 6 projects proposals were proposed for financing (requesting 5.920.774,02 Euro IPA) and 20 projects proposals were included on the reserve list;
- for Priority Axis 3, 4 projects proposals were proposed for financing (requesting 6.944.145,15 Euro IPA) and 1 project proposal was included on the reserve list;
- for Priority Axis 4, 11 projects proposals were proposed for financing (requesting 6.191.927,94 Euro IPA) and 11 projects proposals were included on the reserve list.

After the approval of the projects selected for financing both for the first call for proposals and for the call for strategic projects proposals, the Joint Secretariat will start the pre-contracting process in accordance with the provisions of the evaluation, selection and contracting procedure. During the pre-contracting process, the JS will perform on-site visits to the beneficiaries, verify and correct the project budgets and documents and prepare and send the contracting documentation to the Managing Authority for check and approval.

2. IMPLEMENTATION OF THE PRIORITY AXES

ID	Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems ¹
	Priority Axis 1 (TP a) Employment promotion and services for an inclusive growth	<ul style="list-style-type: none"> ▪ During the first call for proposals 194 projects proposals have been submitted, out of which 98 projects proposals have been submitted for Priority Axis 1. ▪ After the finalisation of the evaluation process, 97 projects proposals have been declared accepted, out of which 44 project proposal for Priority Axis 1. ▪ Following the JMC meeting on 13th of December 2016, 11 project proposals from Priority Axis 1 requesting 6.376.691,30 Euro (IPA funds) were selected for financing and 33 were selected on the reserve list. ▪ During the first call for proposals for strategic projects 17 strategic projects proposals have been submitted, out of which 8 strategic projects proposals have been submitted for Priority Axis 1. ▪ After the JMC meeting held on 5th of October

¹ Boxes will be filled as the selection and implementation of projects for each priority axis starting with 2017

		<p>2016, 1 strategic project proposal from Priority Axis 1 requesting 11.345.506, 68 Euro (IPA funds) was selected for financing on the reserve list.</p>
	<p>Priority Axis 2 (TP b): Environmental protection and risk management</p>	<ul style="list-style-type: none"> ▪ During the first call for proposals 194 projects proposals have been submitted, out of which 46 projects proposals have been submitted for Priority Axis 2. ▪ After the finalisation of the evaluation process, 97 projects proposals have been declared accepted, out of which 26 project proposal for Priority Axis 2. ▪ Following the JMC meeting on 13th of December 2016, 6 project proposals from Priority Axis 2 requesting 5.920.774,02 Euro (IPA funds) were selected for financing and 20 were selected on the reserve list. <p>During the first call for proposals for strategic projects 17 strategic projects proposals have been submitted, out of which 4 strategic projects proposals have been submitted for Priority Axis 2.</p> <ul style="list-style-type: none"> ▪ All strategic projects proposals were rejected after technical and financial evaluation and state aid assessment.
	<p>Priority Axis 3 (TP c): Sustainable mobility and accessibility</p>	<ul style="list-style-type: none"> ▪ During the first call for proposals 194 projects proposals have been submitted, out of which 9 projects proposals have been submitted for Priority Axis 3. ▪ After the finalisation of the evaluation process, 97 projects proposals have been declared accepted, out of which 5 project proposal for Priority Axis 3. ▪ Following the JMC meeting on 13th of December 2016, 4 project proposals from Priority Axis 3 requesting 6.944.145,15 Euro (IPA funds) were selected for financing and 1 was selected on the reserve list. <p>During the first call for proposals for strategic projects 17 strategic projects proposals have been submitted, out of which 3 strategic projects proposals have been submitted for Priority Axis 3.</p> <ul style="list-style-type: none"> ▪ During the JMC meeting held on 5th of October 2016, 2 strategic project proposal from Priority Axis 3 requesting 21 mil. Euro (IPA funds) were selected for financing.
	<p>Priority Axis 4 (TP d) Attractiveness for sustainable tourism</p>	<ul style="list-style-type: none"> ▪ During the first call for proposals 194 projects proposals have been submitted, out of which 41 projects proposals have been submitted for Priority Axis 4. ▪ After the finalisation of the evaluation process, 97 projects proposals have been declared accepted,

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		<p>out of which 22 project proposal for Priority Axis 4.</p> <ul style="list-style-type: none"> ▪ Following the JMC meeting on 13th of December 2016, 11 project proposals from Priority Axis 4 requesting 6.191.927,94 Euro (IPA funds) were selected for financing and 11 were selected on the reserve list. ▪ During the first call for proposals for strategic projects 17 strategic projects proposals have been submitted, out of which 2 strategic projects proposals have been submitted for Priority Axis 4. ▪ All strategic projects proposals were rejected after technical and financial evaluation and state aid assessment.
	<p>Priority Axis 5: technical assistance</p>	<ul style="list-style-type: none"> ▪ Multiannual Technical Assistance Strategy was modified; ▪ Global Financing Decision for MA covering 2015-2018 was modified; ▪ Financing contract with ROCBC TM was modified; ▪ Financing contract with NA was signed; ▪ 3 reimbursement requests, with a total of 590.558,35 euro, were submitted.

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3. Financing plan

Priority axis	Basis for calculation of Union support	Union support (a)	National counterpart	Indicative breakdown of the national counterpart		Total funding	Co-financing rate	For information	
	(Total eligible cost)		(b) = (c) + (d)			(e) = (a) + (b)	(f) = (a)/(e) (2)		
				National Public funding (c)	National private funding (d) (1)			Contributions from third countries	EIB contributions
<i>Priority axis 1 - Employment promotion and services for an inclusive growth</i>	18,188,970	15,460,624	2,728,346	2,364,566	363,780	18,188,970	85.00%		
<i>Priority axis 2 - Environmental protection and risk management</i>	21,150,000	17,977,500	3,172,500	2,749,500	423,000	21,150,000	85.00%		
<i>Priority axis 3 - Sustainable mobility and accessibility</i>	21,150,000	17,977,500	3,172,500	2,749,500	423,000	21,150,000	85.00%		
<i>Priority axis 4 - Attractiveness for sustainable tourism</i>	18,823,530	16,000,000	2,823,530	2,447,058	376,472	18,823,530	85.00%		
<i>Priority axis 5</i>	8,812,499	7,490,624	1,321,875	1,321,875	0	8,812,499	85.00%		
Total	88,124,999	74,906,248	13,218,751	11,632,499	1,586,252	88,124,999	85.00%		