

**THE PHARE HURO PROGRAMME 2007-2013  
(\*PART OF THE RESEARCH FOR THE DOCTORAL THESIS RESEARCH ON  
PHARE CBC PROJECTS IMPLEMENTATION IN THE WEST AREA OF  
ROMANIA)**

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***Abstract:** The prerequisite of the 2007-2013 phase of the Phare HURO CBC Program consists of the accomplishments or failures of the previous phases that took place in the same area up to this particular stage. The article briefly presents the developments as seen by an official report, the procedure steps that are to be followed by applicants during this phase, the funds allocated and their overall destination and the dynamic of the five project calls that took place so far.*

***Key words:** Phare HURO CBC Program, 2007-2013 phase, call for proposals, applicants, procedures*

## **INTRODUCTION**

As a prerequisite, until reaching the 2007-2013 phase of the Phare HURO CBC Program, it was estimated that the 8 counties participating in the program (Szabolcs-Szatmár-Bereg, Hajdú-Bihar, Békés and Csongrád of Hungary, and Satu Mare, Oradea, Arad and Timis in Romania) were economically and socially similar, the agriculture and food sectors having a leading role in the regional economy, the foreign direct investments (FDI) playing an important role as the engine of growth in the area, the infrastructure suffering a series of development stages due to the previous Phare CBC phases and to the projects within them, though the area still showed some shortcomings, as, for example, deficiencies in the Economical Research and Development sector. The unemployment has not dropped to an entirely satisfactory rate, and the public utilities (especially the internet access) were still poor on the Romanian side.

## **THE PREPARATORY AND ONGOING PROCEDURES**

According to an auxiliary HURO-CBC newsletter dating from May 2012, the project implementation stage after the five Calls for proposals was satisfactory, hundreds of organizations responding to the fourth and fifth request (call for projects). 144 projects were approved for funding under the fourth call for proposals (HURO/1001), while the evaluation of the 201 projects submitted during the fifth call for proposals (HURO/1101) began immediately after its deadline - February 2012. During the year 2011, preparatory events were conducted, partner search forums were set up, meetings, project preparation and information days or information desks were organised for those interested.

As for the contract procedure and its evolution, within the PCP HURO/1001 projects awarded in the first three requests for proposals, according to the mentioned newsletter, about 90% of the contracts have already been prepared and sent to beneficiaries. In the midst of the implementing period of the HURO program, 406 cooperation projects were already approved by

the European Regional Development Fund, in worth of about 150.7 million euros, out of which 61 were fulfilled by the end of 2011.

The applicants are to work in partnership with organizations on the other side of the border. Only organizations with legal personality are allowed to participate, ie non-profit legal entities, public or private, established under the national law and working for the public benefit, or *public bodies* (legal entities established and regulated under the public law with assigned public tasks and competences), *public equivalent bodies* (any legal body governed by public or private law, which meets the following criteria under Directive (EC) 18/2007: it is established in order to deal with issues of public interest without having an industrial or commercial character, has legal personality and is mainly financed by the state, by the regional or local authorities or by other bodies governed by the public law or under the management supervision by those bodies or having the majority of their boards of directors, management or supervisory boards appointed by the State, or by the regional and local authorities, or by other bodies governed by the public law), *private non-profit organizations* (established under private law, acting in the general public interest), or *The European Grouping of Territorial Cooperation* (EGTC, formed according to the Regulation 1082/2006/EC of the European Parliament and of the European Council of 5 July 2006).

The program during this stage is Funded by the European Regional Development Fund (ERDF), complemented by national co-financing of the two Member States participants in the program, Hungary and Romania.

Applicants have to provide their own contribution amounting to only 5% and respectively 2%, the missing amount being complemented out of budgetary national sources. In all the cases grant share will amount to 95% in the case of Hungarians, and to 98% for their Romanian partners.

The total funds allocated to the program, which will be distributed through calls for proposals during the period of implementation, are of approximately 248 million Euros and are shared between the two Priorities as follows:

	1st priority		2nd priority	
FEDR (EUR)	114 482 217	85%	96 524 222	85%
National public funding * EUR * (the sum includes the public contribution of the Member States participating and of the applicants)	20 202 744	15%	17 033 686	15%
Total (EUR)	134 684 961		113 557 908	

The application procedure is comprised of either one-step or two steps, as mentioned in the call for proposals. The one-step procedure states that proposals from the applicants will be accepted during a certain period by the filling in of a detailed application form, and by the filling in of the Annexes attached to and the deposit of all required materials. The complete projects are rated in terms of selection criteria that were published with the specific project call, and the and United Selection Committee decides about the co-financing. The rejected projects can be submitted again only within a different call for projects.

The two-step procedure applies to large-scale investment projects, where the financial and administrative effort involved in implementing a project are much larger, so that the procedures are divided into two different stages.

The first step is schematic, and it is composed of the submission of Concept Notes, the applicants describing the concept behind the proposed project, following the steps of a typical form. The candidates who pass this test are notified in order to complete a full application by the date specified in the letter of contact. Once one passes the first stage, this call for proposals in two steps no longer presents itself as an open action. The procedure that follows during the second phase is communicated to the admitted applicants through a letter of response, as well as other essential information, such as the deadline for submission of detailed project.

The management structure of the HURO CBC program consisted, in order for the active involvement of all interested parties to be possible on both sides of the border, in a bilateral working Group established in April 2006, having the responsibility of coordinating the preparatory phase of the program.

### **THE CALLS FOR PROPOSALS**

Between 15 October 2008 - 30 January 2009 the first Call for proposals was launched under the HURO Cooperation Programme 2007-2013. In this first call it opened the opportunity for funding in order to improve the key conditions of joint, sustainable development in the co-operation area, or those related to transport, communications, environmental protection, and in order to sustain projects aimed to strengthen the social and economic cohesion of the border region, concerned with effects in terms of business cooperation, research and development (that R + D sector considered still underdeveloped), education, employment, cooperation between communities. This first call for proposals expected projects aimed at gathering studies and plans, at the activities of experience exchange, cooperation and at the conclusion/strengthening of mutual partnerships and it used the selection process of a single step.

Nonprofit public or private organizations were able to apply for funding, like, for example, local government bodies and their associations, micro-regional associations, institutions subordinated to them, non-profit organizations (churches, foundations, associations, public companies), educational institutions, chambers of commerce, etc... As a prerequisite for eligibility, the projects were to be implemented jointly, within the eligible border area, by partners from Hungary and Romania.

The amount available for projects during this first call for proposals was of 16.746.954 Euro from ERDF (European Regional Development Fund) and from the national funds in conjunction.

During the period of 3 December 2008 - 16 February 2009 it took place the first stage of the second Call for proposals of the HURO Cooperation Programme, opened especially to the investment projects falling into one of the priority axes and key areas of the intervention program.

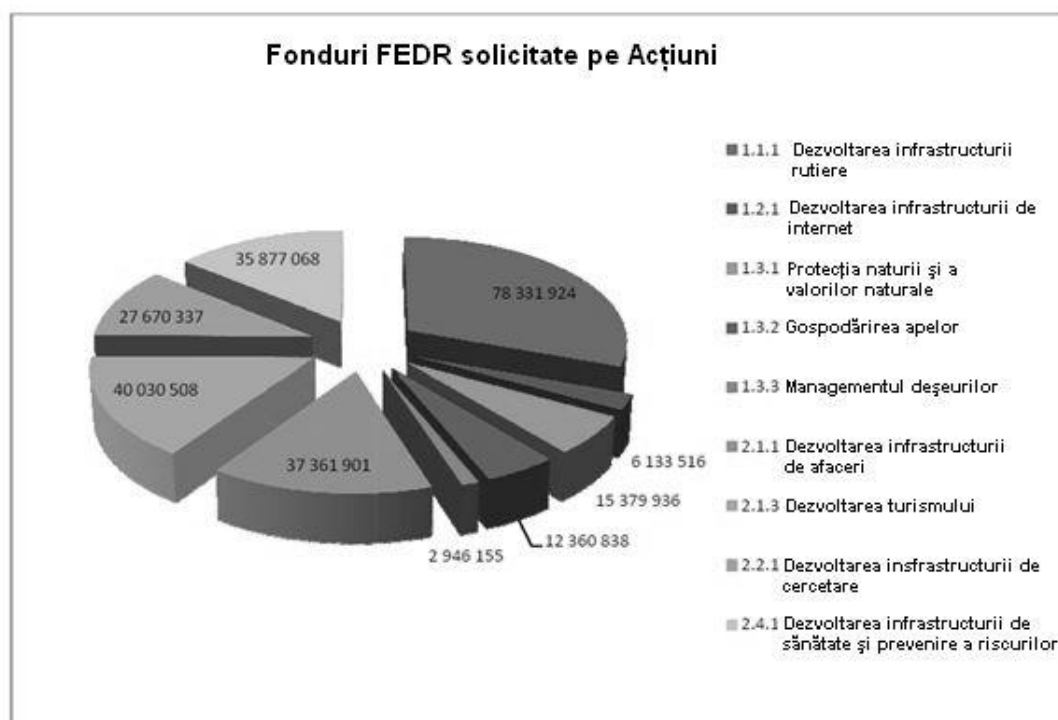
In this stage were available funds of over 100 million (ERDF) for both Priority Axes (transport and communication infrastructure development, transportation facilities in the region and the strengthening of the economic and social cohesion in the border region), complemented by national co-financing from Hungary and Romania, and the evaluation and selection model in two steps has been applied (concept note, followed by a complete grant application).

From October 6, 2009 until July 6, 2010 the second stage of the second Call took place (HURO/0802 AF) as mentioned above, being only open for the Concept Notes that have passed the first stage.

From 08 October 2009 to 22 January 2010 it took place the third request for proposals in the framework of the HURO 2007-2013, launched by the National Development Agency from Hungary and the Ministry of Regional Development and Housing, for common in projects areas such as environmental protection, business and tourism development cooperation, plus joint projects in various sectors of Research - Development, in sectors aimed at increasing collaboration in education, employment or health and risk prevention policies. The eligible applicants in this case were organizations acting in the public benefit. The financial amounts allocated from EU funds during this phase exceeded 20 million euros.

The fourth call for proposals was open from December 10, 2010 to the 1st of March, 2011, and was dedicated in terms of objectives to improving the cross-border transport and communications infrastructure, to environmental protection, business cooperation, research - development, increased collaboration in education, employment or health and risk prevention policy. Again, the eligible participants were organizations acting in the public benefit. As for financing, the financial resources from European funds that backed up this Call had a value of 20,724,106 Euro.

The fifth Call for proposals was open from the 29th august 2011 to the 31st of January 2012 and was particularly aimed at investment projects looking to improve the border transportation, communications and environment infrastructure development, as well as the business infrastructure, the tourism, the research, the health system and prevention of common threats development, through projects proposed by public benefit organizations on both sides of the border in the eligible area, acting in partnership. There were already 201 submitted applications by March 2012, distributed as such, depending on the amount of funds requested (the table shows the area fund distribution, 1.1.1 being road infrastructure, 1.2.1 the internet infrastructure, 1.3.1 protecting the woods and natural resources, 1.3.1 water sistem management, 1.3.3. waste management, 2.1.1. bussiness infrastructure development, 2.1.3 tourism management, 2.2.1 R+D development, 2.4.1. health and risk prevention structures development):



#### ACKNOWLEDGEMENT

The publication of this paper was financially supported by the project POSDRU/CPP107/DMI1.5/S/80127 “Doctoral studies for training in research (FOR-CE)”.

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