

COMMISSION DECISION

C(2009)6638 of 2 September 2009

**on adopting the Cross-border programme the former Yugoslav Republic of Macedonia
- Albania under the IPA-Cross-border Co-operation component, for the year 2009**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)¹, and in particular Article 14(2)(a) thereof,

Whereas:

- (1) Regulation (EC) No 1085/2006 lays down the objectives and main principles for pre-accession assistance to candidates and potential candidate countries.
- (2) In accordance with Article 7 of Regulation (EC) No 1085/2006, the assistance should be provided through multi-annual or annual programmes, which can be established by country, by group of countries or by component. These programmes should be drawn up in accordance with the general policy framework referred to in Article 4 of Regulation (EC) No 1085/2006 and the relevant multi-annual indicative planning documents referred to in Article 6 of that Regulation.
- (3) The Council has established a Accession Partnership for the former Yugoslav Republic of Macedonia², and a European Partnership for Albania³. On 4 September 2008, the Commission adopted the Multi-annual Indicative Planning Document 2008-2010 for the former Yugoslav Republic of Macedonia and on 29 September 2008 the Multi-annual Indicative Planning Document 2008-2010 for Albania which present the main priorities for pre-accession assistance to those countries.⁴
- (4) In accordance with Article 91 of 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)⁵ (hereinafter referred to as the "IPA Implementing Regulation") the Commission adopted on 10 December 2007 the multi-annual cross-border programme former Yugoslav Republic of Macedonia and Albania 2007 – 2009 (Decision C (2007)5995).

¹ OJ L 210, 31.7.2006, p. 82.

² Council Decision 2008/212/EC of 18 February 2008 (OJ L 80, 19.3.2008, p. 32).

³ Council Decision 2008/210/EC of 18 February 2008 (OJ L 80, 19.3.2008, p. 1–17).

⁴ For the former Yugoslav Republic of Macedonia: C(2008)4705; for Albania: C/2008/5352

⁵ OJ L 170, 29.06.2007, p.1

- (5) The multi-annual cross-border programme the former Yugoslav Republic of Macedonia - Albania aims at providing assistance for promoting sustainable development in the cross border area through three specific objectives defined to protect and valorise the natural resources, to foster sustainable economic development and to develop long term partnership and networking in the region. These objectives will be reached through the implementation of two priorities, the first to support cross-border economic, environmental and social development and the second to ensure technical assistance to the programme.
- (6) This cross border programme between the former Yugoslav Republic of Macedonia and Albania was implemented for the year 2007 by the financing Decision C(2007)5995 of 10 December 2007, and for the year 2008 by the financing Decision C(2008)4190 of 7 August 2008. A new financing decision needs to be adopted for the implementation for the year 2009.
- (7) For the year 2009, this decision meets the requirements of Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002⁶ and constitutes thus a financing decision within the meaning of Article 75 (2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁷.
- (8) The measures provided for by this Decision are in accordance with the opinion of the IPA Committee,

HAS DECIDED AS FOLLOWS:

Article 1

The Financing proposal for the year 2009 of the "Cross-Border programme the former Yugoslav Republic of Macedonia – Albania", as set out in the Annex to this Decision, is hereby adopted. The programme shall be implemented by centralised management.

The programme corresponding to budget year 2009 shall be implemented by means of Financing Agreements to be concluded between the Commission and the Government of each of the participating countries in conformity with the Framework Agreements concluded between the same parties on 31 January 2008 for the former Yugoslav Republic of Macedonia and on 18 October 2008 for Albania. Each such Financing Agreement shall cover the Community contribution for the beneficiary country and the year concerned.

⁶ OJ L 357, 31.12.2002, p. 1

⁷ OJ L 248, 16.9.2002, p.1.

Article 2

The maximum amount of Community contribution shall be EUR 1.0 million for the former Yugoslav Republic of Macedonia and EUR 850 000 for Albania to be financed through Item 22.020402 of the general budget of the European Communities for the year 2009.

Done at Brussels,

For the Commission

[...]

Member of the Commission

ANNEX
FINANCING PROPOSAL FOR THE YEAR 2009 OF THE CROSS-BORDER
PROGRAMME THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA –
ALBANIA

1. IDENTIFICATION

Beneficiaries	the former Yugoslav Republic of Macedonia and Albania
CRIS number	2009/021-138; 2009/021- 584
Year	2009
Cost	the former Yugoslav Republic of Macedonia: EUR 1.0 million Albania: EUR 850 000 Total value of IPA contribution: EUR 1.85 million
Operating structures	In the former Yugoslav Republic of Macedonia: the Ministry of Local Self Government In Albania: the Ministry of European Integration
Implementing Authorities	For the former Yugoslav Republic of Macedonia: European Commission For Albania: European Commission
Final date for concluding the Financing Agreements	at the latest by 31 December 2010
Final date for contracting	2 years following the date of conclusion of the Financing Agreement. No deadline for audit and evaluation projects covered by this Financing Agreement, as referred to in Article 166(2) of the Financial Regulation These dates apply also to the national co-financing.
Final date for execution	2 years following the end date for contracting. These dates apply also to the national co-financing.
Sector Code	41010, 33210, 15150, 16010
Budget lines concerned	22.020401

Programming Task Manager	For the former Yugoslav Republic of Macedonia: Unit ELARG.B2 For Albania: Unit ELARG.C4
Implementation Task Manager	For Albania: Delegation of the European Commission in Albania For the former Yugoslav Republic of Macedonia: Delegation of the European Commission in Skopje

2. SUMMARY

2.1. Introduction

2.1.1. Link with MIPD

The programme's strategic reference is the Multi-Annual Indicative Planning Document (MIPD) 2008-2010. As the MIPD of the former Yugoslav Republic of Macedonia outlines, given the candidate status of the country, cross-border cooperation is aimed *inter alia* at familiarizing future member states with rules and procedures governing the European Territorial Cooperation objective under Structural Funds. It, most of all, concentrates on creating closer links between border regions, supporting joint environmental protection activities and improving the potentials for tourism. These are the main priorities and objectives that have prevailed in the preparation of the CBC with Neighbouring Western Balkan countries.

2.1.2. Programming process

The programming process took place between December 2006 and May 2007 and was supported in both countries by the Cross-border Institution Building project (CBIB). It was coordinated in each country by the respective cross-border coordinators (Ministry of Local Self Government in the former Yugoslav Republic of Macedonia and Ministry of European Integration in Albania).

In December 2006/January 2007 each country established an Operating Team (OT) in charge of preparing the cross-border programme. The OT in the former Yugoslav Republic of Macedonia consisted of 11 bodies (ministries in line, state agencies and representative of the final beneficiaries) and of 6 bodies in Albania. The Joint Programming Committee, consisting of members of the OT, was established in January 2007.

The different stages of the cross-border programme (situation and SWOT analyses, objectives and strategy, implementing provisions) were presented to the OT and commented during meetings organized almost every month in each country. These meetings were also attended by representatives from the European Commission (European Agency for Reconstruction EAR or the European Commission Delegations). During this period, the Joint Programming Committee met twice, once in Ohrid on 12 April (approval of the eligible region and presentation of the situation and SWOT analyses) and once in Korca on 23 May (approval of the final draft document).

2.1.3. List of eligible areas

The eligible area in the former Yugoslav Republic of Macedonia includes three statistical regions corresponding to NUTS III classification: Pelagonia, Southwest and Polog.

The eligible area in Albania includes three administrative regions corresponding to NUTS III classification: Dibra, Elbasan and Korca Regions.

The territory of the eligible areas is almost the same in each country and the population is also well balanced. However, the analysis of the cross-border region revealed great differences between the two countries and even more between the southern and the northern part of the region: the demographic features and the economic trends are different and sometimes contradictory. These discrepancies were taken into account when defining the programme strategy.

2.2. Global objective(s) of the programme

The global objective of the programme is “Promoting sustainable development in the cross-border area”. Joint actions and cross-border projects implemented within the programme should have an impact on the social and economic situation of the population, improve the joint management and valorisation of human, natural and cultural resources and strengthen the image and the cohesion of the cross-border region and sub-regions.

Three specific objectives have been defined:

2.2.1. Specific objective 1

To support the establishment of joint actions and strategies aiming at protecting and valorising the natural resources of the region.

2.2.2. Specific objective 2

To foster sustainable economic development of the region.

2.2.3. Specific objective 3

It is a transversal objective: to develop long term partnerships and networking between civil society organizations (NGOs, sport organizations, etc), professional organizations (i.e. Chambers of Commerce, entrepreneurs and farmers’ organizations) and decentralized institutions, particularly schools and faculties, including research and development units.

2.3. Priority Axis, the related measures and their specific aspects concerning the implementation of the 2009 budget

2.3.1. Priority 1: Fostering cross-border economic, environmental and social development.

This priority is a response to the different and sometimes contrasted situations and needs to be identified within the cross-border region. The protection and management of natural resources are considered to be a major cross-border issue in the southern part (Ohrid and Prespa lakes), and the social issues related to poverty and unemployment are considered to be of high priority in the north. Priority one tries to reconcile these two approaches. It also tries to give space to the economic actors, particularly, but not exclusively, in the tourism sector, which

takes into account the current low level of business cooperation at the border. More generally, this priority should allow the definition and implementation of people-to-people actions, thus fostering cross-border cooperation on the level of communities and civil society.

- Measure 1: Economic development with an emphasis on tourism related areas.

Tourism is one of the main economic potentials of the region and in some areas it is already developed, almost as an industry. This measure intends to support the development of small infrastructures, good practices and strategic plans in order to extend tourism activities to the whole cross-border region. Specific attention is given to the transfer of know-how from the former Yugoslav Republic of Macedonia to Albania where the tourism industry is still at an early stage. The measure gives priority to alternative types of tourism (rural and family tourism, eco-tourism, etc) to be developed in parallel to more classical practices. More generally, the measure aims at fostering all sectors of the economy that contribute to building a strong and specific identity of the cross-border region. This includes the promotion and protection (branding, better access to the market) of the traditional food and agro-food products, as well as handicrafts. As a transversal objective and in order to give the business community the possibility to participate in the cross-border programme, the measure also aims at facilitating trans-boundary business cooperation (i.e. organization of fairs, consumers' studies, etc.).

- Measure 2: Sustainable environmental development with an emphasis on protection, promotion and management of natural resources and ecosystems.

This measure intends to build on the cross-border dynamic launched in the environmental sector during recent years. It supports the current efforts of the local and national authorities in establishing joint environmental policies and pilot programmes and involves the civil society in the process. It takes into account the crucial importance of sustainable management of the natural resources for the economic development of the region.

- Measure 3: Social cohesion and cultural exchange through people-to-people and institution-to-institution actions.

Based on the fact that the cross-border cooperation is still at a low level, the third measure is specifically intended to promote people-to-people and institution-to-institution (such as schools, universities, research centres) operations. The priority sectors are the valorisation of the unique historical and cultural heritage and all types of operations that support the social integration of the marginalized groups, unemployed, rural youth, women in the labour force, etc. This measure also aims at encouraging joint research and educational activities.

All activities related to Priority 1 will be implemented by means of grants. The essential selection and award criteria for the award of grants as laid down in the practical guide (PRAG) to contract procedures for EC external aid should apply. The detailed selection and award criteria for the award of grants will be laid down in the Call for proposals Application Pack (Guidelines for applicants).

For the 2009 budget, it is expected to launch a call for proposals during the second semester of 2010, which may cover the three measures and may include "small" and "big grants" (max. EUR 200 000).

2.3.2. Priority 2: Technical Assistance (TA)

TA funds (10% of the Community contribution) will be used to support the activities of the Operating Structures and the Joint Monitoring Committee. TA funds can be used to cover the costs of management and implementation of the programme in each participating country. These may include, inter alia, the following costs:

- Support to the Operating Structures and the Joint Monitoring Committee;
- Establishment and functioning of the Joint Technical Secretariat and its antennae, including cost of staff with the exclusion of salaries of public officials;
- Expenses for participation in different meetings related to the implementation of the programme;
- Administrative and operational costs, including the costs of preparation, monitoring and evaluation of programmes, appraisal and selection of operations, the organisation of meetings related to the programme, translation, information and publicity costs.

According to article 90(2) of Regulation (EC) No 718/2007 (IPA Implementing Regulation) the TA priority, as with any priority of the CBC programmes, requires 15% co-financing from national funds.

Considering that the relevant national authorities that is the two National Operating Structures for CBC enjoy a *de facto* monopoly situation (in the sense of Art. 168, paragraph 1, subparagraph c of the Implementing rules to the Financial Regulation) for the implementation of the cross-border programme, individual direct grant agreements without call for proposals for the amount provided under the TA priority shall be established between the Commission (European Commission Delegations) and the respective national authorities.

Subcontracting of the activities covered by the direct grant agreement (e.g. TA, evaluation, publicity, etc.) is possible in line with Article 120 (1) of the Financial Regulation and Article 184 (1) of the Implementing rules to the Financial Regulation.

The direct grant agreements can be signed as soon as the Financing Agreements are concluded (2010).

2.4. Overview of past and on-going CBC experience, including lessons learned and donor co-ordination

So far, the cross-border initiatives in the eligible area have mainly been targeting environmental issues and have been particularly concentrated in the southern part. Although the region already has a lead in establishing a joint management of trans-boundary natural resources, the overall cross-border cooperation is still at a low level.

The cross-border cooperation dynamic between the former Yugoslav Republic of Macedonia and Albania was initiated in 1997-1999 by the Phare multi-country programme CREDO, which aimed at promoting good neighbour relation, social stability and economic development in the border region. The programme provided funds for the implementation of cross-border projects in the area of environment, NGO collaboration and local administrations.

The Lake Ohrid Conservation Project is often considered to be a model of integrated management of trans-boundary water resources. In 2004, the governments of the two countries signed an agreement for “the protection and sustainable development of Lake Ohrid and its watershed”. The existing joint structures, as well as the bilateral agreement, provide a good frame for further cross-border initiatives.

The Regional Environmental Centre (REC) supports a cross-border initiative between Debar in the former Yugoslav Republic of Macedonia and Peshkopia in Albania. The project trains local decision makers and relevant experts to identify and prepare environmental investment projects and to create professional financing applications. Priority problems concern water supply and collection and discharge of wastewater.

The Inter-church Organisation for Development Cooperation (ICCO - Netherlands) supports regional cross-border cooperation and networking of civil society in the northern part of the cross—border region. This programme aims at improving the cross-boundary cooperation by increasing the cooperation between the local authorities and civil society organisations and by increasing the organizational capacities of the relevant civil society organizations.

An OSCE initiative tries to facilitate partnerships and identification of cross-border projects in the northern part of the cross-border region.

The first Financing Agreement concerning the IPA Cross-border programme the former Yugoslav Republic of Macedonia - Albania for the year 2007 was signed in March 2008 and implementation shall start soon, with the launching of a call for proposals during the first half of 2009.

2.4.1. Lessons learned

Most of the cross-border initiatives started only recently, making it somewhat premature to define “lessons learned”. However, the following points can be highlighted:

- Most of the presently implemented projects are focused on environment protection issues. These projects reflect the priorities defined by the national and regional institutions, providing for a sound embedding in local and national development priorities. However, it is important to strongly associate civil society and private sector in programme development. Despite some bias towards the ‘formal government’ policies in the present projects, they do provide a good frame for the development of civil society and NGO partnerships across the border.
- The small calls for proposals for cross-border actions already launched showed a low capacity in project preparation of most of the final beneficiaries. This could impede the implementation of the programme, particularly in the northern part where almost no initiative has been implemented so far (with the exception of the Axis Debar-Peshkopia). Specific training of potential applicants will be essential throughout the programme.
- A few municipalities, mainly located in the south, have had a leading role in the past and current cross-border initiatives. These municipalities should play a key role in implementing the programme (transfer of know-how, etc.).
- Establishing operational and sustainable cross-border partnerships will be a challenge for most of the beneficiaries. Specific support will certainly be required in order to

facilitate the communication and the establishment of viable cross-border partnerships.

2.4.2. Donor's coordination

During the previous IPA committees, the Member States clearly indicated their wish that their embassies as well as the local branches of the IFIs and the civil society be consulted on the IPA programming documents. These consultations were already carried out in the former Yugoslav Republic of Macedonia during the drafting process of the MIPD 2007-2009.

After the draft CBC programme was submitted to the Commission, the relevant European Commission delegations circulated it to Member States embassies and local branches of IFIs in the capitals of the countries. The comments received have been taken into account in finalising the cross-border programme.

2.5. Horizontal issues

2.5.1. Equal opportunities and non-discrimination

Abiding by the legal obligations in both countries, the programme will ensure equal access to the programme's activities by all different groups in society. In particular, measure three will foster social cohesion and cultural exchange through people-to-people and institution-to-institution actions through support to the social integration of the marginalized groups, unemployed, rural youth, women in the labour force, etc.

2.5.2. Support for minority and vulnerable groups

The measure three of priority one aims at developing and implementing programmes for social integration of vulnerable groups such as unemployed, rural youth and women in the labour force. Most of the cultural actions to be implemented under this measure aim at valorising the multiethnic feature of the region, considered as an asset for the economic and social development. Participation of the minorities and vulnerable groups in the cross-border activities will therefore be highly encouraged.

2.5.3. Environmental protection

The measure two of priority one is entirely dedicated to environmental protection. The aim of the proposed activities will be to raise awareness on environmental issues and to encourage the private sectors and small municipalities to participate more actively in the dynamic already launched at the institutional level.

2.5.4. Good governance, with particular attention to fight against corruption.

Especially through measure one, but also relevant in the other measures, support will be provided for the development of inter alia good practices and strategic plans, transfer of know-how as well as facilitation of trans-boundary cooperation. In addition, measure two will stimulate cooperation between different national and municipal authorities to establish joint environmental policies and pilot programmes, while the inclusion of the civil society in these activities will be further enhanced.

2.6. Benchmarks

	2010	2011	2012
Number of direct grant agreement in the former Yugoslav Republic of Macedonia	1	1	1
Number of direct grant agreement in Albania	1	1	1
Number of joint calls for proposals launched	1	1	1
Contracting Rate (%) in the former Yugoslav Republic of Macedonia	10 % (1)	100 %	100%
Contracting Rate (%) in Albania	10 % (1)	100 %	100%

(1) in 2009 the TA (EUR 218.000) will be implemented through a direct agreement. This is explained in the CBC Programme itself

2.7. Roadmap for the decentralisation of the management of EU funds without ex ante controls by the Commission

A roadmap with indicative benchmarks and time limits to achieve decentralisation without ex ante controls by the Commission will be developed once the Commission has conferred the management powers to the national authorities.

Concerning the indicative roadmap for decentralisation with *ex ante* control (DIS), the situation is the following:

In the case of the **former Yugoslav Republic of Macedonia**, the establishment of the management and control system was decided by the Government in October 2005, and it was revised in December 2006 following the changes in IPA Regulation. As a first step, after establishment of all necessary administrative and organisational structures, a gap assessment related to the decentralisation of the management of EC funds was initiated and the results presented to the Commission. An update of the gap assessment to comply with the new IPA Implementing Regulation was prepared in the first half 2007 and, subsequently, the National Authorities submitted a Gap assessment report. In a subsequent step, gap plugging has been done during the second half 2007/beginning of 2008. After a self assessment exercise performed by the National Authorities until April 2008 to verify that the system is functioning and complying with the IPA regulation, the compliance assessment phase carried out by an external auditor started in August 2008 and finalised in December 2008 with positive conclusions regarding Component I, III and IV. Following the national accreditation of the system the Competent Accrediting Officer (CAO) has submitted the application to the Commission for conferral of management in January 2009.

In **Albania**, the Council of Ministers adopted in September 2007 a decision on setting up the structures, authorities and responsibilities for IPA implementation under Decentralised

Implementation System (DIS). In November 2007, the Ministry of Finance transmitted a proposal for the functioning of the Central Financing and Contracting Unit (CFCU) to DG Enlargement. A Technical Assistance project under IPA 2007 started its activities in January 2009. The indicative planning of activities proposed by the contracted consultant may be divided in 2 phases: in the first phase, of 1 year duration, the consultant will support the Albanian authorities in reviewing, preparing and developing all the actions required to successfully prepare for DIS under component I and II; in the second phase, of a six-month duration, the consultant will both test the structures developed and their compliance with the IPA DIS requirements, and deliver training. With the beginning of the project, the Albanian side was required to adopt the roadmap for DIS and put in place the SPOs in the line Ministries.

3. BUDGET FOR 2009

3.1. Indicative 2009 financial table for the former Yugoslav Republic of Macedonia

	EU – IPA assistance		National Contribution		Total (IPA plus National Contribution)	
	EUR	%	EUR	(%)	EUR	(%)
Priority Axis 1	900 000	85	159 000	15	1 059 000	90
Priority Axis 2	100 000	85	18 000	15	118 000	10
TOTAL	1 000 000	85	177 000	15	1 177 000	100%

3.2. Indicative 2009 financial table for Albania

	EU – IPA assistance		National Contribution		Total (IPA plus National Contribution)	
	EUR	%	EUR	(%)	EUR	(%)
Priority Axis 1	765 000	85	135 000	15	900 000	90
Priority Axis 2	85 000	85	15 000	15	100 000	10
TOTAL	850 000	85	150 000	15	1 000 000	100%

3.3. Principle of co-financing applying to the projects funded under the programme

The Community contribution has been calculated in relation to the eligible expenditure, which for the cross-border programme between the former Yugoslav Republic of Macedonia and Albania is based on the total expenditure, as agreed by the participating countries and laid down in the cross-border programme.

The provisions of Article 90 of the IPA Implementing Regulation apply.

4. IMPLEMENTATION ARRANGEMENTS

Both countries will be managing the programme according to the centralised management⁸ model. The programme implementing provisions are based on the principle of both beneficiary countries being equal partners and with both beneficiary countries having an equal role in the cross-border cooperation management structures. The joint management of the programme will ensure local ownership, wider involvement, better planning and will create the base for genuine cross-border activities.

4.1. Method of Implementation

This programme shall be implemented on a centralised basis by the European Commission in accordance with Article 53a of the Financial Regulation⁹ and the corresponding provisions of the Implementing Rules¹⁰.

In the event of centralised management the role of the Commission in the selection of operations under a cross-border programme among beneficiary countries is specified in Article 140 of the IPA Implementing Regulation.

4.2. General rules for Procurement and grant award procedures

Procurement shall follow the provisions of Part Two, Title IV of the Financial Regulation and Part Two, Title III, Chapter 3 of its Implementing Rules as well as the rules and procedures for service, supply and works contracts financed from the general budget of the European Communities for the purposes of cooperation with third countries adopted by the Commission on 24 May 2007 (C(2007)2034).

Grant award procedures shall follow the provisions of Part One, Title VI of the Financial Regulation and Part One, Title VI of its Implementing Rules.

Where appropriate, the Contracting Authorities shall also use the standard templates and models facilitating the application of the above rules provided for in the "Practical Guide to contract procedures for EC external actions" ("Practical Guide") as published on the EuropeAid website¹¹ at the date of the initiation of the procurement or grant award procedure.

4.3. Environmental Impact Assessment and Nature Conservation

All investments shall be carried out in compliance with the relevant Community environmental legislation and ensuring application of the European principles for the Environment¹².

⁸ For both countries the objective is decentralised management. The former Yugoslav Republic of Macedonia is in the process of preparing the accreditation of the managements structures. This process is expected to be completed in 2009 and the country will then shift to decentralised management in 2010. A similar course of action also started in Albania.

⁹ OJ L 248, 16.9.2002, p.1.

¹⁰ OJ L 357, 31.12.2002, p. 1

¹¹ current address:

http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

¹² See <http://www.eib.org/infocentre/epe/>

The procedures for environmental impact assessment as set down in the EIA-Directive¹³ fully apply to all investment projects under IPA. If the EIA-Directive has not yet been fully transposed, the procedures should be similar to the ones established in the above-mentioned directive."

If a project is likely to affect sites of nature conservation importance, an appropriate nature conservation assessment shall be made, equivalent to that provided for in Article 6 of the Habitats Directive must be documented¹⁴.

5. MONITORING AND EVALUATION

5.1. Monitoring

The implementation of the cross-border programme will be monitored by the joint monitoring committee referred to in Article 142 of the IPA Implementing Regulation, established by the participating beneficiary countries, which include representatives of the Commission.

In the former Yugoslav Republic of Macedonia and in Albania, the Commission may undertake any actions it deems necessary to monitor the programme concerned.

5.2. Evaluation

Programmes shall be subject to evaluations in accordance with Article 141 of the IPA Implementing Regulation, with an aim to improve the quality, effectiveness and consistency of the assistance from Community funds and the strategy and implementation of the cross-border programmes.

6. AUDIT, FINANCIAL CONTROL AND ANTIFRAUD MEASURES

The accounts and operations of all parties involved in the implementation of this programme, as well as all contracts and agreements implementing this programme, are subject to, on the one hand, the supervision and financial control by the Commission (including the European Anti-Fraud Office), which may carry out checks at its discretion, either by itself or through an outside auditor and, on the other hand, audits by the European Court of Auditors. This includes measures such as ex-ante verification of tendering and contracting carried out by the Commission Delegations in the beneficiary countries.

In order to ensure the efficient protection of the financial interests of the Community, the Commission (including the European Anti-Fraud Office) may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (EC, Euratom) 2185/96¹⁵.

The controls and audits described above are applicable to all contractors, subcontractors and grant beneficiaries who have received Community funds.

¹³ Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment(OJ L 175, 5.7.1985, p. 40).

¹⁴ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L206, 22.7.1992).

¹⁵ Council Regulation (EC,Euratom) 2185/96 of 11. November 1996, OJ L 292; 15.11.1996; p. 2.

7. NON SUBSTANTIAL REALLOCATION OF FUNDS

The authorising officer by delegation (AOD), or the authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management, may undertake non substantial reallocations of funds without an amending financing decision being necessary. In this context, cumulative reallocations not exceeding 20% of the total amount allocated for the programme, subject to a limit of EUR 4 million, shall not be considered substantial, provided that they do not affect the nature and objectives of the programme. The IPA Committee shall be informed of the above reallocation of funds.

8. LIMITED ADJUSTMENTS IN THE IMPLEMENTATION OF THE PROGRAMME

Limited adjustments in the implementation of this programme affecting elements listed under Article 90 of the Implementing Rules to the Financial Regulation, which are of an indicative nature ⁽¹⁾, may be undertaken by the authorising officer by delegation (AOD), or by the authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management without an amending financing decision being necessary.

(1) These essential elements of an indicative nature are, for grants, the indicative amount of the call for proposals and, for procurement, the indicative number and type of contracts envisaged and the indicative time frame for launching the procurement procedures.