Technical Assistance
for the IPA Training and Support Facility

Guidelines on IPA
(Instrument for Pre-Accession Assistance)
implementation for Final Beneficiaries

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Introduction

This guidebook was developed as part of EU EuropeAid Ipa Transition Facility and aims to provide the IPA beneficiaries with some practical knowledge on how the EU funding works in general and how the re-accession instrument (IPA) works in particular.
These guidelines are not meant to provide a comprehensive guidance on IPA tool rather they aim at offering a synthetic overview of existing opportunities within IPA.
After highlighting the main categories of available financial instruments, the document highlights specific aspects such as:

- IPA specific funding instruments and its scope:
- funding mechanisms;
- eligibility for participation:
- existing resources to support participation:
- indications on how to apply.

It is hoped that the current guidelines will facilitate a better understanding of the many opportunities for collaboration with the European Union and be a supportive practical tool for the further implementation of the IPA tool also in view of the next programming period.

About the principles of the European Union supportive instruments

The current financial tools were established following the publication on the 26 January 2005 of the European Commission the EU COM(2005) 12 final document, in which the European Union indicated the "strategic objectives" for the period 2005 – 2009 "Europe 2010: A Partnership for European Renewal" in which the goals of "Prosperity, Solidarity and Security" were identified.

- The "*prosperity*" principle aims at giving a response to the lack of growth and to foster the job creation in order to safeguard the standard of living and social protection in Europe.
- The "*solidarity*" principle aims at working for sustainable development to meet the needs of the present without compromising the ability of future generations to meet their own needs.
- The "*security and freedom*" principle involves that European institutions must tackle the risks faced by citizens in their daily life. The protection of the life and the property of citizens is a core task giving legitimacy to public power and public policies. Security also means the ability of citizens to run their daily life on a secure basis. This can be put at risk by natural disasters, environmental or health crises and transport and energy threats. The Union has a role to play at all stages: risk prevention, early warning, crisis management, and acting in solidarity with the victims of disasters

- *"Europe as International Partner"* based on the principle that in the world today, EU can only deliver fully on our key internal priorities if we succeed on the world scene. Globalisation and increasing interdependence have abolished many of the old distinctions between internal and external policy challenges. The political clout of the Union should better match its economic weight. To address this goal, the Union must achieve greater political coherence in external action: coherence between different branches of external policy; coherence between internal and external policies; and coherence in action between that of the Union or Member States bilaterally. The EU policy towards the rest of the world is oriented mainly in the following directions:
    - *future enlargements* of the European Union to increase its global strength, to prepare further enlargements, focusing on the negotiations with the Candidate and potential candidate countries;
    - the *neighbourhood policy* to increase the reach of the largest economy in the world. It aims at creating a more integrated space with our neighbours (Newly Independent States - NIS and the Mediterrenean countries - MEDA) for the better management of some sectors: trade; immigration; networks; services to list just a few examples of areas where there is the need for such integrated space. The economic and social progress of the whole Mediterranean area and countries that border it is also a prime European concern;
    - *development of much closer partnerships*, based on the economic interests, with EU new trading partners in Asia such as China and India, as well as with Brazil and Latin America more generally in order to promote competitiveness and growth;
    - *promotion of global solidarity* seen also a way to promote and protect our values outside our borders. Europe must promote stable international growth founded on sustainable development and remain true to its commitment to human rights and to the poverty reduction through effective multilateralism and trade liberalisation facilitating the integration of developing countries into the world economy. The Union needs a specific response for Africa, in particular Sub-Saharan Africa which is falling behind;
    - *Europe cannot survive as an island of peace in a world of instability*. Europe's external policy needs to be adjusted to international developments including crisis and global security challenges. The Union has the potential to wield much more influence over the long-term political and economic choices determining prosperity and stability in Europe and the wider world. In turn, these influence the well-being and security of Europeans. External action is also required to tackle stability and security issues at their root by strongly promoting sustainable development through both multilateral and bilateral channels. They must be at the heart of all the Union's external relationships. A successful neighbourhood policy is a step towards world stability and security. So Europe's commitment is to play an active role in searching for, and implementing on the ground a Middle East peace settlement. So too is closer security cooperation with the United States in the framework of a re-invigorated transatlantic partnership.
    - Also *European security and defence capabilities* need to match these challenges by providing a fully credible capability for action, through a full implementation

of the European Security Strategy and a more effective European Security and Defence Policy.

The main financial mechanisms of the EU

In order to achieve its strategic objectives, the European Union (EU) has set up two different modalities of financial instruments:

A. the ***indirect management,*** which includes:
- Structural Funds

B. the ***direct management,*** which includes:
- EU direct funding
- External assistance financial instruments

Financial support from EU is usually provided on a project selection procedure. The EU, through its various financial instruments promotes cooperation and synergy across and outside Europe.

The difference between direct and indirect funding

To the "***indirect funding***" belong the so-called "Structural Funds" and "Cohesion Fund", which are financial tools set up to implement the Cohesion policy, are also referred to as the Regional policy of the European Union. They aim to reduce regional disparities in terms of income, wealth and opportunities. Europe's poorer regions receive most of the support, but all European regions are eligible for funding under the policy's various funds and programmes.

The Structural Funds are made up of the
- European Regional Development Fund (ERDF)
- European Social Fund (ESF).

Together with the Common Agricultural Policy (CAP), the Structural Funds and the Cohesion Fund make up the great bulk of EU funding, and the majority of total EU spending.

Apart from funds under the Cohesion policy, there are other funds that have the potential to contribute to the regional development. These are:
- Funds under the CAP, namely the European agricultural guarantee fund (EAGF)
- the European Agricultural Fund for Rural Development (EAFRD)
- The European fisheries fund (EFF)

In the ***indirect funding***, (the Structural Funds) the Community budget, is spent through a system of shared responsibility between the European Commission and Member State authorities:

- the Commission negotiates and approves the development programmes proposed by the Member States, and allocates resources.
- the Member States and their regions manage the programmes, implement them by selecting projects, control and assess them.
- the Commission is involved in programme monitoring, commits and pays out approved expenditure and verifies the control systems.

For each operational programme, the Member State appoints:

- **a managing authority** (a national, regional or local public authority or public/private body to manage the operational programme);
- **a certification body** (a national, regional or local public authority or body to certify the statement of expenditure and the payment applications before their transmission to the Commission);
- **an auditing body** (a national, regional or local public authority or body for each operational programme to oversee the efficient running of the management and monitoring system).

In this way over the 76% of the EU budget is thus managed by national and regional authorities.

In the ***Direct funding*** also known as "community programmes", the European Community, through the different General Directorates of the European Commission manage directly the EU budget in the different sectors (research, education, environment, transport etc.). The funds are transferred directly from the European Commission to the beneficiaries who use the budget to implement the awarded projects.

Another important distinctions lies in the fact that structural funds, fund mainly infrastructure structures, whereas the direct fund mostly innovative ideas elaborated in partnership with other countries.

How do I apply?

- Applications, within the structural Funds are managed at national and regional level and, as a result, are submitted to and evaluated by national and regional Authorities.
- For EU grants, application procedures are set out in the call for proposals for specific programmes and project proposers apply directly to the European Commission or an executive agency which runs the programme in question.

The difference between grants and public contracts

The General Directorates of the European Commission to implement the European Programmes may use two types of procedures:

- ***Grants*** are awarded to the beneficiary to co-finance specific projects or objectives and can be usually be obtained through call for proposals.

- ***Public contracts*** are awarded through call for tenders (public procurement) to buy services, goods or works in order to ensure the operations of EU Institutions or programmes.

The indirect funding: the Structural funds

The Structural funds includes *three objective*;

1. Convergence Objective
2. Regional Competitiveness and Employment Objective
3. Territorial Cooperation Objective

and ***three funds***:

1. European Regional Development Fund (ERDF)
2. European Social Fund (ESF)
3. The Cohesion Fund

The three objectives

Convergence Objective

The Convergence objective (Formerly Objective 1): covers regions whose GDP per capita is below 75% of the EU average and aims at accelerating their economic development. It is financed by the ERDF, the ESF and the Cohesion Fund. The priorities under this objective are human and physical capital, innovation, knowledge society, environment and administrative efficiency. The budget allocated to this objective is € 283.3bn in current prices. The list of the covered regions In Europe is available at the following web site:
http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm#1

Regional Competitiveness and Employment Objective

Regional Competitiveness and Employment Objective (Formerly Objective 2) covers all regions of the EU territory, except those already covered by the Convergence objective. It aims at reinforcing competitiveness, employment and attractiveness of these regions. Innovation, the promotion of entrepreneurship and environment protection are the main themes of this objective. The funding – € 55bn in current prices – comes from the ERDF and the ESF.
The list of the covered regions in Europe is available at the following web site:
http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm#2

Territorial Cooperation Objective

Territorial Cooperation Objective (Formerly Objective 3) builds upon the Interreg initiatives of previous years, which were originally planned to be fully incorporated into the main

objectives of the structural funds. Financed by the ERDF with a budget of €8.7bn, its aim is to promote cooperation between European regions, as well as the development of common solutions for issues such as urban, rural and coastal development, shared resource management or improved transport links. This objective is divided in three strands:

- *cross-border cooperation* (formerly the Interreg IIIA) - aimed at neighboring border-regions
- *transnational cooperation* - aimed at the multilateral cooperation of regions from countries (minimally 3) divided into wider programme areas (e.g. Central Europe, Southeast Europe, Mediterranean, etc.)
- *interregional cooperation* - aimed at cooperation in the field of policy making, research and capacity building, encompassing programmes Interact II, ESPON, Interreg IVC and URBACT

The European Territorial Co-operation objective is financed by the European Regional Development Fund and supports cross-border, transnational and interregional co-operation programmes. The budget of €8.7 billion for this objective accounts for 2.5% of the total 2007-13 allocation for cohesion policy, including the allocation for Member States to participate in EU external border co-operation programmes supported by other instruments (IPA and ENPI). For European Territorial Co-operation the European Regional Development Fund (ERDF) regulation is applicable, in particular chapter 3. The complete list of the concerned regions in Europe is available at the following web site:
http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm#3

The European Grouping for Territorial Cooperation (EGTC) is a new European legal instrument designed to facilitate and promote cross-border, transnational and interregional cooperation. Unlike the structures which governed this kind of cooperation before 2007, the EGTC is a legal entity and as such, will enable regional and local authorities and other public bodies from different member states, to set up cooperation groupings with a legal personality.

Cross-border co-operation programmes

Cross-border cooperation is essentially about "filling the gaps". It does so through agreed cross-border 'analysis and response' strategies, formulated in each of the 52 cross-border programmes. It deals with a wide range of issues, which include:

- Encouraging entrepreneurship, especially the development of SMEs, tourism, culture and cross-border trade;
- Improving joint management of natural resources;
- Supporting links between urban and rural areas;
- Improving access to transport and communication networks;
- Developing joint use of infrastructure;
- Administrative, employment and equal opportunities work.

Cross-border co-operation intends to address the challenges related to infrastructure (building bridges), markets and services (linking universities to business to clients) cultural or linguistic barriers.

The Cross-border Programmes are:

- CBC AT/CZ Austria - Czech Republic
- CBC AT/DE Austria - Bavaria
- CBC AT/HU Austria - Hungary
- CBC BE/DE/FR/LU Greater Region
- CBC BE/NL Border Region Flanders - Netherlands
- CBC CZ/PL Czech Republic - Poland
- CBC DE/AT/CH/LI Alpenrhein - Bodensee - Hochrhein
- CBC DE/CZ Bavaria - Czech Republic
- CBC DE/CZ Saxony - Czech Republic
- CBC DE/NL Germany - Netherlands
- CBC DE/PL Mecklenburg-Vorpommern/Brandenburg - Zachodniopomorskie
- CBC DE/PL Saxony - Poland
- CBC DK/DE Syddanmark - Schleswig - K.E.R.N.
- CBC EE/LV Estonia - Latvia
- CBC EL/BG Greece - Bulgaria
- CBC EL/CY Greece - Cyprus
- CBC EL/IT Greece - Italy
- CBC ES/FR/AD Spain - France - Andorra
- CBC ES/PT Spain - Portugal
- CBC FI/SE/EE/LA Central Baltic
- CBC FR/BR/SU Amazonia
- CBC FR/DE/CH Upper Rhine
- CBC FR/UK France (Manche) - England
- CBC FR/UK/BE/NL 2 Seas
- CBC France - Switzerland
- CBC HU/RO Hungary - Romania
- CBC HU/SK Hungary - Slovakia
- CBC IE/UK Northern Ireland - Border Region of Ireland - Western Scotland
- CBC IT/AT Italy - Austria
- CBC IT/CH Italy - Switzerland
- CBC IT/FR Italy - France 'Maritime'
- CBC IT/FR Italy - France ALCOTRA
- CBC IT/MT Italy - Malta
- CBC IT/SI Italy- Slovenia
- CBC LT/PL Lithuania - Poland
- CBC LV/LT Latvia - Lithuania
- CBC NL/BE/DE Euregio Meuse-Rhine
- CBC PL/DE Lubuskie - Brandenburg
- CBC PL/SE/DK/LT/DE South Baltic
- CBC PL/SK Poland - Slovak Republic
- CBC Programme Spain External Borders
- CBC RO/BG Romania - Bulgaria

- CBC SE/DK/NO Öresund - Kattegat - Skagerrak
- CBC SE/FI/NO Botnia - Atlantica
- CBC SE/FI/NO Nord
- CBC SE/NO Sweden - Norway
- CBC SI/AT Slovenia - Austria
- CBC SI/HU Slovenia - Hungary
- CBC SK/AT Slovak Republic - Austria
- CBC SK/CZ Slovak Republic - Czech Republic
- CBC UK/IE Ireland - Wales

For the link to each single programme web site visit Interact web site:
http://www.interact-eu.net/cbcprogrammes/18

The programme factsheets are available in electronic form and in other languages on the DG Regional Policy Website.
http://ec.europa.eu/regional_policy/atlas2007/eu/crossborder/index_en.htm

Transnational co-operation programmes

The transnational programmes add an important extra European dimension to regional development, developed from analysis at a European level, leading to agreed priorities and a coordinated strategic response.

This allows meaningful work between regions from several EU Member States on matters such as communication corridors, flood management, international business and research linkages, and the development of more viable and sustainable markets.
Themes covered include:

- Innovation, especially networks of universities, research institutions, SMEs;
- Environment, especially water resources, rivers, lakes, sea;
- Accessibility, including telecommunications, and in particular the completion of networks;
- Sustainable urban development, especially polycentric development.

There are currently 13 transnational co-operation programmes.
The Transnational programmes are:

1. Northern Periphery
2. Baltic Sea
3. North West Europe
4. North Sea
5. Atlantic coast
6. Alpine Space
7. Central Europe
8. South West Europe
9. Mediterrenean
10. South East Europe

11. Caribbean Area
12. Acores-Madeiras-Canarias
13. Indian Ocean area

For the link to each single programme web site visit Interact web site:
The http://www.interact-eu.net/transnational_programmes/110
Further information are available on Europe portal
http://ec.europa.eu/regional_policy/cooperation/transnational/index_en.htm

Interregional co-operation
Interregional cooperation works at pan-European level, covering all EU-27 Member States, and more. It builds networks to develop good practice and facilitate the exchange and transfer of experience by successful regions. It showcases what regions do well, to the benefit of those still investing.

The INTERREG IV C programme enables EU regions to work together and is structured around two priorities, which address:

- innovation and the knowledge economy
- environment and risk prevention.

It involves the following countries: EU-27, Norway and Switzerland.

http://www.interreg4c.net/

The network programme: Urbact
The URBACT II programme brings together actors at local and regional level to exchange experience and to facilitate learning on urban policy themes. The programme supports thematic networks and working groups between cities, conferences and the development of tools.
It involves the following countries: EU-27, Norway and Switzerland.
http://urbact.eu/

The three Funds

European Regional Development Fund

The European Regional Development Fund (ERDF) supports programmes addressing regional development, economic change, enhanced competitiveness and territorial co-operation throughout the EU. Funding priorities include modernising economic structures, creating sustainable jobs and economic growth, research and innovation, environmental protection and risk prevention. Investment in infrastructure also retains an important role, especially in the least-developed regions.
http://ec.europa.eu/regional_policy/thefunds/regional/index_en.cfm

The European Social Fund

The European Social Fund (ESF) focuses on four key areas: increasing the adaptability of workers and enterprises, enhancing access to employment and participation in the labour market, reinforcing social inclusion by combating discrimination and facilitating access to the labour market for disadvantaged people, and promoting partnership for reform in the fields of employment and inclusion.
http://ec.europa.eu/regional_policy/thefunds/social/index_en.cfm

The Cohesion Fund

The Cohesion Fund contributes to interventions in the field of the environment and trans-European transport networks. It applies to member states with a Gross National Income (GNI) of less than 90% of the EU average. As such, it covers all 12 new member states as well as Greece and Portugal. Spain is also eligible for the Cohesion Fund, but on a transitional basis (so-called "phasing out").

In general, the overarching priorities for the Structural Funds are set at the EU level and then transformed into national priorities by the member states and regions.

At the EU level the overarching priorities are established in the Community Strategic Guidelines (CSG). These set the framework for all actions that can be taken using the funds. Within this framework, each member state develops its own National Strategic Reference Framework (NSRF). The NSRF sets out the priorities for the respective member state, taking specific national policies into account.
Finally, Operational Programmes for each region within the member state are drawn up in accordance with the respective NSRF, reflecting the needs of individual regions.
http://ec.europa.eu/regional_policy/thefunds/cohesion/index_en.cfm

The basic documents

- *At EU Level*: Community Strategic Guidelines
- *At National Level*: National Strategic Reference Framework for each member state,
- *At Regional Level*: Operational Programme for each region.

The *Community Strategic Guidelines* (CSG) contain the principles and priorities of the EU's cohesion policy and suggest ways the European regions can take full advantage of the funding that has been made available for national and regional aid programmes for the period 2007-2013. There are three priorities:

- Improving the attractiveness of member states, regions and cities by improving accessibility, ensuring adequate quality and level of services, and preserving their environmental potential;
- Encouraging innovation, entrepreneurship and the growth of the knowledge economy by supporting research and innovation capacities, including new information and communication technologies;

- Creating more and better jobs by attracting more people into employment entrepreneurial activity, improving adaptability of workers and enterprises and increasing investment in human capital.

National Strategic Reference Framework (NSRF) establishes the main priorities for spending the EU structural funding a member state receives between 2007 and 2013. Each member state has its own NSRF. Adopting an NSRF is a new requirement of the Structural Funds regulations for 2007 to 2013. Each NSRF functions as a high-level strategy for the Operational Programmes in the respective member state. The document provides an overview of the economic strengths and weaknesses of the member state's regions, and sets out the approach to future Structural Funds spending across the member state.

An *Operational Programme* (OP) sets out a region's priorities for delivering the funds. Although there is scope for regional flexibility, a region's priorities must be consistent with the member state's NSRF.
There is an Operational Programme for each region in the EU. These OPs, just like the NSRF, have to be approved by the European Commission before any implementation.

The complete list of the covered regions is available at the following web site:
http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm

How to apply

You should apply for regional funding to the authority managing the relevant regional programme. That body will evaluate your project and decide whether to grant funding.
The list is available at the following web site:
http://ec.europa.eu/regional_policy/country/prordn/index_en.cfm

Funding

The procedures for the allocation of Structural Funds to projects differ depending on the relevant national or regional programme. Application procedures (e.g. ongoing application and project selection, calls for proposals or competitions with fixed deadlines) are decided by the Managing Authority, depending on what is most appropriate for the activities in question. Project selection criteria are agreed by each programme's Monitoring Committee and are published (e.g. on managing authority websites or in some cases on the national Official Journals).
EU Official Journal : http://eur-lex.europa.eu/JOIndex.do?ihmlang=en

Who can apply?

Organisations that can benefit from regional funding include public bodies, some private sector organisations (especially small businesses), universities, associations, NGOs and voluntary organisations. Foreign firms with a base in the region covered by the relevant

operational programme can also apply, provided they meet European public procurement rules.
Contact your managing authority for more information on who can apply in your region.
Project promoters in countries that are candidates or potential candidates for EU membership should contact the Instrument for Pre-Accession Assistance (IPA).
http://ec.europa.eu/regional_policy/glossary/ipa_en.htm

In most cases, funding is granted to projects, so you need to develop a project to be eligible for funding, which you will then receive at different stages of the process.

Who can help me?

The Europe Direct information relays, with hundreds of information points all over Europe
http://europa.eu/europedirect/index_en.htm
The Managing authority (for EU territorial cooperation programs) can give you advice, through each stage of the project application
http://ec.europa.eu/regional_policy/manage/authority/authority_en.cfm
The EU Delegation Office in Macedonia
http://ec.europa.eu/enlargement/candidate-countries/

The direct funding

The Community Programmes are a series of integrated measures accepted by the European Commission aiming to strengthen the co-operation among the Member States regarding Community policies for a period of time. The Community Programmes are financed from the general budget of the Community. All Acceding and Candidate countries have the opportunity to participate in the programmes, although, as a main condition of participation, an annual fee has to be paid to the budget.

Community Programmes can be tied to almost every Community policy. The Community decides on the type of programmes, their budgets and their durations. Any legal entity (sometimes individuals, too) can submit a proposal. The submission, evaluation and settlement of the accounts along with the full administration belong to the Administration of the Directorate Generals (DGs) of the European Commission.

The proposals can be submitted in a consortium with the participation of minimum two or more organisations from the EU Member States (specified in the Calls for Proposals). The applicants are directly in contact with EC officers, from the submission till the closure of the project. However, each participating country opens a national programme office or agency (either within a competent Ministry or within a separate organisation) whose task is the collection of information and mediation in order to assist the national applicants. In some cases the national programme coordinators have higher responsibility and competence.

At the beginning of 2007 the Union adopted a new generation of programmes for the financial programming period 2007-2013. These new programmes are particularly designed to stimulate innovation, economic growth and employment. The programming strategy priorities policies for sustainable economic progress, solidarity, security and a stronger role for Europe in the world. Given that the funding is made available at European level, the project needs to have a European dimension – an explicit European purpose which gives the project a European added value. However, how the European dimension is specified varies between the different programmes. In the research programme, for example, a key criterion for funding is to provide Europe with research excellence. Often, the European Commission also requires that the results of the project have relevance even outside the countries included in the project.

EU financing usually covers less than 75% of the total cost of a project. The rest often comes from national funds, private sponsors or even own resources, such as support staff and office resources. This support needs to be documented. The key providers of information on EU programmes in the different Member States are the National Contact Points (NCN) of each programme, the Representation Offices of the European Commission and the different EU information networks and the EU Delegation office in third countries. NCNs, in particular, also often organise courses and seminars on how to apply and how to manage projects. They often provide potential applicants with programme user-guides in the national languages. The European Commission also distributes such information. Potential applicants can also use the national contact points and the regional EU offices in Brussels for information and support on the application process.

The direct funding can be divided in two main areas:

- ***The European programmes*** which allow the Member States to cooperate together, even if most of them are also open to the participation of other countries like the EFTA countries (Norway, Iceland and Lichtenstein) the potential and candidate countries, Switzerland and other third countries;
- ***The external assistance programmes*** which represent the legal framework of the EU's external assistance to Third and Developing countries.

What is a project?

An EU project can take many forms. Typically, a project is carried out by consortia with participants from different countries that aim at increasing mobility, developing new knowledge, or strenthening European dimensions. The size, scope and internal organisation of projects can vary from field to field and from topic to topic. Increasingly, consortia are forming larger EU project networks. Here, a number of organisations combine their activities in a given field. Implementation of these activities usually requires the networks to formally commit their resources and activities in the network. An EU project can also be set up to coordinate or support activities and policies (networking, exchanges, transnational access to infrastructures, studies, conferences, etc.).
Individual projects are also possible. Here, a project is set up to support other projects carried out by individual national or transnational teams. Also, projects can be set up to support the training of network and agency staff.

How to find partners?

Most EU projects require at least 2 partners in different countries. Finding a good project consortium is a crucial part of the application process. Sourcing partners from existing networks, or from already completed or ongoing projects, often makes partner search quicker and cooperation easier. Through databases available on Commission websites, applicants can find lists of previous projects and overviews of partners available.
The National Contact Points in the different countries can also support this partner search.
It is important to make sure that all partners have a genuine interest in the project, as they often work together for several years. The project consortium is often formalised through an agreement. It governs the internal organisation of the consortium, the distribution of funds, dissemination and use of project results, including intellectual property right arrangements, and settlement of internal disputes. Successful projects usually consist of some experienced and some new partners. Typically, the project coordinator is an organisation, body or enterprise with previous EU project experience.
The European Commission is helpful and responsive to questions which may arise ahead of the application deadline. The Commission often sets up help desks to answer questions on the applications, and support the partner search during the period the call is open ("clinics").

When to apply?

After the EU has decided to launch a programme, the EU Official Journal publishes a call for proposals. As in the new programming period it is not mandatory any more to publish the call for proposals on the EU Official journals, it is better to check always also the web site of the different Directorates Generals (DG) of the European Commission. Often, other publication channels spread the information as well. Usually the call is launched at specific information meetings, often organised by the Commission in Brussels or Luxembourg. These meetings are highly valuable for grasping what the Commission is looking for.
All calls for proposals in the programmes are published in the EU Official Journal (OJ):
http://eur-lex.europa.eu/
The OJ publishes all official EU information in all the official languages of the EU, and also publishes the EEA Supplement.
The Europa website (http://europa.eu/index_en.htm) gives the best overview of open calls. The information is organised by the directorate-general responsible for the programme in question. Here, the objective of the call, the criteria for funding and the formal application requirements are found. The call is usually open from 4 to 12 weeks.
However, sometimes the call is left "open", which means that one can apply for funding continuously (with fixed selection dates). The application is sent directly to the European Commission or the executive agencies in Brussels or Luxembourg. But for some of the programmes, national agencies manage the entire application process.

How to apply?

Application forms are available online, through the websites of the national contact point or the Commission. Before applying for EU funds, it is important to have a clear idea of what the project aims to accomplish and ensure that all partners in the project are fully aware and

supportive. The project idea needs to be checked against the programme objective and all the formal call criteria. The European added value should be explicit at a very early stage of the process and should include a clear objective for the distribution of the project results after the project has been completed. Making a budget for the project is time-consuming as it needs to be realistic and coherent even at an early stage. Writing an application includes the following basic elements:

- Firstly, ***the idea, objectives and target group*** should be carefully defined. What is unique in this project, what is the main innovation compared to what is already available? What does the project want to do, for whom, how and when does it want to do it? Which needs does the project respond to?
- Secondly, a ***clear target hierarchy*** should be established, with quantity measures of resources and the time needed to carry out the project.
- Thirdly, ***what methods and techniques*** will the project use to obtain its objective? In larger projects, it is important to use a work package structure to describe the different stages of the project. In all proposals, it is important to be clear about milestones and objectives, including timelines, throughout the project.
- Fourthly, the application usually describes each project partner in detail, ***how each partner contributes*** to the project objective and how the partners cooperate. Here again, the European added value should be emphasised.
- Fifthly, ***information, dissemination, and exploitation of project results*** is an integral part of an application. How will the project inform, to whom and when? Sixthly, realistic budgeting is an essential part of any successful EU project.

EU financing is usually based on three types of grants:

- reimbursement of eligible costs,
- lump sums
- flat rate financing.

These may be used to cover the entire EU financial contribution for a funding scheme or more than one may be combined. For most programmes, reimbursement of eligible costs is the preferred method. However, lump sums and flat rate financing will be used more extensively in the new programmes.

When a project starts, its coordinator usually reports the costs and the results to the Commission, on an annual or biannual basis. Based on this, the Commission conducts regular reviews of the project, to ensure that it is following its objectives and the formal criteria for funding. Also, it is crucial to submit the application on time. Often, excellent applications are deemed ineligible due to avoidable mistakes or late arrival.
The complete list of EU direct funding, divided by sector, is available at the following web address:
http://ec.europa.eu/contracts_grants/grants_en.htm

External assistance programmes

The external assistance programmes represent the legal framework of the EU's external assistance to developing countries. The EU's external policies, including EU development co-operation, are governed by a multitude of Council and European Parliament regulations and decisions. All Council and European Parliament regulations are based on proposals made by the European Commission (usually as "Commission Communications"). These regulations, referred to as 'legal instruments', provide the legal basis for all EU programs which provide external assistance.

There are two types of EU legal instrument:

- geographical instruments that apply to a specific region or country,
- thematic or 'horizontal' instruments that concern a specific theme or sector of development co-operation and apply to all external relations.

In August 2006 the legal framework of EU external assistance was condensed and considerably restructured. Over time, more than 30 geographical and thematic instruments had been created on an ad hoc basis; these were replaced by nine comprehensive instruments, eight of them new.

Four instruments to support specific policies with a geographical focus:

- The Development Co-operation Instrument (DCI)
- The Instrument for Pre-accession Assistance (IPA)
- The European Neighbourhood and Partnership Instrument (ENPI)
- The Instrument for Co-operation with Industrialized Countries (ICI)

Five instruments with horizontal/thematic focus, which deal with major areas of EU external assistance on a global basis:

- The European Instrument for Democracy and Human Rights (EIDHR)
- The Instrument for Stability (IfS)
- The Instrument for Humanitarian aid
- The Macro-Financial Assistance Instrument (MFA)
- The Instrument for Nuclear Safety Co-operation (INSC)

The new legal structure continues five previously-existing "global" development programs. They are now managed within the framework of the DCI. These five programs cover: non-state actors; food security; human and social development; environment; and asylum and migration.

Financial assistance

The EU provides focused pre-accession financial aid to the acceding country, candidate countries and to the potential candidates. This financial assistance is made available both to

individual and multiple beneficiaries. It is intended to help these countries to introduce the necessary political, economic and institutional reforms to bring them into line with EU standards.

The reforms necessary for EU membership also serve to improve the lives of citizens in the beneficiary countries. A key aim of assistance is to support political reform, in particular institution building, strengthening the rule of law, human rights, protection of minorities and the development of civil society.

Before joining the EU, a country must have a functioning market economy, as well as the capacity to cope with competitive pressures and market forces within the EU. Assistance is therefore provided to support economic reform, leading to faster growth and better employment prospects.

Assistance with the adoption of the obligations related to membership improves quality of life in EU Member States too, as candidates and potential candidates align to and gradually adopt EU rules, for example concerning protection of the environment and the fight against crime, drugs and illegal immigration. Furthermore, pre-accession aid encourages regional cooperation and contributes to sustainable development and poverty reduction.

EU funding is designed to facilitate medium to long-term changes in society and the economy as a whole. The pace of reform and that of the accession process are closely related.

Instrument for Pre-Accession Assistance (IPA)

IPA aims at providing targeted assistance to countries which are candidates and potential candidates for membership to the EU. Its main objectives are to help the country to face the challenges of European integration, to implement the reforms needed to fulfill EU requirements and progress in the Stabilization and Association Process and to lay the foundations for fulfilling the Copenhagen criteria for EU Membership.

The main objectives of the Instrument for Pre-Accession Assistance (IPA) are:

- Strengthening democratic institutions
- Promotion and protection of human rights and fundamental freedoms and enhanced respect for minority rights
- Development of civil society
- Regional and cross-border cooperation

In accordance with its objectives, IPA comprises five components:

1. Assistance for transition and institution building;
2. Cross-border cooperation (with EU Member States and other countries eligible for IPA);
3. Regional development (transport, environment, regional and economic development);
4. Human resources (strengthening human capital and combating exclusion);
5. Rural development.

http://ec.europa.eu/regional_policy/funds/ipa/index_en.htm

IPA five components

In order to achieve the objectives of each candidate and potential candidate as efficiently as possible, IPA consists of the following five components:

Component I: (Transition Assistance and Institution Building) provides financing for institution-building and associated investments. It supports measures to drive stabilisation and the transition to a democratic society and market economy. Component I is open to all candidates and potential candidates and is managed by Directorate-General Enlargement.

Component II: (Cross-Border Cooperation) supports cross-border cooperation between candidates and potential candidates and with EU Member States. It may also fund participation in transnational cooperation programmes (under the Structural Funds) and Sea Basin programmes (under the European Neighbourhood and Partnership Instrument or ENPI). Component II is open to all candidates and potential candidates and is managed by DG Enlargement and DG Regional Policy.

Component III: (Regional Development) finances investments and associated technical assistance in areas such as transport, environment and economic cohesion. It is open to candidate countries only and is managed by Directorate-General Regional Policy.

Component IV: (Human Resources Development) aims to strengthen human capital through education and training and to help combat exclusion. It is open to candidate countries only and is managed by Directorate-General Employment, Social Affairs and Equal Opportunities.

Component V: (Rural Development) contributes to sustainable rural development. It provides assistance for the restructuring of agriculture and its adaptation to EU standards in the areas of environmental protection, public health, animal and plant health, animal welfare and occupational safety. It is open to candidate countries only and is managed by Directorate-General Agriculture and Rural Development.

Management of IPA funds

This IPA assistance is based on multi-year strategic planning which includes the Multi-annual Financial Indicative Framework - a document which defines the amount the European Commission intends to spend in a country for a defined period and the priority fields to which IPA allocates funds. In addition, strategic planning is done through programs which can be annual or multi-year. IPA assistance, amongst others, can be divided into investment, subsidies, administrative cooperation, participation in EU programs and budgetary assistance. The latter is divided in rare cases and is subject to oversight.

For the allocation of IPA funds, every year a cycle of IPA programs develop, during which projects are defined which will be financed through this instrument. The management of IPA programs is achieved depending on the capacities of a country to implement them.

The funds can be managed according to one of these modalities:

- ***Centralised management***: the European Commission in Bruxelles and the local UE Delegation in the beneficiary country directly manage the assistance
- ***Decentralised management***: after an accreditation procedure, the authorities of the beneficiary country manage the funds
- ***Delegated management***: the assistance is managed by one of the EU Member States taking part in the programme or by an international organization

Who can apply

Any natural or legal person based in the eligible countries (under the eligible component) will be able to apply for funding under IPA.
The beneficiary countries are divided into three categories, depending on their status.

IPA Potential countries

The IPA beneficiary countries are divided into three categories:

- ***Acceding countries***: Croatia
- ***The 4 EU candidate countries***
- ***The 4 Potential Candidate Countries:*** are eligible for the first two components of IPA, which concentrate on institution building, in particular to strengthen the Copenhagen political criteria, enhance administrative and judicial capacity and encourage some alignment with the *acquis communautaire*.

Types of assistance

Assistance through IPA can take the following forms:

- Investment, procurement, contracts or subsidies
- Administrative cooperation, involving experts sent from Member States (e.g. twinning)
- Action by the EU in the interest of the beneficiary country
- Measures to support the implementation process and programme management
- Budget support (granted exceptionally and subject to supervision)

For more information about the selection and evaluation procedures please download the "Practical Guide to Contract Procedures for EU External Actions" published January 2012.
http://ec.europa.eu/europeaid/eprag/document.do

Submitting a project proposal

http://ec.europa.eu/enlargement/how-does-it-work/grants-tenders/index_en.htm

Proposal for Instrument for Pre-accession Assistance (IPA II) 2014-2020

The European Commission adopted budget proposals for its external instruments from 2014-2020 - among which a renewed Instrument for Pre-accession Assistance (IPA), support to enlargement countries, building on the positive experience from the current instrument. IPA will help these countries implement the comprehensive reform strategies needed to prepare for future membership, with emphasis on regional cooperation, implementation of EU laws and standards, capacity to manage the Union's internal policies upon accession, and delivery of tangible socio-economic benefits in the beneficiary countries. More use will be made of innovative financing arrangements set up with international financial institutions, with EU funds acting as a catalyst for leveraging investment in infrastructure.

This proposal should be viewed in the context of all proposed financial instruments for the financial perspective 2014-2020 as outlined in the Communication 'A Budget for Europe 2020'. The Communication sets the budgetary framework for EU external action instruments under the Heading 4 (Global Europe), including the Instrument for Pre-accession Assistance (IPA). On this basis, the Commission is presenting a draft regulation laying down the legislative framework for the new IPA, together with an assessment of the impact of alternative scenarios for the instrument.

Currently, the EU is dealing with 1 accession country (Croatia), 4 candidate countries (Macedonia, Iceland, Montenegro and Turkey) and 4 potential candidates (Albania, Bosnia and Herzegovina, Serbia as well as Kosovo under UNSCR 1244/99). By 2014, only Croatia is foreseen to become a Member State. Socio-economic indicators show that, with the exception of Iceland, enlargement countries are still well below the EU average and even below the level of the weakest Member States. This low level of socio-economic development calls for substantial investments to bring these countries closer to EU standards and allow them to take on board the obligations of membership and to withstand the competitive pressures of the single market. Furthermore, these countries need to be prepared to withstand global challenges such as climate change and to align with the EU's efforts to address this complex issue. The EU 2020 Strategy for smart, sustainable, and inclusive growth includes addressing climate change and renewable energy targets among its 5 headline objectives. The EU has confidence in the low-carbon growth model and this must be projected externally, also in the process of enlargement.

Technical and financial assistance to the Enlargement countries is currently provided through the Instrument for Pre-accession Assistance (IPA). This instrument will expire at the end of 2013. With a view to future accessions, the EU should continue to offer candidate countries and potential candidates technical and financial assistance to overcome their difficult situation and develop sustainably.

The new pre-accession instrument should continue to focus on delivering on the Enlargement Policy, which is one of the core priorities of EU External Action, thus helping to promote stability, security and prosperity in Europe. To that end, the new instrument should

continue to pursue the general policy objective of supporting candidate countries and potential candidates in their preparations for EU membership and the progressive alignment of their institutions and economies with the standards and policies of the European Union, according to their specific needs and adapted to their individual enlargement agendas. In doing so, the coherence between the financial assistance and the overall progress made in the implementation of the pre-accession strategy should be strengthened.

Through its Stabilisation and Association Agreements and other agreements with candidate countries and potential candidates, the EU actively encourages enlargement countries to establish competition regimes. Future pre-accession assistance will also be devoted to strengthening research and innovation capacity as well as information and communications technologies (ICTs), which in turn will facilitate realisation of the Innovation Union, underpin the other Europe 2020 strategy objectives and support compliance with EU technical requirements and standards in many other policies (e.g. public health, food security, climate action and the environment, including biodiversity and eco-systems).

The proposal is the result of different consultation processes.

The document also discusses the measures for simplification, e.g. through streamlining the component structure around principal policy areas, a sector-based approach, alignment with the Structural Funds approach, etc.

The delivery of assistance will be made more coherent, strategic and result-oriented, e.g. by a addressing policy areas through comprehensive multi-annual country (and multi-beneficiary) strategy papers reflecting the political priorities of the Enlargement Strategy and covering, for each policy area, all necessary institution building, acquis compliance and investment actions.

To better translate political priorities into key actions which can receive IPA funding, a Common Strategic Framework for the instrument will be introduced. The IPA Common Strategic Framework will include criteria for the allocation of funds to beneficiary countries and to multi-country and territorial cooperation actions. To reduce the administrative burden, assistance programmes will become multi-annual, reviewed once at mid-term (compared to the current system of annual revisions and programming). And to leverage more funds and exploit synergies to enable necessary investments to be made, the new instrument will provide for increased cooperation with international financial institutions and other donors, and for the use of innovative financial instruments.

Main elements of the new IPA

On the delivery side, while ensuring continuity and seamless transition from the current IPA, the new instrument will operate under simplified rules so as to facilitate access to the funding for beneficiaries. For better effectiveness and efficiency, the assistance will be made more result-oriented, flexible and tailored to specific needs:

- to **focus assistance on a limited number of policy areas** that will notably help beneficiary countries strengthen their democratic functioning, enhance their economic and social development and align progressively with the Copenhagen criteria. Moreover, the coherence between the financial assistance and the overall progress made in the implementation of the pre-accession strategy will be strengthened.
- to **better translate political priorities into key actions** which can receive IPA funding, a Common Strategic Framework for the instrument will be introduced. The IPA Common Strategic Framework will include criteria for the allocation of funds to beneficiary countries and to multi-country and territorial cooperation actions.
- to **address more closely the needs of the beneficiaries** and taking better into account their technical and administrative capacities, access to assistance will be granted under the same terms to all enlargement countries, without distinction based on the status of the country (i.e. whether candidate or potential candidate).
- to **reduce the administrative burden**, assistance programmes will become multi-annual, reviewed once at mid-term (compared to the current system of annual revisions and programming). This will allow us to focus more on the objectives themselves, rather than the mechanics of preparing individual projects.
- to make the overall IPA assistance **more coherent**, the current system of five separate components will be reviewed. All countries will be able to work on all policy areas at a much earlier stage.
- to **improve the effectiveness of the assistance**, there will be more flexibility to allocate funds to more result-oriented actions, to cater for emerging needs and to give incentives to improve performance.
- to **leverage more funds and exploit synergies** to enable necessary investments to be made, the new instrument will provide for increased cooperation with international financial institutions and other donors, and for the use of innovative financial instruments.

The proposed budget for the new IPA is **€14.110 billion in current prices** for the **period 2014-2020**. This represents a stable budget at the same level of the current IPA in 2013.

The proposal for the regulation on the Instrument for Pre-accession Assistance (IPA II)
Was published in Brussels, on the 7th December 2011 document "COM(2011) 838 final"
is available at the following web site:
http://ec.europa.eu/enlargement/pdf/highlight/20111207_ipa_final_en.pdf

For more information

MEMO/11/878 – The Multiannual Financial Framework: The Proposals on External Action Instruments
http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm

Proposals on the Multiannual Financial Framework (29 June 2011):
http://ec.europa.eu/budget/biblio/documents/fin_fwk1420/fin_fwk1420_en.cfm

EU Development Policy: An Agenda for Change

http://ec.europa.eu/europeaid/what/development-policies/documents/agenda_for_change_en.pdf

Consultation on the future of development policy
http://ec.europa.eu/europeaid/how/public-consultations/5241_en.htm

Website of European Commissioner for Enlargement and European Neighbourhood Štefan Füle:
http://ec.europa.eu/commission_2010-2014/fule/

More on the new IPA:
http://ec.europa.eu/enlargement/press_corner/whatsnew/news/111207_en.htm

Where to get information on the European Union direct funding

Directorates General of the European Commission
http://ec.europa.eu/about/ds_en.htm

Official EU information Points
"Europe Direct"
http://europa.eu/europedirect/index_en.htm

Enterprise Europe Network
http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

European Documentation Centres
http://www.cdeita.it/

The European Union representation offices in the 27 Member States
http://ec.europa.eu/represent_en.htm

The EU Delegation offices in "Third Countries"
http://www.eeas.europa.eu/delegations/web_en.htm

Further Reading

New funds, better rules
Overview of new financial rules and funding opportunities
http://ec.europa.eu/budget/library/biblio/publications/funds_rules/pack_rules_funds_en.pdf

Doing business with the European Commission
Tips for potential contractors
http://ec.europa.eu/budget/library/biblio/publications/business/doing_business_en.pdf