



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 24.3.2006
SEC(2006) 378

COMMISSION STAFF WORKING DOCUMENT

Annexes to the

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**GENERAL REPORT
ON PRE-ACCESSION ASSISTANCE
(PHARE – ISPA – SAPARD)
IN 2004**

COUNTRY SECTIONS & ADDITIONAL INFORMATION

{COM(2006) 137 final}

ANNEX

ANNEXES

ANNEX I: ADDITIONAL INFORMATION

1.1	FUNDING PROCEDURES.....	3
1.2	EDIS.....	4

ANNEX II: COUNTRY SECTION

BULGARIA

ROMANIA

ANNEX I: ADDITIONAL INFORMATION

1.1. FUNDING PROCEDURES

1.1.1. PHARE

- Framework agreement signed between the Commission and each country (has existed for each country for several years)
- Annual programming by priorities identified in the Regular Reports and the Accession Partnerships
- Candidate countries prepare draft programmes and project fiches for comments and final decision by the Commission, following an iterative quality process including the Country team, the EC Delegation and the relevant line DGs
- Financing proposals for annual National Programmes prepared by DG Enlargement; consultations with other Commission services, and presentation to the PHARE Management Committee for an opinion
- Commission Decision
- Commitment of funds
- Signature of annual financing agreement by the candidate country and the Commission; exchange of letters on project fiches
- First transfer of funds (advance payment of 20%) upon request from the National Fund.

1.1.2. ISPA

- Existing framework agreements for PHARE are extended to ISPA
- National ISPA strategies for transport and environment prepared by the countries, other Commission services are consulted, and the strategies are approved by the Commission. Some of the strategies have been updated to ensure that priority projects financed through ISPA remain focused on policy objectives.
- Identification and preparation of projects by the countries
- Project application on standard form, acceptance (i.e. check whether all documents are included) and appraisal
- Financing proposal for each project prepared by DG Regional Policy, put into inter-service consultation, and presented to the ISPA Management Committee for an opinion
- Commission Decision (for each project)
- Commitment of funds (one project may receive commitments from different years,)

- Signature of Financing Memorandum (for each project)
- First transfer of funds (10%)
- Second transfer of pre-financing (10%) once first works contract has been signed (for investment projects), and subject to certain conditions stipulated in the Financing Memorandum
- Intermediate payments for reimbursement of actual payments to contractors on the ground and subject to certain conditions in the Financing Memorandum
- Payment of final balance upon fulfilment of conditions stipulated in the Financing Memorandum.

1.1.3. SAPARD

- Submission to the Commission of a draft agriculture and rural development plan (RDP) for 2000-2006 by each country before the end of 1999
- Inter-service consultations with Commission services and consultations with each country
- Agreement with the country on the plan
- Final inter-service consultation with Commission services
- Submission of the plan to and opinion by the STAR (Management) Committee
- Formal adoption by the Commission of a programme for agriculture and rural development
- Commission Decision to authorise the signature of the Multi-Annual Financing Agreement and the Annual Financing Agreement
- Signature of the Multi-Annual Financing Agreement and the Annual Financing Agreement
- Commitment of the annual SAPARD appropriation
- Conclusion of the Multi-Annual Financing Agreement and the Annual Financing Agreement
- Formal decision by the Commission conferring management of aid on the Implementing Agencies
- First payment to the country (max 49% of the first annual allocation)
- Reimbursement of incurred expenditures

1.2. EDIS

For PHARE, the state of play at the end of 2004 was the following: both Bulgaria and Romania had completed EDIS Stage 1 (Gap assessment) and had progressed onto Stage 2 (Gap plugging), with the target to carry out a stage 3 (compliance assessment) review during 2005, and submit a request for EDIS accreditation at the end of 2005 or early 2006.

The Commission and the national administrations in these countries continued to monitor the process through the High Level Working Groups (HLWG), set up in 2002 in all Phare countries to oversee and provide guidance for the transition to EDIS.

As regards ISPA, by the end of 2004, only Romania was about to tender stage 3 (compliance assessment), whereas Bulgaria had not yet started stage 2 (gap plugging).

Meanwhile, both countries having made considerable progress during 2005, it is expected that the Commission will be able to grant EDIS – accreditation before the end of 2006.

ANNEX II: COUNTRY SECTION

BULGARIA

Allocations for Bulgaria in 2004 were as follows:

PHARE: € 293.5 million

ISPA: € 134.8 million

SAPARD: € 68.0 million

TOTAL: € 496.3 million

A. PROGRAMMING OF PRE-ACCESSION ASSISTANCE

PHARE

Committed amount: € 525.0 million

Main programmes

- *National Programme* € 172,5 million

The Phare National Programme 2004 is the first year of the Multi-Annual Programme 2004-2006. It has been approved in three parts (in February, July and November 2004)

- *Cross border Co-operation programmes (CBC)* € 36 million
Includes CBC Bulgaria-Serbia Montenegro, Bulgaria-Fyrom, Bulgaria-Greece, Bulgaria-Turkey and Bulgaria-Romania.

- *Nuclear Decommissioning* € 85 million
This represents the EU contribution in 2004 to the Kozloduy International Decommissioning Support Fund (KIDSF)

The National Programme is based on six overarching priorities:

- Strengthen public administration at all levels and the judiciary
- Improve transparency, financial control and the fight against corruption and fraud
- Promote economic growth and competitiveness and social cohesion
- Integrate minority and vulnerable groups into mainstream society and create a more dynamic and pluralist civil society

- Enhance the administrative and judicial capacity to implement and enforce legislative measures and assume the obligations of EU membership
- Improve the strategic planning and effective utilization of EU funds and prepare for Structural Funds (including the implementation of EDIS)

These priorities are translated into 12 main Objectives structuring the National Programme:

Objective 1	Political criteria	22.050 M€
Objective 2	Internal market and economic criteria	3.853 M€
Objective 3	Agriculture	10.989 M€
Objective 4	Transport	0.900 M€
Objective 5	Employment, social policy and education	5.875 M€
Objective 6	Energy	2.500 M€
Objective 7	Environment	8.228 M€
Objective 8	Justice and Home Affairs	33.562 M€
Objective 9	Custom and Finance	21.333 M€

Objective 10	Administrative reform and capacity	22.277 M€
Objective 11	Economic and Social Cohesion	30.727 M€
Objective 12	Other (Project Preparation Facility, participation to EU programmes)	12.516 M€

CBC programme objectives

Sector	Objectives in CBC Programme (€ million)
04 Transport	<i>15.800</i>
05. Employment, Social Policy, Education	<i>1.100</i>
07. Environment	<i>7.300</i>
12. Other programmes	<i>11.800</i>

ISPA

Committed amount: € 134.8 million

Environment: € 35.6 million

Transport: € 99.2 million

Environment strategy's priorities

1. Potable water and water supply
2. Sewerage system and UWWTP construction
3. Waste management
4. Air pollution

The development of the strategy is based on the priorities listed under the “Accession Partnership” (AP) and “Strategy for intensifying the negotiations for accession of the Republic of Bulgaria to the European Union and Action Plan”, and Regulation 1267/99 of 21.06.1999 of the European Union for ISPA, as well as on the implementation programs of the Directives of the European Union covered by ISPA, developed in 2003, for which the Republic of Bulgaria has negotiated transitional periods¹.

Transport strategy’s priorities

- Greater opening of Bulgaria to Europe and neighbouring countries in terms of transport infrastructure.
- Balanced and inter-related infrastructure development among different modes of transport.
- Upgrading and rehabilitation of railway infrastructure along important sections of Corridor IV permitting higher speeds and improved services.
- Completing track electrification along sections of railways that are part of pan-European transport corridors.
- Completing the reconstruction and modernisation of major highway sections on the pan-European transport corridors.
- Further introduction of free-market principles in infrastructure development and financing.

The projects selected for possible ISPA financing are consistent with the Bulgarian Government’s medium-term National Investment Programme, and with the related Programme for the Development of Transport Infrastructure. The latter identified and prioritised 32 national investment projects in the field of railways, road, maritime and air transport along the 5 main transport corridors.

BULGARIA	ISPA CONTRIBUTION	COMMITMENTS	PROJECTS
ENVIRONMENT			
Air quality	36.1 million	25.3 million	1
Technical assistance	12.9 million	10.3 million	1
TRANSPORT			
Road and rail	70 million	49.4 million	1

¹ Implementation programs falling into the ISPA range are related to the following Directives:
 Directive 91/271/EC related to the town waste water treatment
 Directive 2001/80/EC related to certain LCP air pollutants restriction
 Directive 1999 /31/EC related to waste disposal

SAPARD

Committed amount: € 68.0 million

The Commission approved the Bulgarian Sapard programme on 20 October 2000.

The programme was already subject to three modifications. The first one was adopted by the Commission on 21 May 2002 and concerned mainly modifications to the three accredited measures. The second modification of 27 May 2003 concerned a wider range of measures and was required in order to adjust the programme to the needs identified during implementation. The third modification was adopted by the Commission on 23 December 2004 in order to integrate the recommendations made in the Mid-term evaluation carried out in 2003

The programme foresees the following main objectives:

- Improving agricultural production efficiency and promoting a competitive food processing sector, by better market and technological infrastructure and strategic investment policies aimed ultimately at reaching EU standards.
- Sustainable rural development consistent with best environmental practices, by introducing alternative employment, diversifying economic activity and establishing necessary infrastructure.

The above mentioned objectives will be implemented through the following measures (share of total allocation of EU funds):

Measures - Share on total allocation of EU funds

- Investments in agricultural holdings 28%
- Improvement of processing and marketing of agricultural
and fishery products and construction of wholesale markets 33%
- Development of environmentally friendly agricultural practices
and activities 2.2%
- Forestry, including afforestation and investments in improvement
of the processing and marketing of forestry products 2.5%
- Setting up producer groups 0.9%
- Water resources management 1%
- Development and diversification of economic activities
providing for multiple activities and alternative income 13%
- Renovation and development of villages, protection and

- conservation of rural heritage and cultural traditions 10%
- Development and improvement of rural infrastructure 7%
- Improvement of vocational training 1% and
- Technical assistance 0.6%.

2.0% is devoted to financing actions taken on the initiative of the Commission for preliminary studies, exchange visits, evaluation and control.

B. IMPLEMENTATION OF PRE-ACCESSION ASSISTANCE

The following implementation structure exists in Bulgaria for the implementation of pre-accession assistance:

National Fund (NF) within the Ministry of Finance

(NF)

Implementing Agencies

For PHARE:

- Central Finance and Contracting Unit of the Ministry of finance
- Agency at the Ministry of Regional Development that handles investment projects for Cross-border Co-operation (Phare CBC IA) and Economic and Social Cohesion.
- Agency at the Ministry of Labour and Social Policy that handles investment projects in their field of competence
- Agency at the Ministry of Economy, that handles investment projects in their field of competence

Characteristics:

- handle tendering, contracting and payments
- day-to-day project management remains the responsibility of the Ministries or agencies directly benefiting from the assistance.
- Increased ownership and responsibility for the sound management of EU funds with the issuance of a decree in September 2000 giving the CFCU the status of Directorate within the Ministry

For ISPA:

- *Transport:* the Ministry of Transport and the Roads Executive Agency
- *Environment:* the Ministry of Environment and Water, and the Ministry of Regional Development and Public Works.

For SAPARD:

The Multi-annual Financing Agreement (MAFA), which sets out the rules for implementing Sapard, was signed on 18 December 2000. The Annual Financing Agreement (AFA) for 2000, which sets out the Community financial commitment for the year 2000, was signed on 12 February 2001. Both agreements were formally concluded on 20 April 2001.

AFA 2001 was signed on 19 February 2002 and concluded on 19 September 2002, AFA 2002 was signed on 4 April 2003 and concluded on 6 June 2003, and AFA 2003 was signed on 23

July 2003 and concluded on 1 October 2003. The AFA 2003 was modified by a further financing agreement which was signed on 28.12 2004. AFA 2004 is due to be signed in 2005.

The text of the AFAs sets the level of commitment against the annual budget, and includes certain amendments to the Multi-annual financing Agreement.

The following structures are used for the implementation of Sapard:

- The **National Fund**, which is placed within the Ministry of Finance administers Sapard funds allocated under the responsibility of the National Authorising Officer (NAO)
- The **Sapard Agency**, which is responsible for discharging the implementation and paying functions for the programme created within the State Fund Agriculture.
- The Ministers of Finance and Agriculture represent the **Competent Authority** for Sapard purposes and are responsible for the national accreditation of Sapard Agency.

The Commission Decision conferring management to the Bulgarian implementing structures was taken on 14 May 2001 for the following 3 out of 11 measures: (i) Investments in Agricultural holdings, (ii) Processing and marketing, and (iii) Diversification of activities.

A second Decision conferring management on the Sapard Agency for the implementation of six further measures, (i) setting up producer groups” (ii) renovation of villages, (iii) vocational training, (iv) rural infrastructures (v) forestry, and (vi) technical assistance was taken on 14 August 2003. All nine accredited measures represented 92% of the entire EU contribution for the programme.

From the beginning of the programme until the end of December 2004 a total number of 1807 projects have been approved by the Bulgarian Sapard Agency, amounting to € 266,9 million of Community contribution (cumulative amount of approved commitments). This figure corresponds to 117% of the amount of the Community allocation for the years 2000-2003 as included in the respective AFAs.

As regards payments executed by the Commission to Bulgaria, following requests from Bulgarian authorities, payments for a total amount of € 91.041.116,78 were made by the end of 2004. The amount of payments on account made to Bulgaria was € 25.977.899, which is 49% of AFA 2000. By 31 December 2004 a total cumulative amount of € 65.063.217,78 has been paid as reimbursement of incurred expenditure.

C. CO-ORDINATION BETWEEN PRE-ACCESSION INSTRUMENTS

In the programming process: through intensified collaboration between the relevant Commission services, including joint programming missions and regular meetings to share information. 2004 is the first year of the Multi Annual Programme 2004-2006 and in this regard, each following National Programme will be drafted in the light of the implementation of previous years, sequencing between the three phases being important for most of the projects.

- At the national level:
 - Programming: through the National Aid Co-ordinator (NAC) in the Ministry of Finance
 - Implementation and financial management: through the Ministry of Finance (National Fund) regarding all aspects of implementation and financial management.
- At the regional level:
 - Programming: establishment of regional steering committees
 - Implementation and financial arrangement: through the designated Implementing Agency (PHARE, ISPA) and Paying Agency (Sapard) regarding implementation, financial management, and to ensure proper co-ordination and avoid overlapping activities.
 - To avoid overlapping between the economic and social cohesion chapter of Phare and Sapard, appropriate provisions are included in the programming documents and agreements. The Multi-annual Financing Agreement for Sapard provides that Bulgaria shall ensure that any risk of funds being disbursed more than once is avoided, notably by means of stamping invoices with "Sapard" before being paid for by the Sapard Agency.

ROMANIA

Allocations for Romania in 2004 were as follows:

PHARE: € 433.3 million

ISPA: € 314.7 million

SAPARD: € 158.7 million

TOTAL: € 906.7 million

A. PROGRAMMING OF PRE-ACCESSION ASSISTANCE

PHARE

Committed amount: € 433 million

Main programmes

• *National Programme, including External border initiative* **405.3 M€**

• *Cross border Co-operation programmes* **28.0 M€**

With Bulgaria (€ 8 million), Hungary (€ 5 million), Moldova (€5 million), Serbia & Montenegro (€ 4 million), Ukraine (€6 million)

National programme's objectives

2004/016-772.01 Political Criteria **50.00 M€**

Meeting the Political Criteria, includes 3 priority sectors and four specific needs identified as specific for the 2004 budget. These measures shall support Romania to meet urgent needs in developing their democratic system and the public institutions and strengthening the rule of law. The three priority sectors are *public administration reform, reform of the judiciary, minority issues*. The four specific needs, to be covered by the 2004 programme, are: *civil society, fight against corruption, improving penitentiary standards, strengthening of police co-operation*.

2004/016-772.02 Economic Criteria **4.45 M€**

Meeting the Economic criteria, continues the efforts started in the 2003 Phare National programme in the area of cadastre and land registration, in particular by unification and improved efficiency of relevant government services.

2004/016-772.03 Meeting the obligations of the acquis **155.43 M€**

Meeting the obligations of the acquis, includes four priority sectors and 11 projects only identified for the 2004 budget. The four sectors are *Public Finance, Agriculture, Environment* and *Border Management*. To meet specific needs to be covered by the 2004 programme eleven additional projects were identified in the following fields: competition policy; energy; transport; statistics; social affairs and employment; health; audiovisual policy and justice and home affairs.

2004/016-772.04 Economic and Social Cohesion **160.10 M€**

Economic and Social Cohesion, contains the priority sector programme for Economic and Social Cohesion. This programme follows a slightly different layout in order to come as close as possible to the programme structure that will be used under the future Structural Funds for Romania. This should help Romania to familiarise with the structure and management requirements needed to absorb Structural funds.

2004/016-772.05 Specific actions facility **11.22 M€**

contains a facility which shall allow the Romanian government to address small scale measures and necessary urgent actions identified in the course of the ongoing negotiations and during the first years of EU membership. This sub-programme also contains the option to co-finance Romania's participation in Community initiatives such as INTERREG.

2003/005-551.06 Participation in Community Programmes and Agencies and End-user support **24,10 M€**

provides support to Romania for its participation in specific Community activities prior to membership

ISPA:

Committed amount: € 314.7 million

Environment: € 157.4 million

Transport: € 157.2 million

Environment strategy's priorities

- (1) Wastewater treatment and drinking water supply
- (2) Urban waste management (priority given to landfill disposal and selective collection)
- (3) Air quality protection (priority given to replacing old power plants and heating facilities)

The strategy priorities are consistent with the National Plan for Adoption of the acquis, the National Development Plan and the National Protection Environmental Action Plan.

Transport strategy's priorities

Financing modernisation of well travelled sections of the three trans-European corridors crossing the country while maintaining a reasonable balance between road, rail and waterways:

- Corridor IV : from Hungary to Constanta (East Branch) and from Hungary to Bulgaria (South Branch), with a view of setting most of this rail/road corridor to EU standards
- Corridor VII: Danube river from the Yugoslavian boarder to the delta (Ukrainian border), where navigability needs to be improved
- Corridor IX: from the Ukrainian and Moldavian borders to the Bulgarian border, emphasis being placed on road connections with Bulgaria.

PROJECTS DECIDED IN 2004 ROMANIA

ROMANIA	ISPA CONTRIBUTION	COMMITMENTS	PROJECTS
ENVIRONMENT			
Water and sewerage	84.8 million	59.4 million	3
Water and wastewater treatment incl.	46.7 million	34.6 million	2
Wastewater treatment plant	70.4 million	36.6 million	1
Solid Waste Collection System	17.2 million	12.1 million	1
TRANSPORT			
Road	113.734 million	75.6 million	1

SAPARD

Committed amount: € 158.7 million

On 12 December 2000, the Commission approved the Sapard programme for Agriculture and Rural Development for Romania. The programme has since been modified four times. The first modification adopted by the Commission on 11 July 2002 concerned the three measures to be accredited. The second modification of 27 May 2003 concerned measures: (i) investments in agricultural holdings, (ii) vocational training and (iii) rural infrastructure. The third modification approved on 1 August 2003 concerned the measure for development and diversification of economic activities. The fourth modification adopted on 17 September 2004 concerned measures: (i) processing and marketing of agricultural and fishery products, (ii) rural infrastructure, (iii) investments in agricultural holdings and (iv) diversification of activities as well as an amendment of the financial table.

The programme foresees the following main objectives:

- Contributing to the implementation of the *acquis communautaire* concerning the common agricultural policy, the environmental protection and related policies in the field of food and consumer protection, public health, well-being and good health condition of the animals and plant health.
- Engaging in the environment protection, the transposition into the national legislation and implementation of the Directive "Nitrates", of the programme "Natura 2000" and of the Directive "Evaluation of the Environmental Impact" (Annexes I and II).
- Solving priority and specific problems for the sustainable adaptation of the agricultural sector and rural areas.

The above objectives will be implemented through the following measures:

Measure-Share on total allocation of EU funds

- Processing and marketing of agricultural and fisheries products: 17.3%
- Improving the structures for quality, veterinary and plant-health
- control, foodstuffs and consumer protection: 2.8%
- Development and improvement of rural infrastructure: 30.4%
- Management of water resources: 2.9%
- Investments in agricultural holdings: 15.3%
- Setting up producers groups: 1.8%
- Agri-environmental measures: 2.7%
- Development and diversification of economic activities,

- multiple activities and alternative income: 10.2%
- Forestry: 10.4%
- Improving of vocational training: 5.5%
- Technical assistance: 0.0%

B. IMPLEMENTATION OF PRE-ACCESSION ASSISTANCE

PHARE and ISPA

National Fund (NF)

Implementing Agencies

For PHARE:

- Central Finance and Contracts Unit in the Ministry of Public Finance
- Ministry of European Integration
- National Fund in the Ministry of Public Finance
- Romanian National Agency for Socrates

For ISPA:

Transport:

- Romanian National Company of Motorways and National Roads, RNCMNR
- Ministry of Transport, Construction and Tourism, MTCT
- National Railway Company, CFR

Environment:

- Central Finance and Contracting Unit with utility companies or local authorities acting as final beneficiaries.

For SAPARD:

The Multi-annual Financing Agreement (MAFA), which sets out the rules for implementing Sapard, was signed on 2 February 2001. The Annual Financing Agreement (AFA) for 2000, which sets out the Community financial commitment to Romania for the year 2000, was signed on 27 February 2001. Both agreements were formally concluded on 17 January 2002. Furthermore, the MAFA was ratified by the Romanian Parliament on 18 June 2001. The AFA for 2001 was signed on 30 January 2002 and concluded on 19 November 2002. The AFA for 2002 was signed on 1 April 2003 and concluded on 12 May 2003. The AFA for 2003 was signed on 23 July 2003 and concluded on 1 October 2003. The AFA 2003 was modified by a further financing agreement which was signed on 24.12 2004. The AFA 2004 is due to be signed in 2005.

The text of the AFAs sets the level of commitment against the annual budget, and provides certain amendments to the MAFA.

The Sapard is implemented through the following structure:

- The **National Fund** is located within the Ministry of Public Finance and administers Sapard funds allocated under the responsibility of the National Authorising Officer (NAO), who is responsible for the national accreditation of the Sapard Agency.
- The **Managing Authority** initially located within the Ministry of European Integration from April 2004 is placed within the Ministry of Finance and from September 2004 within the Ministry of Agriculture, Forestry and Rural Development.
- The **Sapard Agency** is responsible for discharging the implementation and paying functions for the programme created within the Ministry of Agriculture. This agency operates from its headquarter in Bucharest as well as via eight regional offices located throughout Romania.

The Commission Decision conferring management to the Romanian implementing structures was taken on 31 July 2002 for the following 3 out of 11 measures: (i) “Processing/marketing”, (ii) “Rural infrastructure”, and (iii) “Technical Assistance”. Following this Decision the Commission made an initial payment on account of € 37,537.477 to the National Fund. A second payment on account of € 37,537.478 was made on 15 July 2004.

A second Decision conferring management on the Sapard Agency for the implementation of three further measures, (i) investments in agricultural holdings, (ii) diversification of activities, and (iii) vocational training was taken on 5 December 2003. Upon the second accreditation 78.8% of the amount available for Romania was covered.

Up to the end of 2004 the Sapard Agency approved 1106 projects involving € 438.3 million of Community contribution. This figure corresponds to 69.2% of the Community allocation for the years 2000 – 2003 as included in the respective AFAs.

As regards reimbursement by the Commission to Romania following the requests received from Romanian Authorities, payments of € 123,168.357 were made by the end of 2004.

The final version of the mid-term evaluation report was submitted on 15 November 2004.

C. CO-ORDINATION BETWEEN PRE-ACCESSION INSTRUMENTS

- At the national level:

The **National Aid Co-ordinator** (NAC) in 2004 is the Minister for European Integration, entitled also as National ISPA Co-ordinator (NIC) and responsible to ensure co-ordination between Phare and ISPA. The NAC also participates in the SAPARD Monitoring Committee to ensure co-ordination between Phare and SAPARD. The NAC consults with the Ministry of European Integration and the Ministry of Agriculture to ensure the full compatibility of the National Development Plan and the National Rural Development Plan.

- At the regional level:

To avoid overlapping between the economic and social cohesion chapter of Phare and SAPARD, appropriate provisions are included in the programming documents and agreements.

Complementarity between Phare and Sapard at regional level will be ensured through a close co-ordination between the Regional Development Agencies in the priority regions for Phare and the regional-level offices of the Ministry of Agriculture and Food. Regional Development Plans, forming the basis for Phare assistance in the priority regions, are to be approved by Regional Development Councils representing elected local authorities, and will be updated from time to time in the context of the updating and improvement of the National Development Plan. The regional development plans will take account of the division of responsibilities between Phare and SAPARD established in the national programming documents. Regional development plans will also provide a framework for ensuring co-ordination between Phare (including Phare CBC) and ISPA, by taking into account the impact at regional level of national infrastructure projects supported by ISPA.

Furthermore, the Multi-annual Financing Agreement for SAPARD provides that country shall ensure that any risk of funds being disbursed more than once is avoided, notably by means of stamping invoices with "Sapard" before being paid for by the SAPARD Agency.

Between PHARE and ISPA: once again, Regional Development Plans.