

PROGRAMMING PERIOD 2007-2013

ADMINISTRATIVE IMPLEMENTATION PROCEDURE OF TRANSNATIONAL COOPERATION (TNC) UNDER LEADER AXIS

SECTION A: COUNTRY SPECIFIC DETAILS

1. Name of the programme:

Rural Development Programme for Poland

2. Number of LAGs:

338

3. Axes covered by LAGs:

All axis 3 measures implemented under this programme:
311, 312, 313, 321, 322, 323

4. Axes covered by TNC projects:

All axis 3 measures

5. Total RDP budget for all the four axes (including EU+ public+ private expenditure):

EUR 24,560,111,291 (¹)

Total budget for Leader axis:

EUR 1,190,615,385

Of which:

- a. EU Funding: EUR 630,000,000
- b. Public funding: EUR 157,500,000
- c. Private funding: EUR 403,115,385

(¹) All calculations in this fiche are based on PLN currency. EUR amounts are indicative only, as they depend on the current exchange rate. The rate used here:
1 EUR= 4.1 PLN (<http://www.ecb.int/> as of 17/11/2009)

SECTION B: PROGRAMMING AND IMPLEMENTATION OF TRANSNATIONAL COOPERATION PROJECTS

1. FINANCIAL ASPECTS

<p>Budget for TNC projects (Total public funding: EU + public)</p>	<p>The total budget allocated for measure 421 is EUR 15.000.000 (excl. technical assistance), which is 1,9% of the Axis 4 total public funding and 0,0861% of the total RDP public budget. This amount includes funding both for inter-territorial and transnational cooperation, there is no pre-division between the two types of cooperation.</p> <p>A financial ceiling under the measure applies to each LAG, calculated on the basis of the number of inhabitants registered as permanent residents in the area covered by the LDS as of 31 December 2006. The aid is limited to PLN 3 per each registered inhabitant, of which no more than PLN 1 may be allocated towards the preparation of a cooperation project. The LAG's budget for cooperation may range between a minimum of PLN 30,000 (approx. EUR 7,300) and a maximum of PLN 450,000 (approx. EUR 110,000).</p>
<p>Responsibility for the management of the Budget (MAs or LAGs)</p>	<p>LAGs have a certain budget allocation (depending on the number of inhabitants covered by LDS) for cooperation, which is managed by the 16 Regional Implementing Authorities² (Voivodship Self-Governments, VSG).</p>
<p>Special budget for the preparatory technical support of TNC projects</p>	<p>A special budget for the preparation phase of TNC projects is available for LAGs. The level of assistance depends on the number of inhabitants covered by LDS (see above). A maximum of PLN 1 (EUR 0.24) per each inhabitant in an area covered by the LDS may be used for preparation of cooperation projects. The LAG's TNC project preparation budget can therefore be within a range of a minimum of PLN 10.000 (approx. EUR 2.440) and a maximum of PLN 150.000 (approx EUR 36.580). It is integral part of the cooperation project budget.</p>

2. PROGRAMMING ASPECTS

Local Development Strategies and TNC	LAGs did not have to specify TNC project ideas in their Local Development Strategy (LDS). It is always possible for LAGs to apply for a TNC project at any time, even if it has not been included in the LDS, but no later than by 31st December, 2013.
Way of selecting cooperation projects	<p>The selection procedure is described in full detail in 'The guide to cooperation projects in Poland', which is available via the Ministry's website.</p> <p>As far as support covering the preparation of a cooperation project is concerned, the following conditions must be met (MARD regulation of 25th June, 2008):</p> <ul style="list-style-type: none"> • the project is in line with the LDS (though it does not have to be explicitly included in it); • it does not obtain financing from other public funds; this condition is limited to the part of the project, which comprises an eligible cost reimbursed through RDP 2007-2013 funds; • the operation is implemented in no more than two stages; • the operation will be completed within 12 months of aid contract signature, but not later than by 31 December 2013. In other words, project promoters filing applications in June 2013 shall have only 6 months for the preparation of the TNC project; • the application for the final payment shall cover at least 25% of the total amount of aid initially planned for.
Main topics of TNC proposed for the 2007-2013 programming period	LAGs did not have to specify their project ideas in their LDS and consequently the main themes cannot be indicated yet. However, LAGs have to keep in mind that TNC project topics are determined by the aims of LAG's strategy (the project has to be in line with the LDS).
Cooperation with third countries	There are no restrictions regarding cooperation with third countries.
Maximum/minimum number of TNC projects per LAG	There are no restrictions regarding number of TNC projects per LAG. Cooperation projects are not compulsory.

3. COMMON PROVISIONS FOR TNC PROJECT APPROVAL

Information about procedures of approval and implementation of TNC projects	<p>The full procedures governing the approval and implementation of TNC projects have already been developed. The procedure for cooperation project approval is identical with the procedure for LAGs obtaining approval for preparatory technical support.</p> <p>LAGs apply to the VSG, using an application form, at any time (the latest by 30th June, 2013, for preparatory technical support). After positive verification of the application, the LAG has to sign a contract with the VSG. Each phase – project preparation and implementation – has its separate application procedure and separate contract for financial aid.</p> <p>The procedures are described in full detail in "The guide to cooperation projects in Poland under axis 4 RDP 2007-2013", published by the Ministry of Agriculture and Rural Development (available via the Ministry's website).</p>
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<p>Eligibility criteria for cooperation projects</p>	<p>Financing can be granted, if the project:</p> <ul style="list-style-type: none"> • is in line with the LDS, even if cooperation has not been included, and meets the conditions indicated in Council Regulation (EC) No. 1698/2005 and Commission Regulation (EC) No. 1974/2006; • is not financed by other public funds; • provides for implementation of a joint action; • appoints a project coordinator; • obtained at least 60% of the maxi. project evaluation points; • is implemented in a max. of eight phases, while in not more than 4 phases during one year; • will be completed within a max. of 48 months, but the latest by 30 June 2015 (if the implementation starts close to the end of the programming period, e.g. December 2013, partners will have only 18 month for completing the project).
<p>Selection criteria for cooperation projects</p>	<p>Nine criteria are applied for the selection of cooperation projects:</p> <ol style="list-style-type: none"> 1. more than two partners are involved in the project; 2. the beneficiaries of the project (or the group involved in implementation of the project) are specified/described; 3. the objectives of the project are measurable, defined in time and possible to achieve within the duration of the project; 4. the project has innovative character; 5. the project is based on local resources; 6. the tasks included in the cooperation project go beyond exchange of experience between partners; 7. the implementation of the project will stimulate the activation of the local environment; 8. the project coordinator is qualified: good knowledge of at least one working languages of the EU; experience in project management; 9. the project will be implemented systematically and continuously, ensuring efficient expenditure of financial resources.
<p>Eligible activities of measure 421 Cooperation</p>	<p>Under the Measure 421 it is possible to implement both non-investment (soft) operations and investment operations (hard). The type of investment should be defined applying the catalogue of eligible costs pertaining to investments, indicated in Article 55 of Regulation 1974/2006, which provides that eligible expenditure shall be limited to:</p> <ul style="list-style-type: none"> • the construction, acquisition, including leasing², or improvement of immovable property; • the purchase or lease-purchase of new machinery and equipment; • general costs linked to expenditure referred to in previous points, such as fees of architects and engineers and consultation fees, feasibility studies, the acquisition of patent rights and licences.

Typical examples of eligible costs
for TNC projects

The RDP does not establish specific eligible costs for TNC projects. Eligible costs for all types of projects are defined in the national legislation. They represent the costs incurred by LAG in the process of:

- the preparation of a cooperation project (not earlier than a year before submitting the application for funding);
- the implementation of a cooperation project (not earlier than on the date when the application for funding was submitted).

Examples of eligible costs for the preparation of a cooperation project include:

1. the organisation and holding of a meeting of cooperation project partners, including costs for: travel and stay of persons involved in the preparation of a cooperation project on behalf of the LAG, equipment and facilities rental, translation and interpretation, preparation, printing or copying of materials,
2. the remuneration for research, analyses, studies, feasibility studies, economic development plans or plans for the development of entrepreneurship (documents, which will provide the knowledge, which a LAG considers indispensable for the proper preparation of a cooperation project),
3. the administrative fees (including e.g. legal advisory services when designing provisions of the agreement on joint implementation of a cooperation project).

Examples of eligible costs for the implementation of a cooperation project include:

1. the organisation of visits related to implementation of a cooperation project, including costs of: travel and stay of persons involved in implementation of a cooperation project on the part of LAG; translation and interpretation;
2. the room or other space rental or lease of land;
3. the preparation of technical documentation, research or analyses;
4. the purchase, rental or lease and assembling of machines, devices, equipment, tools, accessories or software;
5. the purchase of materials or objects;
6. the supervision by the investor (in case construction works are carried by a project);
7. the construction works;
8. the purchase of seed material and seedling of perennial plants;
9. the organisation and holding of promotional, cultural, recreation and sport events;
10. the design, printing or copying and distribution of information material, including audiovisual, related to a cooperation project, purchase or rental of advertising space, purchase of air time and placing press material in the press;
11. the design and signposting of tourist paths, nature and educational trails, including natural monuments, historical, natural, cultural and sacred objects, going beyond LDS area;
12. the creation and updating of data bases, including tourist information data bases;
13. the creation of websites (related to an implemented project, not LAGs' own websites);
14. the remuneration for services, including legal and accounting;
15. the court fees and licence or patent fees.

Specific documents concerning the cooperation partners required from LAGs

A partnership agreement signed by all partners of the project is required. The content of the agreement is regulated by the MARD regulation of 25th June, 2008. It is a basic document regulating the mutual relationship of the project partners, who may choose to include additional provisions.

According to the MARD regulation the document should contain in particular:

1. the data identifying the partners of the cooperation project – i.e. name, address, contact details (phone and fax numbers, e-mails, website address);
2. the description of the cooperation project and the primary tasks covered by the project – here the tasks should be described in more detail compared to an action preparing a cooperation project. Tasks must be already allocated to the project partners. The description of objectives and main tasks serves the purpose of presenting the primary idea of the project and drawing a picture of what will be accomplished through the project;
3. the definition of the group of entities targeted by the cooperation project or whose participation is expected during the implementation - at this stage of work on the project these groups should already be clearly defined;
4. the description of activities of the partners of the cooperation project, including the scope of these activities and the area where they are carried out;
5. the definition of roles of each of the partners of the cooperation project for implementing the tasks covered by the project – the agreement should clearly define, which partner is responsible for a specific task. A clear definition of the scope of responsibilities of each of the partners will facilitate implementation and coordination of the project;
6. the indication of the coordinator and co-coordinators of the cooperation project (name, surname, address, telephone and fax numbers, e-mail, command of foreign languages);
7. the implementation period – estimated project start and completion date;
8. the implementation timetable of the cooperation project and an indication of implementation locations of specific tasks covered by the project.

Furthermore, it is worth to include the following items in the agreement:

- the title of the cooperation project,
- the acronym of the cooperation project,
- an indication of the coordinating LAG,
- the budget of the cooperation project, taking into account financial contributions of each of the partners – in case of an international cooperation project, if the budget is expressed in a currency other than EURO (e.g. pound sterling), the agreement should provide indicative amounts in EURO,
- an indication of the court competent for settling possible disputes between the partners,
- a protection of partners against the event of a partner withdrawing from the implementation of the project (e.g. provision of contractual penalties, which the remaining partners may claim from the partner withdrawing from the project or failing to fulfil obligations undertaken when concluding the agreement),
- a procedure for amending the agreement (when, in what cases, and to what extent),
- an obligation of the partners to jointly develop indicators for monitoring the project, the procedures for monitoring and evaluation of the project,
- a statement of each project partner that “it is a LAG selected within the RDP 2007-2013” or if it is not a LAG, that “it meets criteria determined in the article 39 of the Commission Regulation (EC) No. 1974/2006”. This statement is not part of the partnership agreement. A separate form shall be attached to the application. The partner statements do not need to be filed using the same form, but must have the same contents. The content of the partner’s statement must be translated by a sworn translator into Polish language.

The approval process of TNC applications

LAGs may send applications at any time to the VSG, the latest by 31st December, 2013 (the latest possible moment to envisage implementing the cooperation project).

The maximum delay for the application/approval process is 2 months (plus a maximum of one month for enquiries concerning complementary information and/or explanations).

The maximum delay set for approval by Member States authorities of the TNC partners is 9 months. The VSG approves the TNC project application, but payments will only be executed if all project partner applications have obtained an approval. Aid contracts terminate without payment execution, if a cooperation project partner has not obtained project approval within 9 months from the date of approval of the Polish LAG's application.

List of abbreviations:

EU: European Union
 LAG: Local Action Group
 LDS: Local Development Strategy
 MA: Managing Authority
 MS: Member State
 PA: Paying Authority
 TNC: Transnational Cooperation
 RDP: Rural Development Programme

(²) The Minister of Agriculture and Rural Development performs the tasks of the Managing Authority by means of organisational units set up within the structure of the Ministry of Agriculture and Rural Development. The entities entrusted by the Managing Authority with implementing tasks for respective measures of the Programme, measures implemented under Leader axis and Technical Assistance: Agency for Restructuring and Modernisation of Agriculture, Agricultural Market Agency, 16 Voivodship Self-Governments and an entity appointed in accordance with the provisions on support for rural development.

(³) Despite the cost of leasing being indicated as eligible expenditure in Article 55 of Regulation 1974/2006, MARD's regulation setting forth the conditions and procedure for granting aid under the Measure „Implementation of cooperation projects“ clarifies that instalments paid under a leasing contract are not an eligible expenditure.