

EU financial supports  
for cross-border  
co-operations:

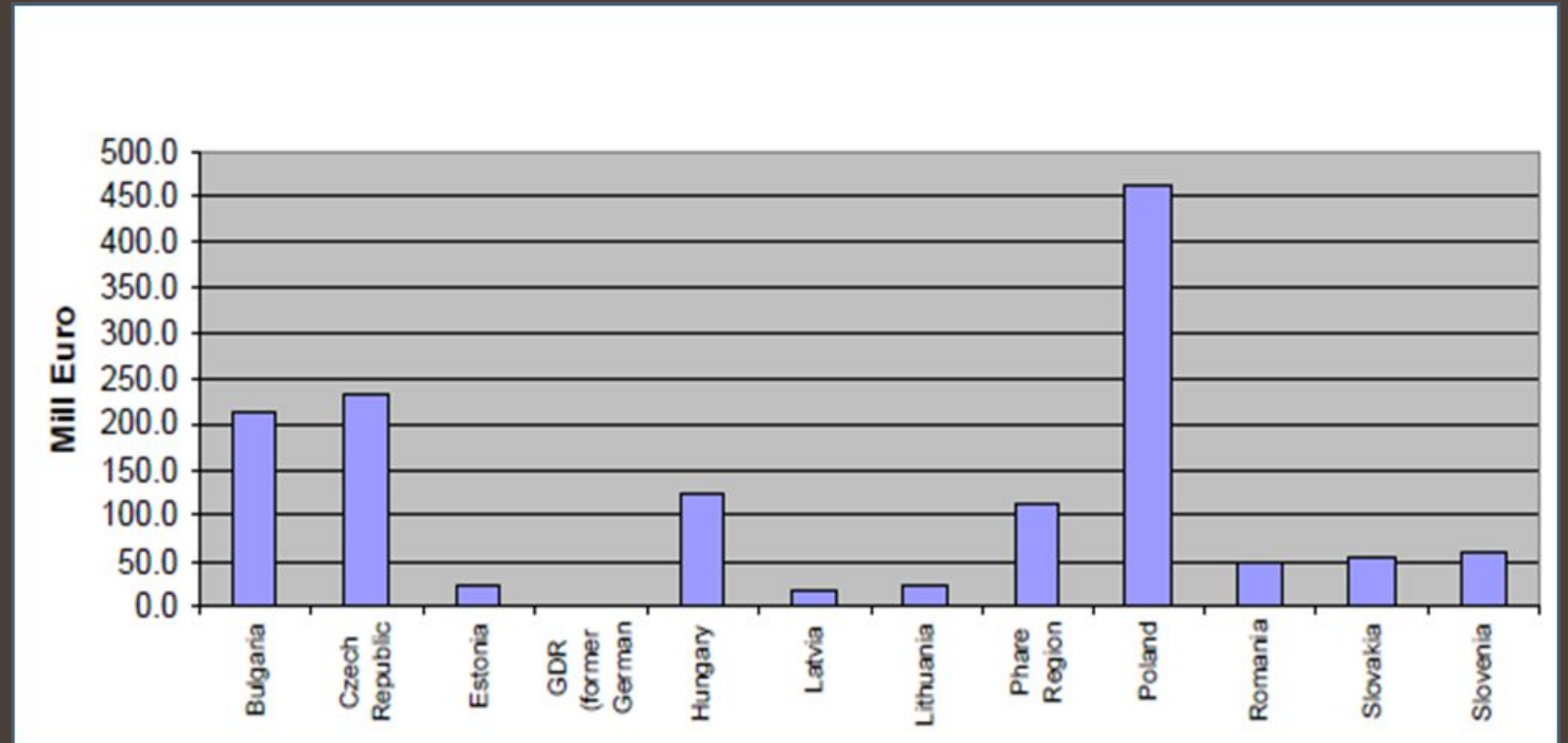
external borders (1)

14 April 2022

# Phare CBC

- introduced in 1994 under the Pre-Accession Fund
- originally designed for the promotion of cross-border co-operation between regions in the Central European Candidate Countries (CECCs) and the European Union
- aim: to mirror the Interreg Initiative

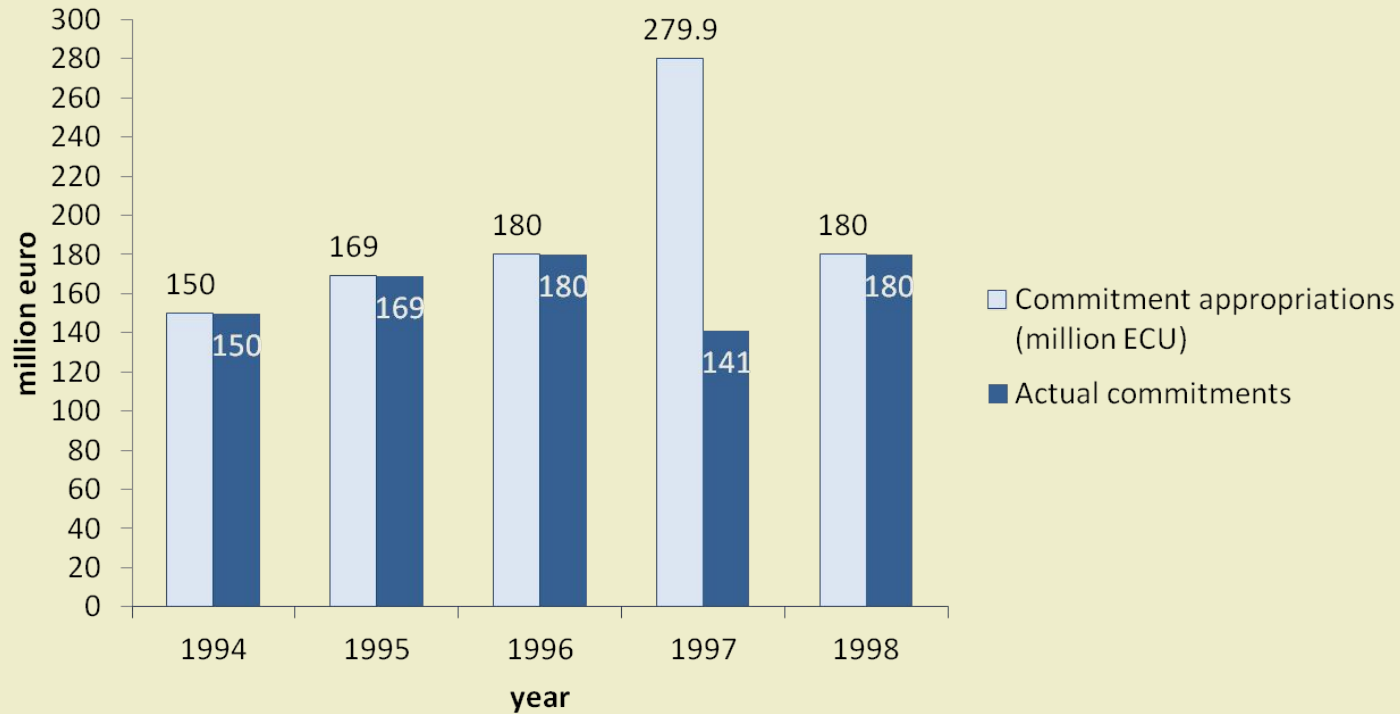
## Phare CBC allocations 1994-2003



Source: From pre-accession to accession..., February 2004

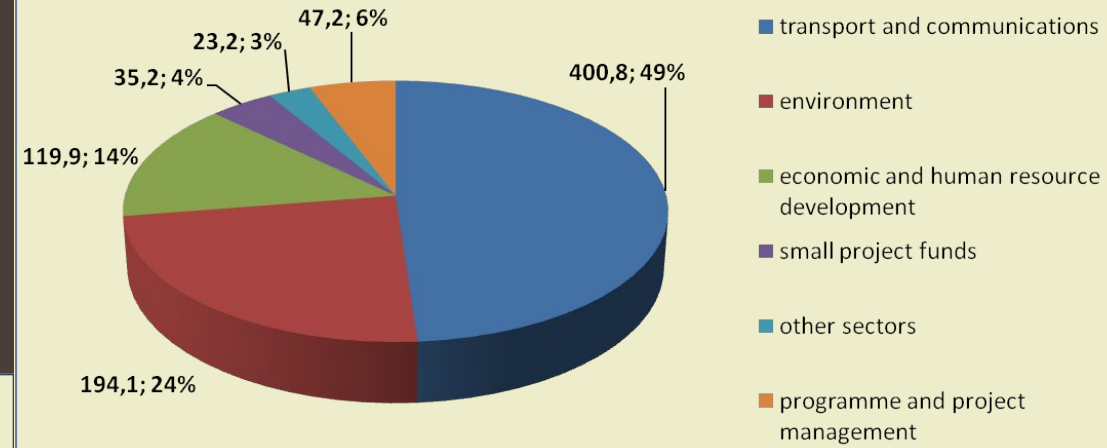
# Phare CBC implementation by area of intervention as of 31 December 1998

## Phare CBC 1994-1998



Phare CBC allocations during the first phase of the programme

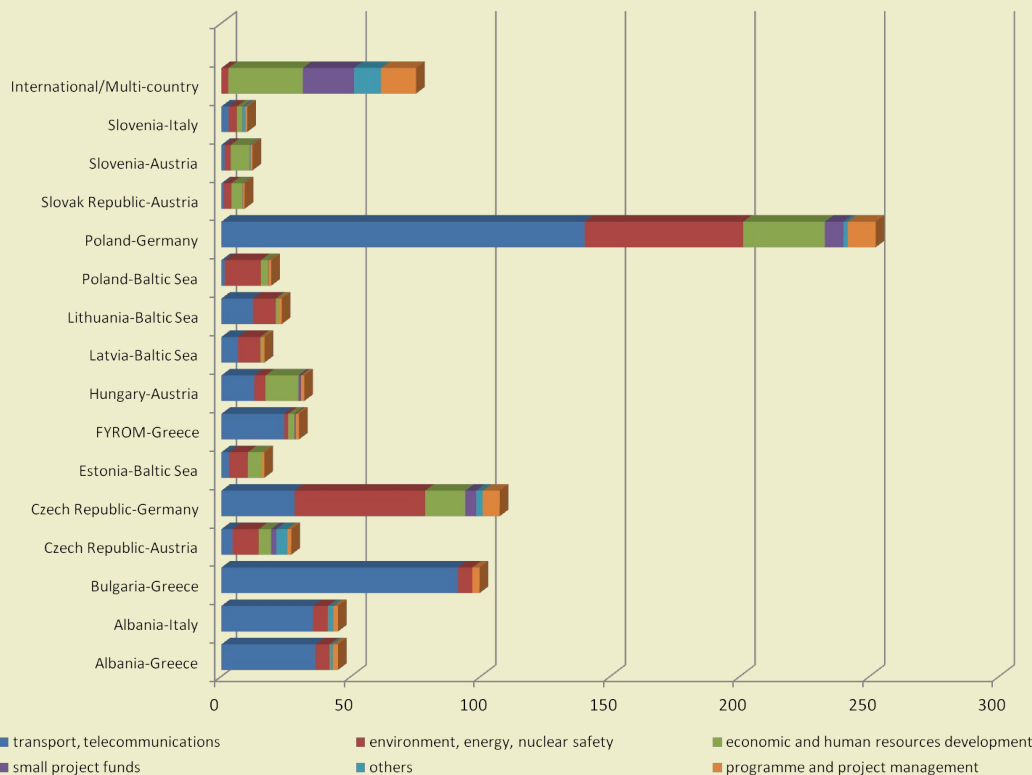
Phare CBC commitments 1994-1998 (million ECU)



Source: data based on Special Report 5/99, Court of Auditors, 1999

- eligible along 15 borders
- available: 958.9 million euro in total, but finally only 820 million was used (approximately 18% of total Phare funds at that time)

# Phare CBC 1994-1998



## List of Phare CBC bilateral programmes

1. Baltic Sea region
2. Poland/Baltic Sea region
3. Poland/Germany
4. Czech Republic/Germany
5. Czech Republic/Austria
6. Slovakia/Austria
7. Hungary/Austria
8. Slovenia/Austria
9. Slovenia/Italy
10. Bulgaria/Greece
11. FYROM/Greece
12. Albania/Greece
13. Albania/Italy

Source:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2000:048:0001:0024:EN:PDF>

Phare CBC implementation by country and area of intervention (million euro, 1994-1998)

(Source: data based on Special Report 5/99, Court of Auditors, 1999)

# Phare CBC 1998-2000: the European Commission introduced a new Regulation

- to promote co-operation of border regions in countries in Central and Eastern Europe with adjacent regions in a neighbouring EU and accession countries, and thus to help the border regions in Central and Eastern Europe to overcome the specific development problems which may arise, inter alia, from their position within the national economies, in the interest of the local population and in a manner compatible with the protection of the environment
- to promote the creation and the development of co-operation networks on either side of the border, and the establishment of links between these networks and wider Community networks (Article 3)
- broadened the geographical eligibility by including the borders between the CECCs
- **redefined eligible actions under Phare CBC (Article 5)**
- introduced new planning and implementation instruments
  - Joint Programming Documents
  - Joint Co-operation Committees
- Joint Small Project Funds

(Commission Regulation 2760/98.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:1998R2760:20050708:EN:PDF>)

# Phare CBC 2000-2006: new amendments

- it was meant to fully match Interreg IIIA
- September 2000: amended again and the modifications primarily followed the expected changes resulting from the enlargement in 2004:
  - partly making the activities more consistent with Interreg IIIA
  - and partly easing the 'principle of territoriality'
- the **financial support for the 2000-2006 budgetary period** has been increased
  - partly related to the more intensive coordination of Interreg IIA and Phare CBC,
  - and partly to the broadening of the scope of authority within the Phare CBC
- Between 2000 and 2006, 1 141 million euro was available for Phare CBC projects, representing 10% of the total yearly Phare commitments. In 2003, this figure was supplemented by an External Border Initiative (33 million euro) aiming to support CBC-type investments at the future external border of the EU as well as to help the acceding countries to prepare for Interreg and Neighbourhood Programmes upon accession.

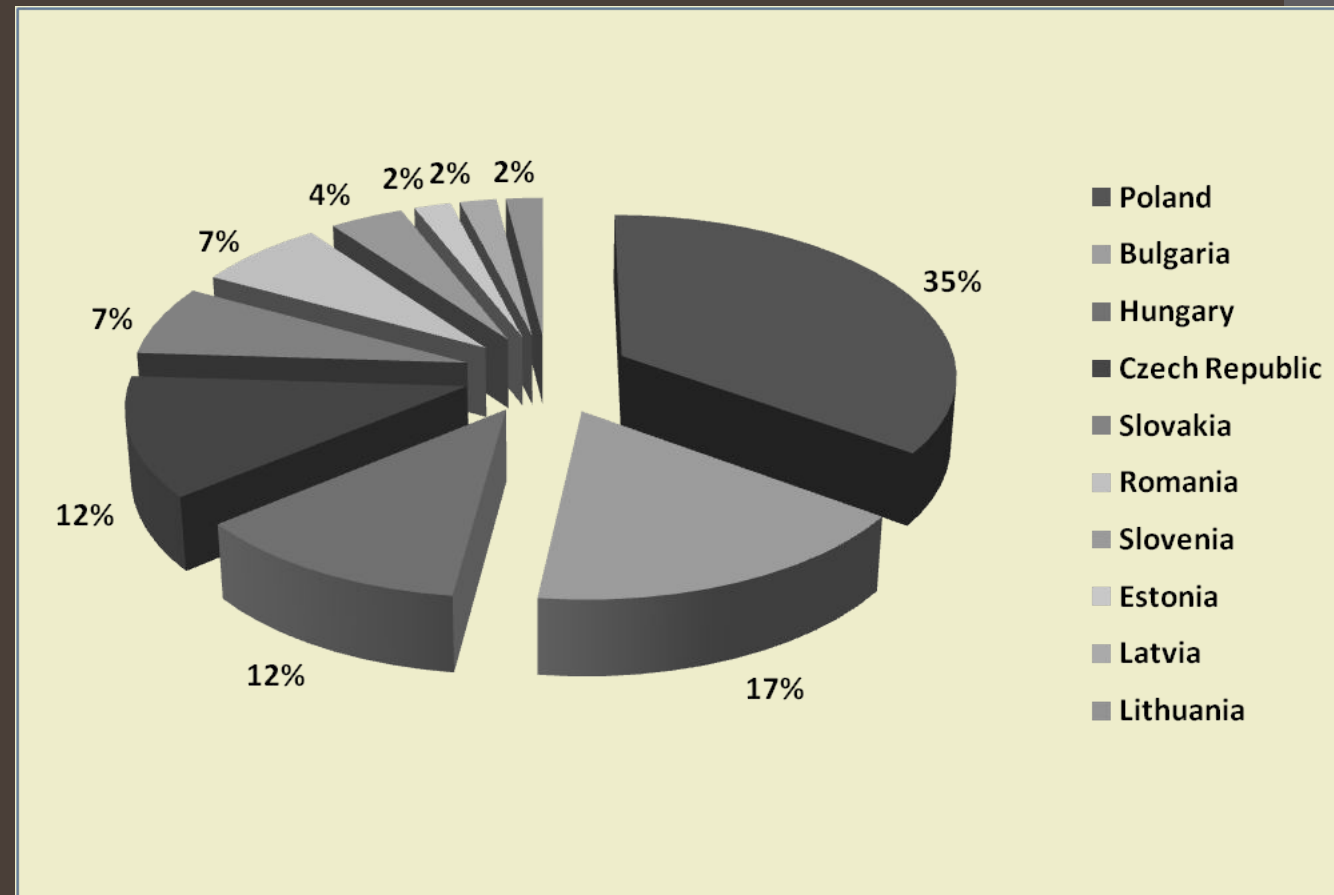
# Phare CBC 2000-2006: financial aspects

Between 2000 and 2006, 1 141 million euro was available for Phare CBC projects, representing 10% of the total yearly Phare commitments. In 2003, this figure was supplemented by an External Border Initiative (33 million euro) aiming to support CBC-type investments at the future external border of the EU as well as to help the acceding countries to prepare for Interreg and Neighbourhood Programmes upon accession.

## Total Phare allocation and the share of Phare CBC in 2003 (million euro)

Country	National Programmes	Cross-Border Cooperation		Nuclear Decommissioning	Total
		amount	% of NP		
Bulgaria	99.0	28.0	28.3	61.9	188.9
Czech Republic	95.2	19.0	19.9	-	114.9
Estonia	39.5	3.0	7.6	-	42.5
Hungary	107.0	19.0	17.8	-	126.0
Latvia	45.6	3.0	6.6	-	48.6
Lithuania	67.0	3.0	4.5	30.0	100.0
Poland	402.8	56.0	13.9	-	458.8
Romania	272.1	11.0	4.0	-	283.1
Slovakia	57.1	12.0	21.0	25.0	94.1
Slovenia	37.9	7.0	18.5	-	44.9
<b>Total</b>	<b>1 223.2</b>	<b>161.0</b>	<b>13.2</b>	<b>116.9</b>	<b>1 501.1</b>

## Distribution of the Phare CBC allocations by countries in 2003



## Differences in the Interreg and Phare CBC procedures (until 1998)

	Interreg	Phare CBC
Financial Regulation	regulated by the Structural Fund	Phare countries were subject to the provisions of Title IX of the Financial Regulation (stipulating different programme selection and implementation arrangements for Community expenditure)
Length of approved period	five-year period (1995-1999) by the Commission	can only be implemented through annual commitments
Selection of projects and the supervision of their implementation	responsibility of the Member States	responsibility of the Commission
Allocation	allocated at regional level	allocated at national level
Territoriality principle	prevented Interreg funds being used to co-finance CBC projects in Phare countries and the CBC-programme co-financing Interreg programmes in the Member States, although such co-financing was one of the main reasons for establishing the CBC programme	

**Harmonisation of the Interreg and Phare CBC allocations by countries in 2003**



## Differences in the Interreg and Phare CBC procedures (until 1998)

	Interreg IIIA (2000-2006)	Phare CBC (2000-2006)
funding	secure funding for the 2000-2006 programming period	uncertain future of the availability of financial resources due to enlargement
length of approved period	the European Commission approves the Interreg Programmes for a period of several years	the Commission approves the Phare CBC Programmes on annual basis
need for approval	the individual projects do not need to be approved by the EC	the projects – except for the very small ones – must be approved by the Commission
size limit	no limit in size	limited to a minimum of 2 million euro

Harmonisation of the Interreg and Phare CBC allocations by countries in 2003

## *Geographical extension*

Until 2003, Phare CBC focused on promoting co-operation between the border regions of **Central and Eastern Europe and adjacent regions of the European Union**, as well as **border regions between applicant countries of Central and Eastern Europe**. Given the accession of eight Phare countries in 2004, the Phare CBC Regulation has been amended in order to update the list of countries which remain eligible and, on the same occasion, the scope of the Phare CBC programme has been extended to cover the **Bulgarian border with Turkey** and the **Bulgarian and Romanian borders with their adjacent TACIS and CARDS countries** (Ukraine, Moldova, Serbia and Montenegro, and the Former Yugoslav Republic of Macedonia). In addition to this, the Commission Communication *Paving the way for a New Neighbourhood Instrument* (COM(2003) 393 of 1 July 2003) envisaged the Phare CBC Joint Programming Document for Bulgarian and Romanian external borders as a useful basis for its Neighbourhood Programme, designed to boost co-operation between an enlarges EU and neighbouring non-candidate countries.

## *Operational mechanism*

The **operational mechanism of the Phare CBC is very similar to the Interreg programming**. To achieve harmony with Interreg, there are indicative multiannual frameworks here as well. These programmes must be in compliance with the general EU regulations which in fact provide basis for the multiannual financial division. The (annual) discussions about the approval of the budget, its division by the actual projects and financial obligations were done in accordance with the general Phare Regulations with the approval of the Phare Management Committee and the European Commission.

## *Planning and implementation*

The **Joint programming and Monitoring Committees** – created in all border regions – have a significant role in the planning, execution and monitoring processes of the programmes. These Committees work with the participation of the representatives of the Interreg and Phare CBC central authorities, of the specific ministries and agencies responsible for the main projects of the programme, and of the stakeholder regional and local authorities (in some cases the authorities of euroregions or border regions may also delegate representatives – like in the case of the German-Dutch border). The general coordination of the programmes and their financial background are conducted by the authority responsible for programmes (existing in all countries concerned).

# Phare CREDO

- was launched in 1996 (within the frames of the Phare Multi-Beneficiary Programmes)
- operated between 1997 and 2000
- aim: to promote and support “East-East” cross-border co-operations between the border regions of the candidate countries
- objectives:
  - promote good neighbourliness and social stability in the border regions
  - promote cross-border co-operation which can contribute to economic and community development and
  - contribute towards decentralisation in the Central European candidate countries
- tasks: promotion of multi-sectoral projects including
  - economic development
  - socio-cultural co-operation
  - urban and regional services
  - human resources
  - environment
  - local and regional development
- mission: to prepare for the Interreg programme after the enlargement

# Phare CREDO

complex and bureaucratic  
structures and  
management



relative small size of overall  
budget (1.5 million euro)



delays in implementation



lack of programmatic  
approach similar to  
Interreg and Phare CBC



**EC decided to replace  
CREDO on the borders  
between candidate  
countries by expanding  
the eligible regions  
under Phare CBC**