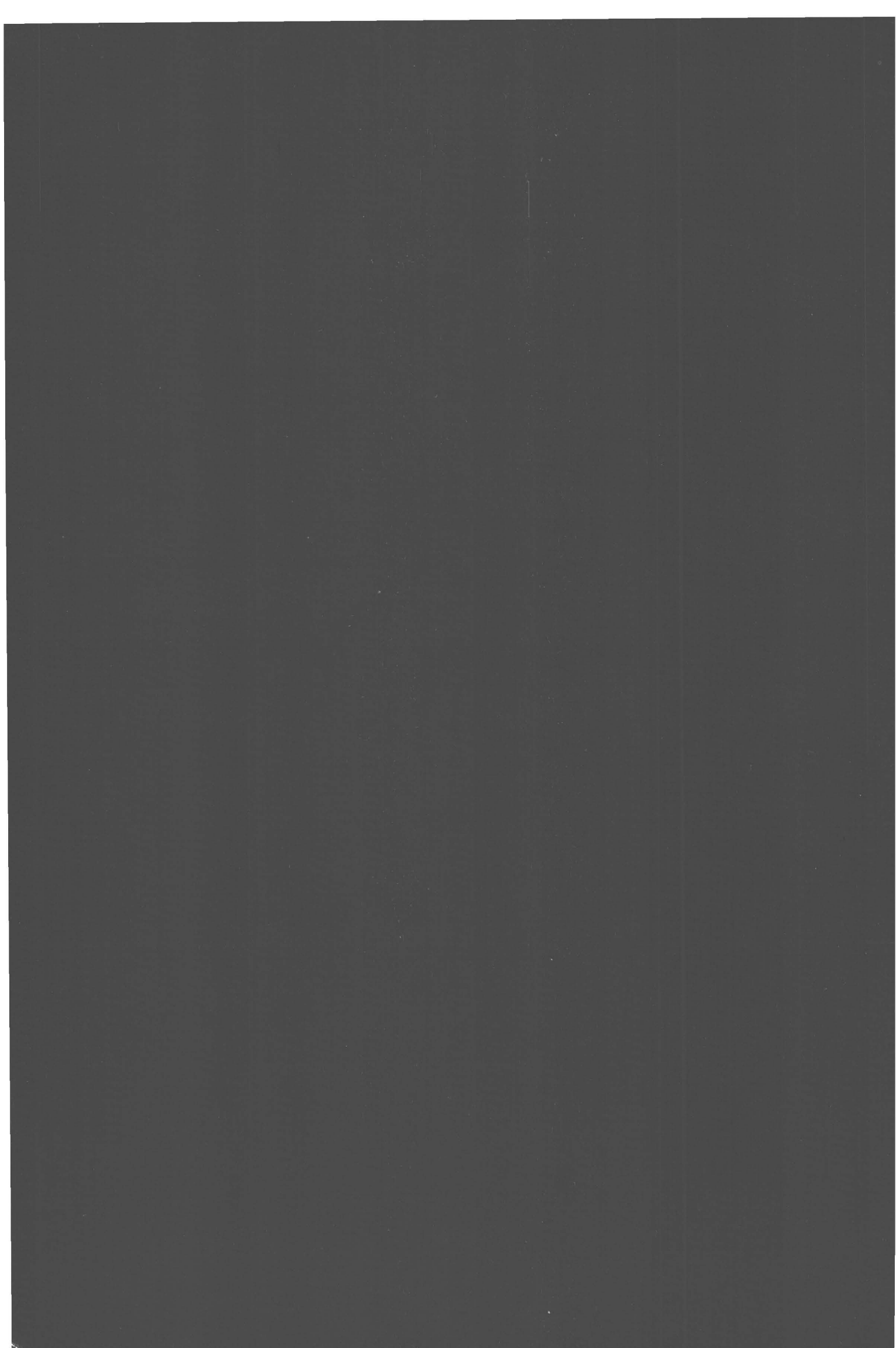




Phare

Phare
multi-country
programmes

published by the European Commission



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published by the European Commission

Directorate General External Relations:
Europe and the New Independent States,
Common Foreign and Security Policy and
External Missions (DG IA)

Introduction

This guidebook has been compiled by the staff of the Coordination Office of the Phare multi-country programmes at the Bureau for Foreign Assistance at the Council of Ministers, Poland. It is designed to provide an overview of the objectives of the multi-country programmes; the mechanisms by which programming, project selection, implementation and monitoring are undertaken; a sectoral breakdown of the 1991 to 1996 multi-country programmes; brief project descriptions; and a detailed list of contact points both within Phare services and in each of the associated countries. While we have endeavoured to compile as accurate a list as possible, we apologise for any errors or omissions that have occurred and would appreciate your notifying us of any changes so that we can update our database.

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What is Phare?

The Phare Programme is a European Community initiative which supports the development of a larger democratic family of nations within a prosperous and stable Europe. Its aim is to help the countries of central and eastern Europe rejoin the mainstream of European development through future membership of the European Union.

Phare does this by providing grant finance to support its partner countries through the process of economic transformation and strengthening of democracy to the stage where they are ready to assume the obligations of membership of the European Union.

In its first six years of operation to 1995, Phare has made available ECU 5,416.9 million to eleven partner countries, making Phare the largest assistance programme of its kind.

Phare works in close cooperation with its partner countries to decide how funds are to be spent, within a framework agreed with the European Community. This ensures that Phare funding is relevant to each government's own reform policies and priorities.

Phare provides know-how from a wide range of non-commercial, public and private organisations to its partner countries. It acts as a multiplier by stimulating investment and responding to needs that cannot be met by others. Phare acts as a powerful catalyst by unlocking funds for important projects from other donors through studies, capital grants, guarantee schemes and credit lines. It also invests directly in infrastructure, which will account for more Phare funds as the integration process progresses.

The main priorities for Phare funding are common to all countries, although every one is at a different stage of transformation. The key areas include restructuring of state enterprises including agriculture, private sector development, reform of institutions, legislation and public administration, reform of social services, employment, education and health, development of energy, transport and telecommunications infrastructure, and environment and nuclear safety.

For countries which have signed Europe Agreements, Phare funding is also focused on meeting the conditions required for membership of the European Community. In particular, this concerns preparation for participation in the European Union's internal market and development of infrastructure, especially in border regions.

Phare multi-country programmes

Objectives

Phare multi-country programmes are an integral part of the European Union's initiatives to support the process of economic transformation and democratisation in the former centrally-planned countries of central and eastern Europe. Phare multi-country programmes started in 1991 and have a number of key objectives:

- the promotion of regional cooperation between all 11 associated countries on issues of common concern and interest
- the development of a 'demand-driven' and 'consensus-based' approach to programme formulation and project selection
- the stimulation of an ongoing dialogue between the individual countries themselves and between the countries and Phare services
- the creation of a more cohesive approach to programme formulation that addresses regional rather than national issues.

Structures

Multi-country coordination group

Following the meetings of the national aid coordinators in Brussels in November and December 1991, it was decided to establish a regional coordination group to develop a much more demand-driven approach to programme formulation, project selection and implementation.

Representatives in this group, which is now referred to as the **multi-country coordination group**, are the 11 national aid coordinators for the associated countries. In 1992, the group comprised Bulgaria, the former Czechoslovakia, Hungary, Poland and Romania. In 1993, the group was expanded to include Albania, Estonia, Latvia, Lithuania, and Slovenia together with the Czech Republic and Slovakia following the dissolution of Czechoslovakia.

The **multi-country coordination group** is responsible for defining, in conjunction with the European Commission, the overall strategic objectives of the multi-country programmes (MCP) embodied in the strategy paper; for agreeing on the sectoral allocation of the budget in the framework of the Multi-annual Indicative Programme; for the formulation of the annual operational programme (AOP); and for reviewing programme performance in its annual meeting.

Presidency

The presidency of this coordination group is rotated annually and in alphabetical order. In 1992, Bulgaria assumed this role, followed by the Czech Republic in 1993, Hungary in 1994, Poland in 1995 and Romania in 1996. Future presidencies will be as follows:

1996	Romania
1997	Slovakia
1998	Albania
1999	Estonia
2000	Latvia
2001	Lithuania
2002	Slovenia.

Multi-country coordinator

The multi-country coordinator is the de facto head of the coordination group in the year of its presidency. This position rotates annually with the presidency. In 1992, this position was held by Plamen Gogov, the Phare Coordinator at the Ministry of Finance in Bulgaria. In 1993, the role was taken over by Pavel Rozsypal, Director of the Centre for Foreign Assistance at the Ministry of Economy in Prague in the Czech Republic. In 1994, the position was held by Gábor Iván, Head of the Assistance Coordination Secretariat at the Ministry of Industry and Trade in Hungary. In 1995, Pawel Samecki, the Director of the Foreign Assistance Bureau in Poland has assumed this responsibility. From 1 July 1996, the post passes to Mr Nicolae Idu, the Director of the Foreign Assistance Coordination Unit in Bucharest.

Multi-country coordination office

While there was no specific unit established for the 1992 multi-country programme, it was felt necessary given the increasing scale and complexity of the programmes to set up a coordination bureau/office and to recruit local staff to coordinate the programmes and to visit each of the countries in the coordination group. For 1995, Pawel Samecki is the Director of this office, with Mariusz Kasprzyk as Programme Manager.

Facilitator, Phare multi-country programmes

When the coordination group was first established, it requested know-how from the Commission to assist with programme formulation, project selection and overall coordination. A regional facilitator (now multi-country facilitator) was appointed (Graham Walker) and this position rotates annually with the presidency.

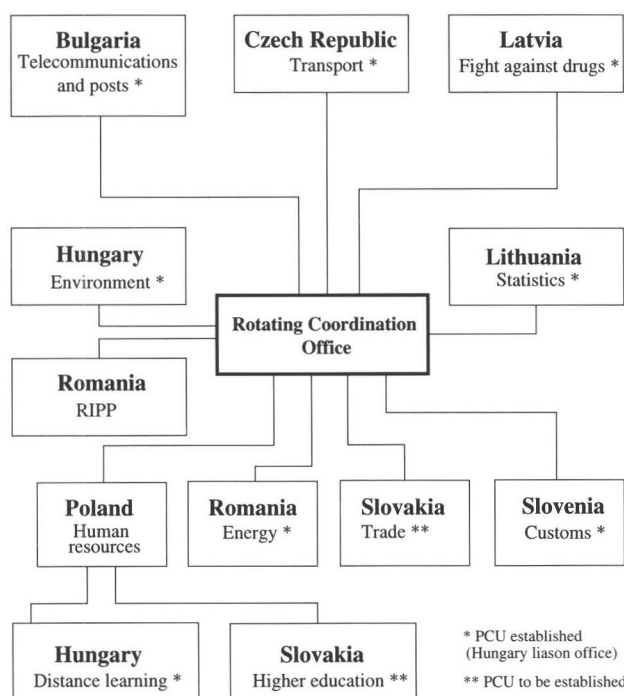
Sector coordinators

In the process of the 1992 programming exercise, the members of the coordination group agreed to nominate specific countries to have overall coordinating responsibilities for key sectors. Further nominations were made in 1993. Sectoral responsibilities are as follows:

- . Bulgaria (telecommunications)
- . Czech Republic (transport)
- . Hungary (environment)
- . Hungary (distance learning)
- . Latvia (fight against drugs)
- . Lithuania (statistics)
- . Poland (human resources)
- . Romania (energy)
- . Romania (regional industrial property)
- . Slovakia (trade)
- . Slovakia (cooperation on higher education)
- . Slovenia (customs).

It is the intention to have all countries in the coordination group performing the role of sector coordinator. Sector coordinators act as the interface between the national representatives in all 11 countries and the European Commission for programme monitoring, and provide the forum for dialogue and discussion in the bi-annual liaison group meetings held in conjunction with the European Commission.

A summary of sectoral responsibilities per country is shown below:



National contacts

For each of the larger programmes where a sector coordinator has been nominated, steering committees or liaison groups have been established to monitor programme implementation and to liaise with the European Commission. These comprise representatives (national contacts) from the sectoral ministries in each of the 11 countries, and normally meet twice a year.

For some programmes, e.g. energy, small steering committees have been established for individual project components to introduce a more flexible and cost-effective means of monitoring programme implementation.

Programme Coordination Units

As part of the process of decentralisation, Programme Coordination Units (PCUs/PMUs) have been established in the countries having sector coordinating responsibilities. These units are responsible for overall programme management and project monitoring, and are staffed by experts from the associated countries and the European Union. Some have full financial responsibility. They are shown in Table 1 overleaf.

Commission structures

Overall management of the multi-country programmes is undertaken by the Directorate General for External Relations (DG IA/B). Overall responsibility lies with the Director, while coordination is the responsibility of the Head of the Sectoral Unit (B5) and the Multi-country Programme Coordinator.

For each of the multi-country programmes, a task manager has been appointed within the European Commission and a full list of these is contained in the List of Contacts. Other Directorates-General of the European Commission are also involved. Their sectoral expertise is precious in programme formulation.

Other agencies

For some of the programmes, outside agencies are involved in the management of the programmes. These include:

- . Centre for European Normalisation (CEN) for the standards/quality assurance programme
- . OECD for the SIGMA (public administration) programme
- . European Patent Office (EPO) for the industrial property (RIPP) programme.

Table 1: Phare multi-country programmes – Programme Management

Country	Sector	Unit	Financial responsibility
Bulgaria	Telecommunications and posts	PMU	Yes
Czech Republic	Transport	PCU	No
Hungary	Environment	Liaison Office	No
Hungary	Distance learning	PCU	Yes
Latvia	Fight against drugs	PCU	No
Lithuania	Statistics	PCU	Yes
Poland	Human resources	None	No
Romania	Energy	PCU	Yes
Slovakia	Trade	PCU	Yes
Slovenia	Customs	PCU	No

Programming

In accordance with the conclusions of the Essen Summit which set out the pre-accession strategy, the multi-country programmes have adopted a multi-annual programming perspective. As a result, programming is based on the following.

- Strategy paper. This document sets out the five-year perspective for the multi-country programmes (MCP) and is based on the broader context of the Europe Agreements and the Essen conclusions. For the current programming period, it will cover 1996-1999 and will provide an overall strategic framework as well as a Multi-annual Indicative Programme. This document was agreed at the multi-country coordination group meeting in Warsaw in October 1995 and endorsed by the European Commission.
- Multi-annual indicative budget. The overall priorities set out in the strategy paper are translated into a multi-annual indicative budget based on the multi-annual financial envelope proposed by the European Commission.
- Annual operational programme. For each of the years in the programming period, an annual operational programme is prepared and agreed between the multi-country coordination group and the European Commission. This sets out objectives, anticipated results, implementation arrangements and the likely level of commitments

and disbursements in the following year. This will be submitted to the Management Committee in the form of a single financing document embracing all programmes for the following year.

- Annual review. This is carried out in the middle of each year and reviews progress made and assesses programme implementation in the context of the overall strategic objectives contained in the strategy paper.

Horizontal programmes

Since the pre-accession strategy has become Phare's guiding principle, there is a need for Phare actions in a number of areas which are deemed by the European Commission to be essential to the success of the strategy. Because these actions are not necessarily requested by the partner countries themselves, the Commission must sometimes take the lead role and design some programmes on its own initiative. Such programmes are called horizontal programmes. Unlike all other Phare programmes, they are not demand-driven. They are conceived by the Commission which then invites the partner countries to participate.

Horizontal programmes are included in this brochure because every horizontal programme is run for the benefit of all partner countries, and is thus similar in geographic scope to multi-country programmes.

Since 1994, a number of formerly multi-country programmes have become horizontal programmes. This resulted from the changing priorities expressed by the partner countries and the Commission's belief that certain programmes were nevertheless still worth pursuing. They include ACE, Tempus, JOPP and the Industrial Property programme. By contrast, programmes such as COOPME, Standards or Intellectual Property have been horizontal from the start.

The management of horizontal programmes is more varied than that of multi-country programmes. They fall outside the remit of the multi-country coordination group, presidency or office. Horizontal programmes can be managed directly by the Commission, by a contracted body acting on behalf of the Commission or by a body resembling the PCUs in charge of multi-country programmes.

Programme summaries

The financial information section overleaf shows the overall budgets of both multi-country and horizontal programmes for 1991 to 1996 together with their sectoral breakdown. More detailed programme/project descriptions are given in Section 2.

In 1991, emphasis was largely placed on environment/nuclear safety, human resources and enterprise support, with small allocations for customs, statistics and public administration.

In 1992, environment/nuclear safety and human resources continued to receive large allocations, although infrastructure received ECU 35 million, with the emphasis particularly on transport. 1992 saw the extension of some of the 1991 programmes to additional countries together with the introduction of two small programmes for regional industrial property and the fight against drugs.

In 1993, in line with the guidelines, the programme received a higher degree of concentration with the following elements.

- An extensions/consolidations programme to extend existing programmes to the five new associated countries and build on established programmes in the original countries of the coordination group. This covered the fight against drugs, transport, customs, and energy, and amounted to ECU 29 million in total.

- Core area programmes for transport (ECU 20 million), nuclear safety (ECU 20 million), human resources (ECU 16 million) and an extension of the JOPPs (joint venture support scheme) valued at ECU 15 million.

Additionally, a number of preparatory studies were launched for the medium-term programming period, particularly in the areas of human resources, trade, and cross-border co-operation.

The 1994 programme largely focused on infrastructure, with transport (ECU 30 million) and energy (ECU 13 million) taking over 50 per cent of the budget. There was also a continuation of the extensions/consolidations programme with ECU 22 million allocated to ACE, SIGMA and COSINE, and a further ECU 17 million subsequently added to the multi-country statistics programme. Finally, there were smaller allocations for a pilot programme in distance learning (ECU 3 million) and preparatory work in the field of telecommunications (ECU 1 million).

For 1995, infrastructure was again the key area for support with transport and the new transit facilitation programme being the main recipients. Energy and telecommunications also received funding. Environment received ECU 20 million, together with smaller allocations for human resources and a programme to stimulate intra-regional trade.

For the 1996-1999 period, a multi-annual programming approach has been provisionally adopted (subject to approval by the Management Committee) with the emphasis on

- physical integration (transport, energy, environment, transit facilitation, telecommunications)
- economic, political and social integration (trade, the fight against drugs, European integration, human resources and industrial property)
- a Phare/Phare cross-border programme.

Financial information

Table 2: Commitments to Phare multi-country and horizontal programmes (ECU million)

Sector/programme	1990	1991	1992	1993	1994	1995	1996 (planned)	Total
Infrastructure								
Transport			21.0	24.0	30.0	11.5	9.0	95.5
Energy			7.0	5.0	13.0	9.0	9.0	43.0
Transit facilitation programme						30.0	22.0	52.0
Telecommunications			7.0		1.0	7.0	7.0	22.0
Subtotal			35.0	29.0	44.0	57.5	47.0	212.5
Environment/nuclear safety								
Environment		20.0	16.0			20.0	10.0	66.0
Environment PPF			10.0		3.0*		15.0*	28.0
Environment legislation programme							10.0*	10.0
Nuclear safety		15.0	20.0	20.0	20.0*	20.0*	0.0 [#]	95.0
Subtotal		35.0	46.0	20.0	23.0	40.0	35.0	199.0
Human resources								
ACE	1.5	5.0	6.0		10.0	10.0*	6.0*	38.5
R&D infrastructure (COSINE)		2.5			4.0			6.5
Tempus	20.0	20.1	18.0	16.0	6.0*			80.1
Cooperation in higher education						3.5		3.5
Distance learning					3.0	5.0	5.0	13.0
Subtotal	21.5	27.6	24.0	16.0	23.0	18.5	11.0	141.6
Social affairs								
Consensus						10.0*		10.0
Fight against drugs			2.0	10.0			5.0	17.0
Consumer protection					2.0*			2.0
Subtotal			2.0	10.0	2.0	10.0	5.0	29.0

Sector/programme	1990	1991	1992	1993	1994	1995	1996 (planned)	Total
Trade, SMEs & enterprise support								
Joint ventures (JOP)		20.0		27.5 ^Δ		70.0*		117.5
Standards		4.3	2.0			30.0*		36.3
Industrial property		3.0			2.0*	4.0*		9.0
Intellectual protection					2.0*	2.0*		4.0
COOPME					13.0*			13.0
Competition					2.0*		2.0*	4.0
Trade						5.0	5.0	10.0
Turnaround management programme					6.0*			6.0
Subtotal		27.3	2.0	27.5	25.0	111.0	7.0	199.8
Public administration								
Customs		5.0	1.5	10.0				16.5
Statistics		3.0	2.5		17.0			22.5
Public administration (SIGMA)		3.0			8.0		5.0*	16.0
Subtotal		11.0	4.0	10.0	25.0		5.0	55.0
Miscellaneous								
European integration							0.5	0.5
Phare/Phare cross border							12.0	12.0
Veterinary diagnosis					6.0*			6.0
TAIEO (White Paper)						18.5*		18.5
Subtotal					6.0	18.5	12.5	37.0
Total	21.5	100.9	113.0	112.5	148.0	255.5	122.5	873.9

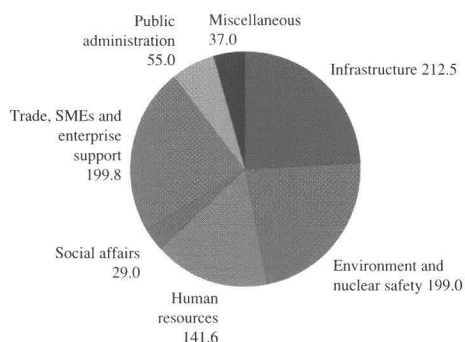
* this programme is funded under the horizontal budget line

^Δ this programme was funded as follows: ECU 15 million as a multi-country programme and ECU 12.5 million as a horizontal programme

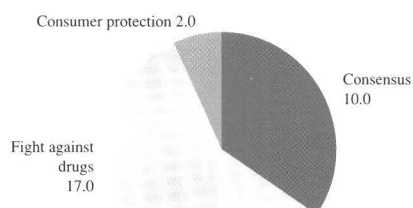
no figures for 1996 are available at the time of going to press

Table 3: Phare multi-country programmes - breakdown by sector 1990-1996 (in ECU million)

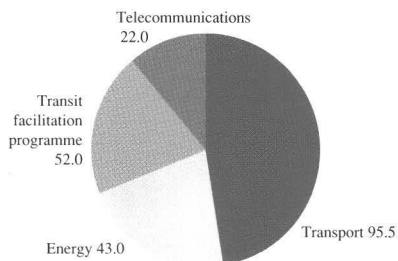
Global budget



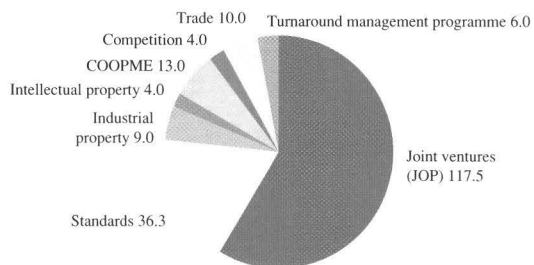
Social affairs



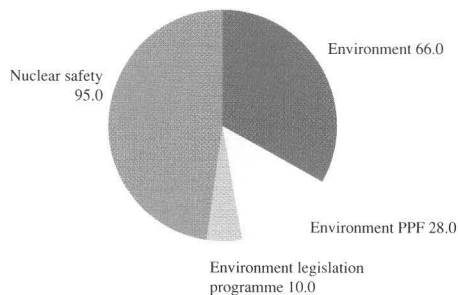
Infrastructure



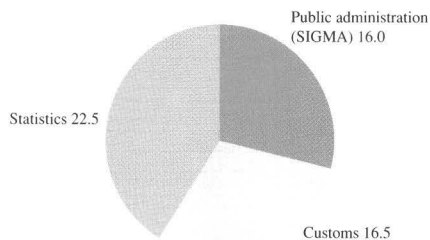
Trade, SMEs and enterprise support



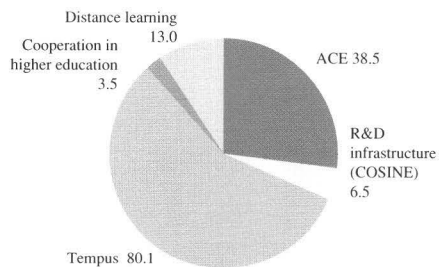
Environment and nuclear safety



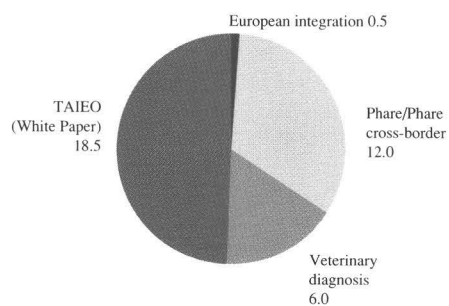
Public administration



Human resources



Miscellaneous



Programme summaries

Action for cooperation in the field of economics (ACE)

Budget	ECU
1990	1.5 million
1991	5 million
1992	6 million
1994	10 million
1995	10 million
1996	6 million
Total	38.5 million

ACE was initiated in 1990 in Poland and Hungary and extended in 1991 and 1992 to the other associated countries. The basic aims are the enhancement of the intellectual process of reform and liberalisation by the increase and exchange of scientific and managerial knowledge between professional and academic economists. Phare is contributing to scholarships and research grants for economists from central and eastern European countries (CEECs) to stay at universities in the European Union (EU) and is supporting the organisation of high-level seminars in the associated countries for economists and senior civil servants. Grants for multinational networks are also available, as are grants for recognised CEEC centres of excellence offering students the possibility to undertake part of their course at an EU institute.

Competition protection

Budget	ECU
1994	2 million
1996	2 million
Total	4 million

This programme helps to adapt and implement new competition policy in the Phare partner countries. This is required to integrate markets and to implement the Europe Agreements. The programme offers know-how for legislative and institutional reform and training to people involved in policy formulation. It also supplies documentation, software, hardware and translation services. Finally, it helps to promote new competition policies to economic actors and the general public.

Consensus social protection programme

Budget	ECU
1995	10 million
Total	10 million

The Consensus programme has been created to help develop new social welfare policies in the Phare countries. The programme focuses on the administration of social protection systems and emphasises cost-effectiveness. To do so, the programme analyses existing social protection systems in the partner countries and provides examples of best practice from EU member states. Furthermore, the exchange of key staff will help demonstrate the macro-economic and fiscal viability of new systems. Consensus, mindful of the pre-accession strategy governing the relations of the partner countries and the EU, will also fund the approximation of social welfare legislation where this is appropriate.

Cooperation in higher education

Budget	ECU
1995	3.5 million
Total	3.5 million

This project was launched in 1995, following a number of strategic workshops and seminars carried out in conjunction with the OECD in the CEECs in 1994. These were designed to identify and put forward proposals for regional cooperation aimed at developing higher education in the CEECs in order to improve its contribution to the reform process. The main components of the programme include transregional projects for promoting the responsiveness of higher education to society (particularly industry), policy development, staff development, quality assurance, international education indicators, transnational credit transfer, diploma recognition and European studies.

COOPME

Budget	ECU
1994	13 million
Total	13 million

COOPME (which stands for Cooperation des Petites et Moyennes Entreprises, French for Cooperation of Small and Medium-Sized Enterprises) was set up to develop the activities of small and medium-sized enterprises. The programme offers training to associations of SMEs and Regional Development Agencies, helps to extend existing EU schemes to the partner countries, and sets up partnership schemes for SMEs. The kind of work typically financed by this programme includes helping Chambers of Commerce train their staff and setting up Community Networks.

COSINE

Budget	ECU
1991	2.5 million
1994	4 million
Total	6.5 million

The 1991 programme to support the connection of universities and research centres to the COSINE (Cooperation for open systems international networking in Europe) was designed to provide the CEECs' research and development community with pan-European network services. This was designed to facilitate integration with both European and world-wide academic, industrial and technological specialists and encourage compliance with EU standards of research and technological policies. The programme was provided with additional funding in 1994 and extended to Albania, the Baltic States and Slovenia. This programme is currently being reviewed. It may be folded into the multi-country telecoms and posts programme, depending on the review's conclusions.

Customs cooperation

Budget	ECU
1991	5 million
1992	1.5 million
1993	10 million
Total	16.5 million

The 1991 three-year programme directed at Bulgaria, the former Czechoslovakia and Romania was designed to help the customs administrations of the associated countries modernise and adapt to the specifications of increased trade by introducing EU-compatible customs legislation and computerisation techniques, and evaluating the need for scanning and communications equipment. The programme was extended to Albania and the Baltic States in early 1992, and to Poland and Slovenia in 1993. An integral part of the 1993 programme is the close collaboration between the multi-country transport and multi-country customs programme on the development of a cohesive strategy to eliminate border-crossing bottle-necks through infrastructure and institutional initiatives, particularly in the area of customs procedures. Another key element is a programme to combat commercial fraud. From 1995, this programme was folded into the transit facilitation programme.

Distance learning

Budget	ECU
1994	3 million
1995	5 million
1996	5 million
Total	13 million

The distance learning programme was initiated in 1994 to set up a network of transregional distance education study centres in the CEECs, and is designed to develop a critical mass of distance education modules in selected subject areas and to contribute to strategic policy development in distance education. The multi-country project is intended to facilitate the development of national capacities in the area of distance learning and increase national commitment.

Energy

Budget	ECU
1992	7 million
1993	5 million
1994	13 million
1995	9 million
1996	9 million
Total	43 million

Recognising that energy is a strategically important sector for the economies of all European countries, fifty European and non-European states signed the European Energy Charter in 1991. The 1992 Phare multi-country energy programme was designed to increase east-west cooperation by tackling the most important areas, such as policy formulation, supply and demand problems, efficiency and conservation measures, environmental and other safety measures. Gas and electricity grids, oil refining and transportation, management training and energy legislation reform are all key areas where funding will go to identify strategies for development and help other donors to target support more effectively. In the 1994 programme, a more comprehensive approach was developed with specific programmes for the coal sector, harmonisation of energy policies, twinning activities and a number of subregional programmes. Similar themes were adopted in the 1995 and 1996 programmes.

Environment

Budget	ECU
1991	20 million
1992	16 million
1995	20 million
1996	10 million
Total	66 million

The size of the environmental crises facing the CEECs is becoming increasingly evident, as are the difficulties facing national initiatives to provide adequate solutions to the many problems facing the region. The aim of the 1992 programme, which follows on from the 1991 multi-country environmental programme, was to support regional and integrated programmes in the Danube river basin and the Black Sea, as well as the Baltic Sea and the Black Triangle, which tackle pollution sources and ensuing problems. The 1992 programme also targeted the development of institu-

tions which can focus, develop and express public opinion on environmental matters as part of a functioning civic society, through support to the Regional Environment Centre in Budapest. Additionally, there was continued support for the CORINE and MARS programmes and for an overall project preparation fund. In 1995, the programme focused on the harmonisation of legislation, support to conventions, regional cooperation and initiatives related to the hazardous effects of uranium mining.

Environmental legislation programme

Budget	ECU
1996	10 million
Total	10 million

This aims to help the associated partner countries prepare and adopt comprehensive packages of environmental legislation based on the 'acquis communautaire'. It helps each country identify its own legislative priorities and estimate the implied costs and benefits. The results of this programme's work will be fed to the appropriate association committee. It complements the Technical Assistance Information Exchange Office, since the Office only deals with environmental legislation having a direct impact on integration into the single market. The programme offers three services: cost/benefit analyses of proposed legislation, know-how about practical matters (including enforcement), and a networking body to allow participants to exchange experiences and tips.

Environmental project preparation facility

Budget	ECU
1992	10 million
1994	3 million
1996	15 million
Total	28 million

This programme helps prepare environmental capital investment projects which are co-financed with international financing institutions. The idea is to use the funds to prepare investment projects in such a way that the financing of the capital required becomes feasible. To do so, it offers technical assistance or, in certain cases, seed capital. This programme builds on the success of a similar programme funded in 1992 whose funds are now exhausted. Suitable projects can be identified in two ways: bilaterally or, more frequently, through the Project Preparation Committee, an environmental donor organisation with a secretariat based in London in which Phare has been very active (it allocated ECU 10 million in 1992 to projects selected by the Committee).

European integration

Budget	ECU
1996	0.5 million
Total	0.5 million

The aim of this programme is to encourage a constructive dialogue between the different partner countries about the issue of European integration. Unlike the Technical Assistance Information and Exchange Office, which is essentially a body dealing bilaterally with requests from each associated country, the European integration programme is multilateral. It will offer a forum for the central European monitoring of the pre-accession process, train diplomats, and offer seminars and workshops to senior central European policy-makers in charge of the integration process. It may also offer more basic help, such as language training.

Fight against drugs

Budget	ECU
1992	2 million
1993	10 million
1996	5 million
Total	17 million

The political changes that have taken place in the region, with the opening of borders, the poorly-equipped and trained officials and the painful social changes associated with economies in transition, have led to a large increase in both drug smuggling and drug demand in the region. This programme is designed to reduce the demand, supply and transit of drugs through a variety of measures including actions against chemical precursors and money laundering, the development of a drug information system and support for demand-reduction programmes. Support is provided through training, seminars, policy initiatives, legislation and strategy formulation.

Intellectual protection

Budget	ECU
1994	2 million
1995	2 million
Total	4 million

This programme aims to install a level of intellectual protection in the partner countries which will be comparable to that of the EU. This is particularly necessary in view of the currently patchy copyright protection in most countries and the ongoing battle against piracy. The existence of strong intellectual protection systems is required to further encourage investment in the partner countries and to liberalise the circulation of services and cultural works. The programme will finance know-how to help reform the legislation, train staff and exchange experts involved in this field with their counterparts in the EU. It will also produce and distribute technical documentation and manuals.

Joint venture support scheme (JOP)

Budget	ECU
1991	20 million
1993	27.5 million
1995	70 million
Total	117.5 million

This programme, which initially covered Hungary, Poland, the Czech Republic, Bulgaria, Romania and Slovakia, is aimed at stimulating small and medium-sized enterprises in the European Community, to create and expand joint ventures in central and eastern Europe. The intended result is to direct foreign investment towards those countries and facilitate the transfer of knowledge.

There are four types of scheme which can receive support including: general actions to identify projects and to provide information; feasibility studies and pre-feasibility studies on identified investment projects; investment support for existing and new joint ventures; and training, technical and managerial support. The scheme is being implemented through a network of Community financial institutions, which also participate with their own funds and handle all relations with investors directly. In 1993, the programme was extended to all 11 associated countries.

Nuclear safety programmes

Budget	ECU
1991	15 million
1992	20 million
1993	20 million
1994	20 million
1995	20 million
Total	95 million

The safety situation in the nuclear power stations in central and eastern Europe and in the former Soviet Union is a matter of increasing concern to the CEECs as well as to the countries of western Europe. A programme has been prepared by the World Association of Nuclear Operations (WANO) to deal with the safety aspects of these Soviet-designed reactors, and the multi-country programmes initially involving Bulgaria, the Czech Republic and Slovakia now cover all 11 associated countries. Areas covered include support to safety authorities, programmes for waste management and specific actions for the VVER 230 and 213/1000 reactors.

Phare/Phare cross-border programme

Budget	ECU
1996	12 million
Total	12 million

This programme was launched in 1996 and is designed to stimulate cooperation between the border regions of the associated countries. Areas of priority under this programme include the development of commercial links, regional economic development, cultural cooperation, scientific and technological exchange, etc.

Programme for statistical cooperation

Budget	ECU
1991	3 million
1992	2.5 million
1994	17 million
Total	22.5 million

Initiated in 1991, the statistical cooperation programme which covered Bulgaria, the Czech Republic, Hungary, Romania, and Slovakia was designed to develop their statistical information systems in order to support and monitor the present economic reforms. In 1992, the programme was further extended to Albania, the Baltic States, Poland and Slovenia, and in 1994, the programme received further assistance with support for a number of 'pilot' projects as well as know-how, training seminars, etc.

Quality assurance/standards

Budget	ECU
1991	4.3 million
1992	2 million
1995	30 million
Total	36.3 million

The 1991 multi-country programme covering Bulgaria, the former Czechoslovakia, Hungary, Poland and Romania, co-financed with the EFTA countries, was designed to promote quality assurance and standardisation and assist the CEECs in developing trade by enhancing the quality and marketing of their goods.

The 1992 programme continued to target the same priorities, by providing know-how grants to enable national experts from the CEECs to attend meetings and learn about European standardisation measures.

1992 also saw the programme extended to Albania, Estonia, Latvia, Lithuania and Slovenia, in order to help these countries make the transition to a voluntary system of standardisation with the setting up of appropriate institutions to offer guidance. The Centre for European Normalisation (CEN) is responsible for managing the programme.

Regional consumer protection programme (RCPP)

Budget	ECU
1994	2 million
Total	2 million

This programme aims to improve the quality of goods sold and the safety of services provided in the partner countries. This is necessary to protect the safety, health and economic interests of consumers in the partner countries and encourage trade with the European Union. The programme has three segments. Firstly, it offers technical assistance to legislators reforming consumer policies and laws. Secondly, it provides training, education, publications, and placements in institutions in the EU. Thirdly, the programme will provide the forum for research and surveying work, carried out in collaboration with national consumer institutions.

Regional industrial property (RIPP)

Budget	ECU
1991	3 million
1994	2 million
1995	4 million
Total	9 million

Most CEECs have started to bring their patent legislation into line with the European Patent Convention (EPC) in order to provide the same level of protection as in western countries. The RIPP is based on the five-year modernisation plans drawn up by the European Patent Office with all Phare countries, which are linked to detailed investment schedules. Key programme components include training and seminars, modernisation of documentation procedures, exchange programmes and a patent information dissemination policy.

Support for improvement in governance and management (SIGMA)

Budget	ECU
1991	3 million
1994	8 million
1996	5 million
Total	16 million

The 1991 SIGMA programme was the result of an EC/OECD venture which focused on providing long- and short-term assistance to develop coherent reform strategies to help authorities in the associated countries (Bulgaria, the Czech Republic, Hungary, Poland, Romania and Slovakia) cope with the changes resulting from institutional reforms and a move away from centralisation. The programme also aims to help with central policy coordination information systems and budgeting for financial control and procurement, as well as with public service personnel policy. The programme was extended to Albania, Estonia, Latvia, Lithuania and Slovenia in 1994.

Technical assistance information and exchange office

Budget	ECU
1995	18.5 million
Total	18.5 million

The office, established within the Commission, acts as an information exchange designed to help the partner countries who have signed Europe Agreements with the European Union prepare for their integration into the Single Market. The information comes from partner countries and from Member States and deals with technical assistance, progress in implementation, approximation and negotiation techniques used by countries which have recently joined the Union, etc. The office helps officials in partner country ministries and government bodies dealing with the single market. The concrete help offered by the office includes texts, expertise, workshops, study visits and more. This programme complements existing Phare programmes on the approximation of legislation.

Telecommunications and posts

Budget	ECU
1992	7 million
1994	1 million
1995	7 million
1996	7 million
Total	22 million

A harmonised regional approach is necessary to promote closer cooperation in the field of telecommunications. The Phare Programme is intended to complement initiatives taking place at the national level and to support the identification and preparation of investment-related projects at regional level. It also aims to train selected staff in both the regulatory and operational areas. Support is being provided by using a modular approach combining theory and practice, so that the individual needs of the various target groups are adequately met. All associated countries are included, with the exception of Estonia, which has its own bilateral arrangements for this sector. In 1995, the programme was extended to include the postal sector.

Tempus

Budget	ECU
1990	20 million
1991	20.1 million
1992	18 million
1993	16 million
1994	6 million
Total	80.1 million

The purpose of the five-year Trans-European mobility programme for university studies (Tempus) is to help with the modernisation of higher education and the improvement of vocational training in the associated countries. In all the years of its operation, priority has been given to JEPs (joint European projects) linking central and eastern European universities with EU Member State universities as well as with companies within the European Union. Tempus makes available grants for the renewal of study programmes, for the improvement of the management of higher education institutions, for continuing training programmes for teaching staff and for student mobility. Priorities for Tempus support are agreed annually with the priorities of the associated countries. This programme is complementary to the Tempus programmes that are funded as national programmes for each partner country.

Trade

Budget	ECU
1995	5 million
1996	5 million
Total	10 million

The Phare multi-country trade programme was launched in 1995 following a detailed study of trade patterns, trading regimes and tariff/non-tariff barriers to trade. Its primary aim is to initiate policies/programmes to stimulate intra-regional trade between the CEECs to develop a more diversified trading pattern.

The programme covers three major areas:

- trade-policy, designed to monitor changing EU and world-wide policies and to provide a forum for seminars for policy-makers to exchange experiences
- trade finance, aimed at removing major financial obstacles to trade
- market information, designed to establish a network of centres in the CEECs as a data source on market opportunities.

Transit facilitation programme

Budget	ECU
1995	30 million
1996	22 million
Total	52 million

This three-year programme was initiated in 1995. There are still considerable delays at the border crossings between the CEECs themselves and between the CEECs and the European Union. Improving procedures and infrastructure at border crossings is a key prerequisite for closer economic and political integration not only with the Union, but also between the CEECs themselves, as recognised in the Pact of Stability. The programme will include the modernisation of border-crossing infrastructure, improvements in customs procedures, measures to combat drug trafficking and to combat trade in nuclear waste and hazardous substances. The Commission has reserved a budget of approximately ECU 90-95 million for the programming years 1995-1997.

Transport

Budget	ECU
1992	21 million
1993	24 million
1994	30 million
1995	11.5 million
1996	9 million
Total	95.5 million

Building on the national 1991 transport programmes, the 1992 programme targeted the restructuring of the sector and the upgrading of transport infrastructure to promote the ongoing integration of western and eastern transport systems. The four basic elements included the implementation of solutions to border-crossing bottle-necks; studies on trans-European north-south motorways and railways; training for officials from relevant ministries to learn to adapt their countries' transport infrastructure to the requirements of a modern economy; and specific sectoral studies designed to provide an overall policy framework. The 1993 programme focused on the elimination of border-crossing bottle-necks within the CEECs, supplemented by additional training programmes, pre-investment activities and complementary strategic studies. The 1994 programme primarily targeted border crossings between CEECs with a comprehensive modernisation programme linked to the multi-country customs programme. For 1995, training will play a pivotal role together with specific pre-investment studies and support for the harmonisation of the regulatory framework.

Turnaround management programme

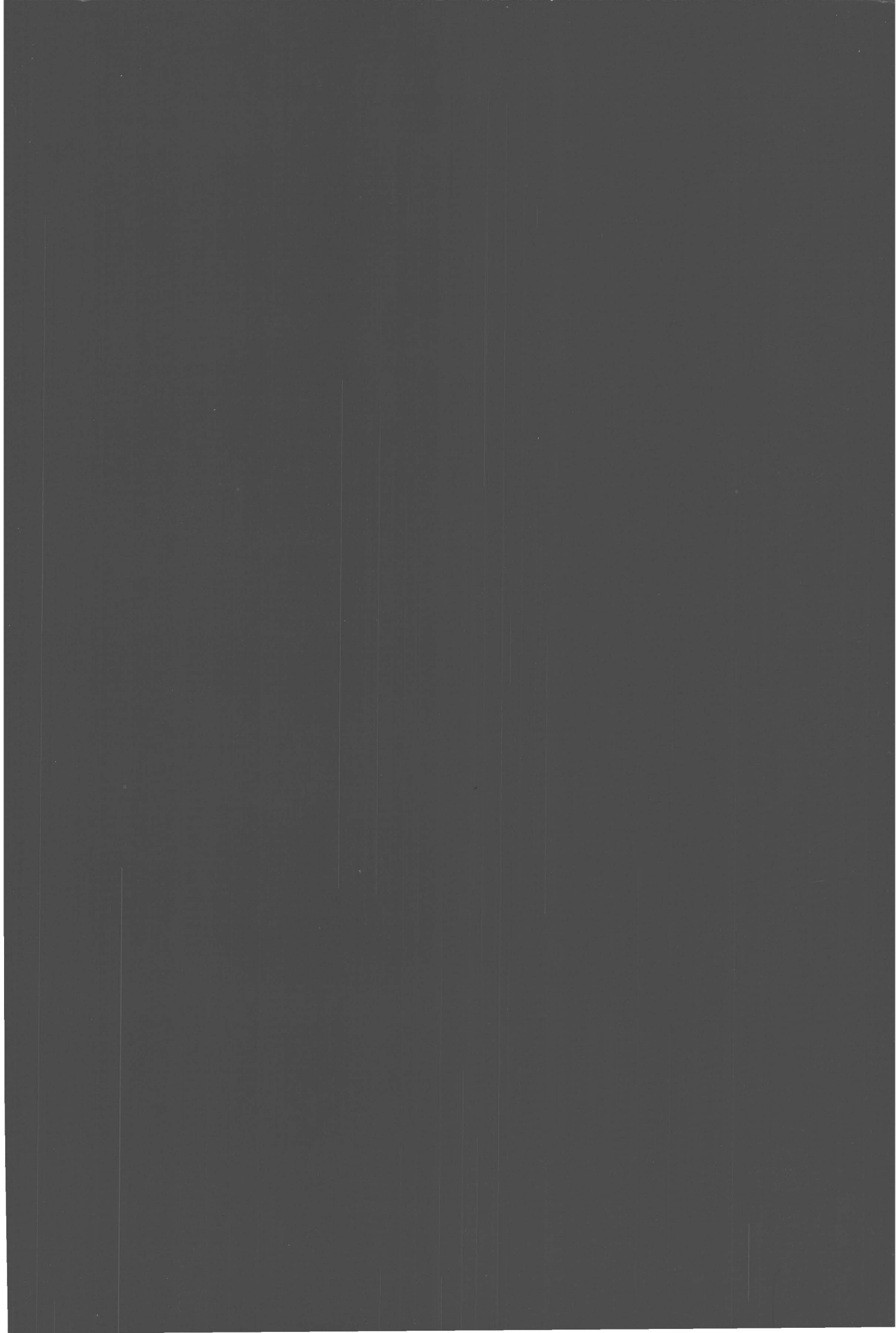
Budget	ECU
1994	6 million
Total	6 million

The first Turnaround management programme was established in 1993 as a cooperative effort between the United Nations Development Programme, the European Bank for Reconstruction and Development and Phare. The aim of the programme is to provide experienced managers from the EU to companies in the partner countries to help them with their restructuring efforts. The companies in question will normally be those whose restructuring is essential to ensure their unsubsidised survival. The programme consolidates this help by offering follow-up training. This version of the programme supplants the 1993 original by also offering help in those partner countries whose programmes are not yet implemented through the decentralised system.

Veterinary diagnosis and control

Budget	ECU
1994	6 million
Total	6 million

The differences between the standards of animal disease diagnosis and control of movements in the EU and the partner countries can hinder both trade development and the pathway to accession. This programme aims to reduce these differences by improving standards and methods of control and certification in the Phare countries. To do so, the programme trains veterinary staff, provides equipment, and helps monitor and control the movement of animals. This programme is closely coordinated with those currently run as Phare national programmes in certain countries, notably in Hungary, Bulgaria and Albania.





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