COMMISSION

COMMISSION DECISION

of 18 December 1987

approving an integrated Mediterranean programme for the Molise region

(Only the Italian text is authentic)

(88/352/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2088/85 of 23 July 1985 concerning the integrated Mediterranean programmes (1), and in particular Article 7 thereof,

Whereas Italy has presented to the Commission an integrated Mediterranean programme (IMP) for the Molise region ('the Molise IMP');

Whereas, in accordance with Article 7 of Regulation (EEC) No 2088/85, the Molise IMP has been submitted in amended form to the Advisory Committee for Integrated Mediterranean Programmes, which has given a favourable opinion;

Whereas the Molise IMP, including its financial plan, may therefore be approved by the Commission;

Whereas the Molise IMP relates to the period from 1 January 1987 to 31 December 1992;

Whereas the Molise IMP contains measures which constitute a specific programme of action eligible for assistance from the European Agricultural Guidance and Guarantee Fund, Guidance Section, by virtue of the second subparagraph of Article 12 (1) of Regulation (EEC) No 2088/85;

Whereas in order to ensure its effectiveness the Molise IMP will be carried out in successive phases and will be subject to later decisions when the conditions for the granting of Community contributions have been met;

Whereas the expenditure on the measures constituting the Molise IMP is estimated at 93 402 000 ECU;

Whereas the Community contribution from the special budget heading referred to in Article 11 (2) of Regulation (EEC) No 2088/85 is estimated at 8 351 000 ECU,

HAS ADOPTED THIS DECISION:

Article 1

The Molise IMP, in the version submitted to the Commission on 18 December 1986, as subsequently modified after examination by the Commission and following consultation of the Advisory Committee for Integrated Mediterranean Programmes, is hereby approved. The estimates of total expenditure and the estimated contributions from each Community budgetary source are shown in the financial plan of the Molise IMP.

In so far as the measures are carried out in accordance with the Molise IMP, within the limits of the overall expenditure estimates and in compliance with the rules and procedures relating to each source of Community financing, the Commission shall pay the Community contributions specified in the Molise IMP.

Article 2

The contribution from the special budget heading referred to in Article 11 (2) of Regulation (EEC) No 2088/85 shall not exceed 8 351 000 ECU in respect of the expenditure to be incurred in the period from 1 January 1987 to 31 December 1992 on measures to be financed in the context of the Molise IMP, estimated at 93 402 000 ECU.

Article 3

Pursuant to Article 15 (2) of Regulation (EEC) No 2088/85, a first instalment from the special budget heading referred to in Article 11 (2) of that Regulation amounting to 433 000 ECU is hereby committed in accordance with the financial plan of the Molise IMP.

(1) OJ No L 197, 27. 7. 1985, p. 1.

Article 4

This Decision is addressed to the Italian Republic.

Done at Brussels, 18 December 1987.

For the Commission

Grigoris VARFIS

Member of the Commission

PROGRAMME CONTRACT

for the implementation of the Molise Integrated Mediterranean Programme

The contracting parties :

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

hereinafter referred to as 'the Commission',

THE GOVERNMENT OF THE ITALIAN REPUBLIC,

hereinafter referred to as 'the Italian Government',

and

THE MOLISE REGION,

hereinafter referred to as 'the Region',

HAVE AGREED AS FOLLOWS :

TITLE I

Scope and purpose

Article 1

1. This contract, drawn up pursuant to Article 9 of Regulation (EEC) No 2088/85, shall enter into force on 1 January 1987 and shall expire when the Commission closes accounts in respect of the Community financial contributions.

2. The parties agree to undertake joint action to ensure effective implementation of the Integrated Mediterranean Programme (hereinafter referred to as the 'IMP') as adopted by the Commission Decision of 18 December 1987.

3. The purpose of the joint action shall be to ensure the effectiveness of the IMP and its constituent initiatives by : defining the responsibilities of the contracting parties, coordinating the activities of all parties involved in the implementation of the operations covered by the IMP, ascertaining the state of progress in implementing the IMP and organizing a corresponding information system.

TITLE II

Implementation and coordination

Article 2

1. (a) The Italian Governmnet hereby designates the Molise Region as being responsible for the effective implementation of the IMP *vis-à-vis* the European Communities. The Commission and the Italian Government shall take such measures as may be appropriate to secure the smooth implementation of the IMP, including its financial aspects.

(b) The Region shall be assisted by a Monitoring Committee meeting in Campobasso. The tasks and responsibilities of the Committee shall be those laid down in Regulation (EEC) No 2088/85, the IMP iself and this contract. In particular, the Monitoring Committee shall draw up the agreements necessary to ensure coherence of the formal decisions which remain, on the basis of the provisions in force, the responsibility of the competent administrative authorities.

The membership of the Monitoring Committee shall be as described in Annex I.

2. The Monitoring Committee shall be chaired by the Chariman of the 'Giunta Regionale' (Executive Board of the Regional Council) or the delegated Executive Councillor ('Assessore').

3. (a) The Commission, the Italian Government, the Region and the EIB shall appoint their representatives on the Monitoring Committee within 30 days following the signing of this contract. The Chairman shall record these appointments, himself appointing the Secretary of the Committee and ensuring that the names of its members are communicated to the Commission, the Italian Government and the EIB.

(b) The Chairman shall entrust the secretariat with the task of taking such measures as may be appropriate to secure the smooth functioning of the Committee. The Region shall place the necessary resources and facilities at the disposal of the secretariat.

4. (a) Within 30 days following the signing of this contract, the Chairman shall appoint within the regional administration an official responsible for each of the subprogrammes making up the IMP ; these officials shall be members of the Monitoring Committee.

(b) The subprogramme-monitoring officials shall inform the competent authorities and the Monitoring Committee of the measures (1) making up their subprogrammes, specifiying where appropriate the technical, administrative and financial initiatives necessary for their implementation. In addition, they shall, under the authority of the Chairman of the Monitoring Committee, chair the meetings of specialized working parties.

(c) The monitoring officials shall supply the following to the Monitoring Committee :

— quarterly, financial statements showing the position in terms of commitments and payments,

— half-yearly, a report on the state of implementation of the subprogramme indicating, for each measure, total investments (public and private), physical indicators and any changes as compared with the forecasts for the IMP, highlighting in particular any measures in respect of which the level is less than 50 % of that forecast in the programme.

(d) The monitoring officials shall also supply each year, at the time when the budget forecasts are being drawn up, a list of the projects to be financed, where the latter are not already defined in the IMP, and three months after the end of each year a list of the projects financed under the IMP aid schemes.

5. The Commission shall, with a view to ensuring that they are recorded by the monitoring system, inform the Monitoring Committee in good time of such direct payments as may be made to final beneficiaries under each fund.

6. Within six months following the setting-up of the Committee and with the agreements of the parties to this contract, the Chairman of the Monitoring Committee shall appoint an independent consultant to assess the implementation of the programme and attend meetings of the Monitoring Committee as an observer. The consultant shall possess the professional experience and knowledge necessary to perform his task. The terms of the contract on which he is engaged shall be agreed between the parties and he shall be remunerated out of the appropriations available under the 'studies' heading of the implementation subprogramme. The consultant shall receive all the information necessary to the performance of his duties, notably the monitoring system information referred to in Article 18, and shall have the right to inspect operations in progress, subject to prior notice and with the approval of the Chairman of the Monitoring Committee.

Article 3

The Region shall draw up operational proposals and ensure that they are properly implemented. As regards those matters in respect of which the national authorities have certain functions of their own and pay a share of the national funding, the plans drawn up by the Region shall be considered in accordance with the procedures provided for by the legislation currently in force.

Article 4

On the basis of the information supplied by the monitoring officials or other members of the Committee and at all events at least once every six months, the Chairman of the Committee shall verify that the programme is being implemented correctly and on schedule, taking such measures as may be necessary to remedy any delays or implementation problems.

Article 5

The Committee shall decide on the use to which the appropriations available under the implementation subprogramme shall be put.

TITLE III

Financing

Article 6

1. The measures comprising the subprogrammes of the IMP are defined in the notes constituting Annex I.

2. Estimates for Community commitments and payments are set out in Annex II. These commitment and payment estimates are in ECU. As regards payments, the exchange rate applied in converting lire into ECU shall be the conventional rate applicable for the month in which the Commission received the payment claim.

Article 7

1. Not later than 31 March each year, the Secretary of the Monitoring Committee shall, in addition to the report on implementation during the preceding year, present financial estimates for the current year, together with an overview for the IMP as a whole ; these forecasts shall be drawn up on the basis of the individual budgets adopted by the national and regional authorities, permitting direct comparisons with the annual financial forecasts for each subprograme within the IMP, measure by measure.

2. The Secretary shall also draw up, for the same date, a report on the funds remaining available for each subprogramme and each measure.

Article 8

1. (a) Not later than 30 September 1989, the Italian authorities shall present to the Commission a draft detailed financial plan for the years 1990 to 1992, specifying any changes to be made to Annex I to the IMP.

(1) A measure may comprise one or more projects or operations ; each subprogramme may shall comprise several measures and the IMP shall comprise several subprogrammes.

(b) The Commission shall then determine the list and schedule of measures to be adopted under the IMP for the period after 1989, revising Annex I to the IMP accordingly.

(c) At the same time, the parties shall, with a view to the continuation of the IMP, assess the effectiveness of the implementation arrangements referred to in this contract.

2. The Region shall be responsible for administering the payments due to beneficiaries from the Italian authorities in compliance with the procedures provided for by national law.

Article 9

1. Subject to the limits stipulated in the rules governing the Community Funds or any other Community instrument involved, the rates of Community contribution provided for in the financial plans for the subprogrammes making up the IMP shall be observed at the level of individual measures. Resources may be switched between the projects or operations making up a measure where Community law does not stipulate to the contrary.

2. (a) Payment claims shall be submitted in accordance with the rules of each Fund. Any changes that have to be made to existing forms in order to take account of Community financing over and above the ceilings laid down in the provisions governing the Funds shall be notified to the Italian authorities by the Commission by 31 July 1988.

(b) As regards payments under the special budget heading referred to in Article 11 (2) of Regulation (EEC) No 2088/85, the Commission shall communicate the forms to be submitted for payment claims to the Italian Government by 31 July 1988.

3. (a) The approval within the framework of the IMP of operations financed by the European Agricultural Guidance and Guarantee Fund, Guidance Section, under Article 12 (1) of Regulation (EEC) No 2088/85 shall constitute regional programme approval for the purposes of Council Regulations (EEC) No 1760/78 (1) and (EEC) No 269/79 (2).

(b) The corresponding payments shall be made in accordance with the provisions of the abovementioned Regulations.

(c) As regards the other measures included in the IMP which are to be financed by the European Agricultural Guidance and Guarantee Fund, Guidance Section, the payment procedures shall remain unchanged.

Article 10

1. The Region shall indicate each year in its budget the expenditure chapters corresponding to the resources set aside for the regional contributions towards the IMP measures as defined in the detailed financial plan incorporated in the technical notes annexed to the IMP.

2. The Community resources made available under the IMP shall be entered by the Region in separate expenditure chapters in its budget corresponding to the individual measures.

3. The Executive Board of the Regional Council shall make expenditure commitments against the chapters referred to in paragraphs 1 and 2 of this Article in proportion to the Community and regional contribution rates.

4. The Region shall open with its Treasurer a special account designated 'Special Fund for the implementation of the IMP' to receive all advances and final payments to which it is entitled by way of contributions from the Community and the Italian Government. Except where stipulated to the contrary, these payments shall be effected via the National Revolving Fund established under Law No 183/87.

5. Where Community and national contributions are paid via the National Revolving Fund, the procedures to be followed shall be those to be laid down pursuant to the abovementioned Law No 183/87.

6. The corresponding Community and national payments shall at all events be made available to the Region by the national authorities no more than six weeks after the latter have received the Community funds.

7. With a view to speeding up the procedures for implementing the IMP, the Region's Special Fund shall be used for the payment of advances to final beneficiaries at no cost to the latter.

Advances shall be paid at the following rates:

— 40 % on approval by the Region of the various projects or operations,

— 40 % on the basis of approved progress reports.

The balance will be paid on approval of the final report.

8. The Monitoring Committee will propose arrangements for the payment of advances during the second stage of the IMP.

TITLE IV

Evaluation and monitoring

Article 11

On the basis of the information gathered, the consultant referred to in Article 2 (6) shall draw up an annual report not later than 31 March of the year following the year in question.

(1) OJ No L 204, 28. 7. 1978, p. 1.
(2) OJ No L 38, 14. 2. 1979, p. 1.

The annual report shall discuss :

— the progress made towards attaining the socio-economic objectives laid down in the IMP,

— the initiatives needed to secure closer compliance with the IMP as approved, notably as regards the progress made in implementing it, its socio-economic objectives and its integrated nature,

— any changes needed in the definition of the measures to be carried out in order to promote attainment of the socio-economic objectives of the IMP,

— any organizational changes which would help to streamline decision-making.

The annual report shall be confidential and shall be made available to the members of the Monitoring Committee by the Chairman. The Committee shall discuss the content of the report at a subsequent meeting held before the responsible authorities decide on the operations falling within their field of competence.

Article 12

1. The Evaluation Group established by Law No 878/86 shall carry out a preliminary assessment, including a cost-benefit analysis, in respect of projects costing in excess of 10 million ECU.

2. The Italian authorities shall submit to the Commission for agreement beforehand all productive or infrastructure investment projects with a total cost exceeding 15 million ECU, together with feasibility and cost-benefit studies, as required by the rules in force. The Commission reserves the right to introduce notification or information procedures for other categories of productive investment projects in sensitive or crisis sectors.

Article 13

The Italian authorities agree to present to the Commission at the end of each half-year grouped references to the invitations to tender published in the *Official Journal of the European Communities* and a report on the award procedures designed to show that Council Directives 71/305/EEC (1) and 77/62/EEC (2) and Commission Decision 80/797/EEC (3) have been complied with.

Article 14

Irregularities or substantial changes that have not been submitted to the Commission for its approval and that are liable to jeopardize compliance with the integrated nature of the IMP may result in application of Article 17 (4) of Regulation (EEC) No 2088/85.

If the Commission were considering applying Article 17 (3) or (4) of Regulation (EEC) No 2088/85, the Italian Government would be given an opportunity to submit its observations within the time limits set by the Commission.

Article 15

Operations financed under this IMP, throughout the duration of the programme, shall not enjoy any other form of Community assistance.

TITLE V

Financial provisions

Article 16

The Italian authorities shall take the necessary steps to publicize the granting of Community assistance as widely as possible. In the case of individual projects costing more than 500 000 ECU, permanent signboards shall be erected at the sites of the said projects specifying that they enjoy Community assistance.

Article 17

Substantial changes to the IMP, which must be referred to the Advisory Committee on IMPs in the manner provided for in Article 7 of Regulation (EEC) No 2088/85, shall be the subject of agreements supplementary to this contract.

Article 18

A monitoring system is hereby established in accordance with the arrangements set out in Annex III to this contract.

Article 19

Any dispute as to the interpretation, validity or implementation of this contract shall be referred to the Court of Justice of the European Communities.

Done at Campobasso, 18 December 1987.

For the Commission

G. VARFIS

Member with special responsibility for the coordination of structural instruments and consumer protection

For the Italian Republic

A. LA PERGOLA

Minister for the coordination of Community policies

For the Molise Region

F. DI LAURA FRATTURA

Chairman of the Executive Board of the Regional Council

(1) OJ No L 185, 16. 8. 1971, p. 5.
(2) OJ No L 13, 15. 1. 1977, p. 1.
(3) OJ No L 234, 5. 9. 1980, p. 33.

ANNEX I

Composition of the Monitoring Committee

1. *Region*

The Chairman of the Executive Board of the Regional Council or the Executive Councillor for the IMP.

The IMP official, who will act as Secretary and be responsible for the monitoring subprogramme.

The officials responsible for the other subprogrammes.

Two regional officials or persons of equivalent status designated by the Chairman.

2. *National authorities*

A representative of the Department for the Coordination of Community policies, who will attend all meetings.

A representative of each of the competent authorities, who will attend only those meetings dealing with relevant matters.

3. *European Communities*

A representative of the Commission, who will attend all meetings.

Two further Commission representatives designated in line with the matters to be discussed.

A representative of the EIB who will attend all meetings.

4. Once a year, an enlarged meeting will be held, to be attended by representatives of local organizations designated by the Chairman.

The assessment consultant and other experts invited by the Chairman in connection with specific matters will attend in a non-voting capacity.

ANNEX II

Financial forecasts — Community contribution

(in thousand ECU)

Source	Commitments					Payments				
	1987	1988	1989	1990 to 1993	Total 1987 to 1993	1987	1988	1989	1990 onwards	Total
ERDF	1 718	3 520	4 115	7 675	17 028	687,2	2 095,2	3 397,6	10 848	17 028
ESF	—	1 897	1 897	1 101	4 895	—	948,5	1 517,6	2 428,9	4 895
EAGGF										
— Direct/indirect operations	166,5	4 307,48	3 135,83	4 429,19	12 039	—	1 807,58	3 546,42	6 685	12 039
Regulation (EEC) No 355/77	—	750	—	—	750	—	—	225	525	750
Article 551	433	2 015	2 214	3 689	8 351	216,5	1 007,5	1 323,5	5 803,5	8 351
Total	2 317,5	12 489,48	11 361,83	16 894,19	43 063	903,7	5 858,76	10 010,12	26 290,4	43 063

The difference between these forecasts and the financial plan contained in Chapter IV of the IMP is due to the varying commitment and payment procedures of the individual funds.

ANNEX III

Monitoring system

1. Achievement of the objectives set for the IMP and effective utilization of the resources made available under the programme necessitate the setting-up of a system to monitor the progress and management of the programme ('monitoring system') which will entail ongoing analysis and assessment of the measures implemented and hence the preparation where appropriate of proposals for corrections and adjustments.

2. The implementation of this monitoring system will entail the creation and development of harmonized information gathering and circulation mechanisms, and the definition of their role.

   These mechanisms will need to be coordinated and compatible with those already in operation within the authorities concerned and should be based on computerized data handling as from the level of the individual measure.

3. The monitoring system must fulfil the following functions:

   (a) Preparing and processing basic financial information. The financial information in question (costs and funding broken down by source for each year) will be recorded in a standardized form at individual project level.

   (b) Monitoring the progress of the individual measures making up the subprogrammes and of the programme overall in financial terms (comparison between forecast and actual budgetary allocations and forecast and actual expenditure).

   (c) Monitoring the progress of measures in physical terms on the basis of specific indicators defined for each measure (e.g. number of hectares irrigated).

   (d) Analysing the impact of the programme, which will involve comparing potential results with those actually obtained.

   This analysis will be based in part on quantified indicators (harvest per hectare; number of jobs created; number of hectares switched to other crops). In addition, however, evaluation studies or analyses will need to be carried out, especially as regards impact at the higher levels (subprogramme or programme).

   (e) Identifying changes, corrections and adjustments to be made to the programme.

4. The most appropriate configuration for the monitoring system (software, information flow organization, information sources, progress and impact indicators, etc.) will be determined in close collaboration between the relevant Commission departments and the regional and national authorities not later than six months after the signing of the programme contract.