

2. BACKGROUND

During the planning phase prior to the start of the 2007-2013 programming period, it was believed that the scale of the effort required by the New Member States to submit suitably-prepared projects for grant funding would present considerable challenges given their relative lack of experience and capacity. The Commission (DG REGIO) therefore called for more technical assistance to be provided to the national authorities in order to help them to access and absorb the available EU resources.

During the previous programming period the Bank had agreed a Cooperation Framework with the Commission. Under this framework, the EIB had been actively participating for many years with the provision of occasional expert appraisal advice at the request of the Commission, and it was the desire of both parties to continue to strengthen that cooperation. Extensive discussions were held in 2005, leading eventually to the establishment of the JASPERS initiative, which would have the task of *animation* (progress chasing) and expert advice in order to accompany the authorities in the Member States, at their request, in the identification and preparation of good quality projects for support under the European Regional Development Fund (ERDF) and the Cohesion Fund (CF). The initiative was to be financed by its partners (now also including EBRD and KfW) in cash or in kind (staff equivalent). The cash contribution would come from the Commission and be financed by the technical assistance allocation under the ERDF funds. The initiative would be managed by the EIB under a joint steering committee.

2.1 STRUCTURAL FUNDS REGULATIONS 2007-2013

A General Regulation defines common principles, rules and standards for the implementation of the three cohesion instruments, the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund (CF). Based on the principle of shared management between the Union and the Member States and regions, this regulation sets out a renewed programming process, based on Community Strategic Guidelines for Cohesion and their follow-up, as well as common standards for financial management, control and evaluation. The reformed delivery system was intended to provide for a simpler, proportional and more decentralised management of the Structural Funds and the Cohesion Fund than in previous programming periods. Under the new shared management principle, the burden of justification for the use of funds shifted significantly from an ex ante to an ex post process. However, the process of confirmation of funding for major projects⁷ remained an ex ante case by case appraisal and the JASPERS initiative was intended to facilitate this process.

The total indicative amounts available to new Member States under ERDF and Cohesion Funds for 2007-2013 are summarised in tabular form below. According to the Regulation, the *annual* appropriations allocated to a Member State should be limited to a ceiling fixed with regard to its capacity for absorption.

Country/Heading	Cohesion Fund EURbn	ERDF Convergence EURbn	Total EURbn
Bulgaria	2.3	3.2	5.5
Cyprus	0.21	0	0.21
Czech Republic	8.8	13.4	22.2
Estonia	1.1	1.9	3.0
Hungary	8.6	11.2	19.8
Latvia	1.5	2.4	3.9
Lithuania	2.3	3.4	5.7
Malta	0.28	0.44	0.72
Poland	22	33	55
Romania	6.5	9	15.5
Slovakia	4	6	10
Slovenia	1.4	1.9	3.3
<i>Technical Assistance</i>		<i>0.87</i>	
TOTAL	58.99	86.70	145.69

⁷ Projects whose capital cost exceeded EUR 50m (or EUR 25m in the environment sector)