

PHARE 2003
STANDARD SUMMARY PROJECT FICHE

1. Basic Information

- 1.1 CRIS Number:** PHARE 2003/005-701.07
- 1.2 Title:** PROJECT PREPARATION FACILITY (PPF)
- 1.3 Sector:** AA
- 1.4 Location:** Romania
- 1.5 Beneficiary:** Ministry of European Integration

2. Objectives

2.1 Overall Objective

The Project Preparation Facility (PPF) will support the preparation of projects within the future Phare CBC programmes and as a consequence it will promote the key objectives of the Phare CBC Programme between Romania and Bulgaria, namely:

to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economies; and
to establish and develop of co-operative networks on both sides of the border.

2.2. Project purpose

- Strengthening the capacity to prepare adequate programmes and projects in the context of Phare Cross Border Co-operation Programme between Romania and Bulgaria, with a view of financial support under future Phare CBC programmes
- Support the relevant authorities to prepare a pipeline of mature projects that will be proposed for the future Phare CBC programmes.

2.3 Accession Partnership and NPAA priority

The proposed PPF will play a key part in the process of preparation of Romania for the accession, in particular through the capacity building dimension of the involved institutions. The project represents thus an important element in the preparation of Romania for the adoption of Structural Funds. In addition, the project supports the social and economic integration between the border regions of the countries.

NPAA (Medium-term priority):

Promotion of cross-border co-operation

2.4. Contribution to the National Development Plan

NA

2.5 Cross Border Impact

The Project Preparation Facility (PPF) will support the preparation of projects within the future Phare CBC programmes and as a consequence it will promote the key objectives of the Phare CBC Programme between Romania and Bulgaria. Special attention will be given to the preparation of joint projects and to projects with a strong cross-border co-operation character which will be planned in close co-operation with the regional and local authorities in the border areas.

3. Description

3.1. Background and justification

The Phare CBC IA within the Ministry of European Integration (MEI) is responsible, at central level, for the overall co-ordination for the Phare CBC Programmes in Romania. In this position, the Phare CBC IA operates as interlocutor between the different line Ministries and Governmental Organisations and the European Commission. As such, the Phare CBC Unit, on behalf of the Government of Romania bears, the final responsibility for the qualitative level of the various documentation and project proposals submitted on an annual basis to the European Commission.

In the short run, the current proposal focuses on allocating resources for future technical assistance to the CBC Unit in preparation of mature projects for the future CBC Programmes and, indirectly, to provide the final beneficiaries with the assistance for preparing relevant technical documentation indispensable for a proper project preparation.

An adequate and comprehensive preparation of solid investment projects is a prerequisite for a timely future accession of Romania into the EU. Complex investment projects require detailed and reliable data and background documentation to identify the best approach for achieving the objective(s). In-depth feasibility studies, systems design, impact analysis and other project background documents are critical for a successful implementation of projects financed through Phare CBC programmes.

Background studies provide, apart from the project identification, also an analysis of the current status, an identification of possible alternative solutions including a testing of their financial, technical and administrative feasibility and recommendations for the economically most advantageous solutions.

3.2. Linked activities

NA

3.3 Results

- Pipeline of mature projects to be financed by future RO/BG CBC programmes

3.4 Activities

The project will provide short-term technical assistance, during for two calendar years, in order to support the Phare CBC IA within the Ministry of European Integration for the Phare CBC Bulgaria - Romania programmes. This assistance is referring to all the activities related to the Phare CBC projects life cycle (identification, programming, contracting, implementation, etc), including revision of the JSPF documents.

The Romanian authorities involved in the programming phase will be supported with short-term expertise in order to produce relevant background documentation, feasibility studies, project technical designs, terms of references, technical specifications and tender dossiers etc.

The project will provide direct support to the Phare CBC IA and indirect support to the line Ministries, other Government bodies with competence in areas relevant to Phare CBC Programmes and any future beneficiaries.

Technical assistance provided to the Phare CBC IA within the Ministry of European Integration is basically focused on the preparation, completion and revision of:

1. feasibility studies
2. detailed designs of investment projects

3. tender dossiers including technical specifications, terms of reference, procurement plans and other relevant documentation
4. environmental impact assessments
5. JSPF documentation

3.5 Lessons learned

The Interim Evaluation Report of EMS no. R/RO/ CBC/03037, issued in July 31, 2003, identifies the strengths and weaknesses concerning the CBC programmes carried out in a large and diverse range of programmes and projects, including RO-0102.04 and RO-0002.04.02 - Assistance for the Multi-annual Strategy and RO-2002/000-625.05 – PPF

The report reveals as main findings related to these projects implementation:

- the lack of staff within the CBC Directorate, which restricts the absorption and dissemination of expertise.
- The delays in contract signature, which caused significantly delays in project implementation

Lately, following the restructuring of the ministries, the staff involved in CBC programs becomes significant larger and as a consequence the capacity of absorption and dissemination of the expertise is growing.

From the date the Memorandum of Financing is signed, the course of many activities could be changed and consequently the tasks of the TA. Thus, the CBC Directorate considers that it is better to contract the TA in the shorter possible time. Taking into account the relatively small funds required for TA, as well as the above comments, it was found that the most appropriate type of contracting is the FWC, as a less time consuming and simplified acquisition procedures.

Considering the previous experience the CBC Directorate considers that the TA is to be used for JSPF projects, grant scheme systems and environmental assessment programming documents.

Also in the TA for the best overall coordination are to be used as long term experts foreign experts and for the specific activities (infrastructure, environment, etc.) the efficient way is to use, as short term experts, local experts both from Romania and the counterpart, having in view the better knowledge about the national/local legislation, reglementations, rules, procedures.

4. Institutional framework

Beneficiary Institution: Ministry of European Integration, Romania

Contracting Authority: Ministry of European Integration, Romania.

5. Detailed Budget (in M€)

Component/Sub-Project	Phare Support (in MEURO)					
	Investment Support (I)	Institution Building (IB)	Total Phare (I+IB)	National Co-financing	IFI	TOTAL
Project Preparation Facility (PPF)		0.300	0.300	0	0	0.300
Total		0.300	0.300	0	0	0.300

6. Implementation Arrangements

6.1. Implementing Agency

The Implementing Agency will be the Ministry of European Integration, through its Cross Border Co-operation Directorate, which will retain overall responsibility for the implementation of the programme, including: approval of tender documents, evaluation criteria, evaluation of offers, signature of contracts, authorisation of invoices. The Payments Directorate within the same ministry will make the payments of invoices.

The CBC Directorate also includes a unit for the National Co-ordination of CBC programme nominated as CBC Programme Co-ordination Unit (CBC - PCU) which will support the beneficiaries in their activities concerning the preparation of tender dossiers and related documents.

6.2. Twinning Arrangement

Not Applicable

6.3. Non standard aspects

There are no non-standard contracts or tender procedures envisaged within this project. "Practical Guide to contract procedures financed from the general Budget of the European Communities in the context of external actions" will be strictly followed.

6.4 Contracts

One Service Contract will be concluded under "Project Preparation Facility" - MEURO 0,3.

7 Implementation Schedule

Start of tendering/call for proposals

ToRs ready by October 2003

Announcement for tender launched in November 2003

Start of project activity

January 2004

Project completion

August 2005

8. Equal Opportunity

The project implementation procedures will ensure that the project brings benefits to men and women, and to ethnic groups in equal measure.

9. Environment

Not Applicable

10 Rates of return

Not Applicable

11. Investment criteria

11.1. Catalytic effect:

Without PHARE assistance, the project would not be implemented in the near future, because of the lack of funds.

11.2. Co-financing

There is no co-financing.

11.3. Additionality

No other financing sources from the private sector or from IFIs were available for financing this project.

11.4. Project readiness and Size

The project can be launched according to the implementation chart (Annex 2).

11.5. Sustainability

The development of the border region is part of both governments' strategy of maintaining good relations with their neighbours.

11.6. Compliance with state aids provisions

The project respects the state aids provisions.

12. Conditionality and sequencing

The MEI undertakes to finance any additional costs, which may arise in order to ensure timely completion and implementation of this project

Annexes to project Fiche

Logical framework matrix in standard format

Detailed implementation chart

Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

ANNEX 1 – LOGFRAME PLANNING MATRIX			Contracting period expires: 30.11.2005
<i>Project Preparation Facility (PPF)</i>			Disbursement period expires: 30.11.2006
			Total Budget: 0.3 Meuro
Overall Objectives	Objectively verifiable indicators	Sources of Verification	
<p>The Project Preparation Facility (PPF) will support the preparation of projects within the future Phare CBC programmes and as a consequence it will promote the key objectives of the Phare CBC Programme, namely:</p> <ul style="list-style-type: none"> • to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economies; and • to establish and develop of co-operative networks on both sides of the border. 	<p>Romanian and foreign investment in the region increase by 20%</p> <p>Improvement of the bilateral relations between Romania and Bulgaria by the end of 2006</p>	<p>Government and international statistics</p> <p>Protocols of cooperation signed between the two countries</p> <p>Reports from local authorities and NGOs</p>	
Project Purpose	Objectively verifiable indicators	Sources of Verification	Assumptions

<p>- Strengthening the capacity to prepare adequate programmes and projects in the context of Phare Cross Border Cooperation Programme between Romania and Bulgaria, with a view of financial support under future Phare CBC programmes</p> <p>- Support the relevant authorities to prepare a pipeline of mature projects in economic development, infrastructure and environmental sectors to be proposed for future Phare CBC programmes.</p>	<p>Increase with at least 25 the number of experts within the Romanian authorities able to prepare new projects.</p> <p>Well prepared Financing Proposals for future programmes including mature projects ready to start implementation after signing of the relevant Financing Memoranda as of 2005.</p>	<p>Monitoring and assessment reports; reports of the Phare IA (RO). Programme evaluation</p>	<p>Efficient programme management (implementation, monitoring assessment); Continued commitment of the Government towards the priorities of the programme and regional development; availability of qualified staff and institutional support; sustained interest of the border region population in development and co-operation.</p>
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<p>1. Improved programming and implementation of CBC programmes</p> <p>2. Revised JSPF documents</p> <p>3. Pipeline of mature projects to be financed by future RO/BU CBC programmes (relevant background documentation, feasibility studies, project technical designs, terms of references, technical specifications and tender dossiers etc completed)</p>	<ul style="list-style-type: none"> • One JPD to be improved • One JSPF package improved. • Number of 5 mature projects each in the economic development , local infrastructure and environment area for Phare CBC Programmes prepared under the TA. 	<p>CBC IA reports; project completion reports; monitoring and assessment reports; Financing proposals</p>	<p>Availability of adequate funds through the next Phare CBC Programmes to finance the prepared projects Availability of co-financing for the prepared projects from the Bulgarian authorities</p>
Activities	Means	Sources of Verification	Assumptions

PPF will provide preparation/revision of: 1.1/3.1: feasibility studies. 1.2/3.1: detailed designs of investment projects. 1.3/3.3: tender dossiers, including technical specifications, terms of reference, procurement plans and other relevant documents. 1.4/3.4: Environmental impact assessments 1.5/2.1: JSPF documentation	8.00 MEURO contracted and disbursed Adequate team of consultants providing good quality information and advice to the CBC Directorate employees on preparation and implementation of projects	reports issued by MIE and consultants MIE bank statements	Well functioning co-operation and co-ordination between Romanian and Bulgarian Authorities; Continuity of staff and policy in MIE and other involved institutions enabling preparation and implementation of the projects without delays. Availability of necessary information to prepare good quality documents for the preparation of the projects
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Annex 2 – Detailed implementation chart <i>Project title:</i> RO2003XXXX - Project Preparation Facility														
Project	3Q 2003	4Q 2003	1Q 2004	2Q 2004	3Q 2004	4Q 2004	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2005	3Q 2005	4Q 2005
Project Preparation Facility		T	C/I	I	I	I	I	I	I					

T: Tender Procedures

C: Contracting

I: Implementation

Annex 3 – Contracting and disbursement schedule by quarter

Project title: RO2003xx.xx- Project Preparation Facility

Components	Cumulative contracting schedule by quarter in Meuro (planned)														Total Phare Allocatio n
	2003		2004				2005				2006				
	III	IV	I	II	II	IV	I	II	II	IV	I	II	II	IV	
Project Preparation Facility			0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total contracting:			0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Components	Cumulative disbursement schedule by quarter in Meuro (planned)														Total Phare Allocatio n (Meuro)
	2003		2004				2005				2006				
	III	IV	I	II	II	IV	I	II	II	IV	I	II	II	IV	
Project Preparation Facility				0.06	0.12	0.18	0.24	0.28	0.30	0.30	0.30	0.30	0.30	0.30	0.3
Total disbursement:				0.06	0.12	0.18	0.24	0.28	0.30	0.30	0.30	0.30	0.30	0.30	0.3