

STANDARD SUMMARY PROJECT FICHE

1. Basic Information

1.1 CRIS number:	2003/005-631.06
1.2 Title:	PROJECT PREPARATION FACILITY (PPF) for the Phare CBC Programme Bulgaria -Romania
1.3 Sector:	
1.4 Location:	Bulgaria

2 Objectives

2.1. Overall objectives

The Project Preparation Facility (PPF) will support the preparation of projects within the future Phare CBC programmes, namely:

- to help the border regions to overcome specific development problems resulting from their relative isolation in the framework of national economies;
- to establish and develop co-operative networks between the districts in Bulgaria as well as in the border regions of Romania.

Good absorption capacity for EU financial support.

2.2. Purpose of the project

Strengthening the capacity to prepare adequate programmes and projects in the context of Phare Cross Border Cooperation Programme Romania/Bulgaria with a view of financial support under future Phare CBC programmes

Support the relevant authorities to preparing a pipeline of mature projects in infrastructure economic development and environment that will be proposed for Phare CBC BG-RO 2004-2006 Programme.

2.3 Accession Partnership and NPAA priority

Accession Partnership

PPF correspond to one of the *Public Administration* priorities:

- Strengthen administrative structure to ensure it has the necessary capacity for fully effective use of and proper accounting for EC funds.

The proposed PPF will play a key part in the process of preparation of Bulgaria for the accession. 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 Phare CBC BG-RO programme. 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 MRDPW is responsible, at central level, for the overall co-ordination for the Phare CBC Programmes in Bulgaria. 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 Bulgaria 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 infrastructural CBC Programmes and, indirectly, to provide assistance to line Ministries and Governmental Organisations with the preparation of 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 Bulgaria 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.

Experience from other programmes has learned that there is ample scope for including a Project Preparation Facility (PPF) to be used for financing short-term technical assistance required for a proper design of project activities finally resulting in more mature project formats.

3.2 Linked activities:

BG-9904.04 Cross Border Co-operation between Bulgaria and Greece (TA);

BG-0106 Cross Border Co-operation between Bulgaria and Greece (IB, INV);

BG-9916.03 Cross Border Co-operation between Bulgaria and Romania (TA). Under this project, the axes of development for the whole period of CBC will be reviewed. On a more practical level, the selected consultant will assist the relevant authorities in operating the Joint Small Projects Fund (JSPF) and will further elaborate the existing guidelines for the operation of the JSPF.;

BG-0007.03 and .04 Cross Border Co-operation between Bulgaria and Romania (TA, IB, INV);

BG-0107.05 Cross Border Co-operation between Bulgaria and Romania (IB, INV);

BG-9904.04.03.01 Preparation of Cross-Border Development Plan (TA);

BG-9904.04.04.03 TA to the Phare CBC Department at the MRDPW (TA) and **BG-9904.04.04.04** TA to the REA PIU (TA). Both projects provided vital assistance to the beneficiaries, which faced difficulties with Phare project management as a result of long-term staffing problems (especially at the REA) and restructuring of MRDPW;
BG-0106.07 Joint Small Project Fund (INV);
BG-9916.03.01 Preparation of CBC Plan between Bulgaria and Romania (TA);
BG-0007.04.01 Joint Small Project Fund (INV);
BG-0008.01.01.05 Technical Assistance to the CBC Department at the MRDPW (TA);
BG-0107.05 Joint Small Project Fund (INV);
2002/000-623-04 Joint Small Project Fund – Romania (INV);
2002/000-624-05 Small Project Fund – Greece (INV);
2002/000-623-05 Project Preparation Facility for the Phare CBC Programme BG-RO;
2002/000-624-06 Project Preparation Facility for the Phare CBC Programme BG-GR;

3.3 Results

Establishment of a Project Preparation Facility that will provide short-term technical assistance for three calendar years (2004-2006), in order to support the Phare CBC IA within the Ministry of Regional Development and Public Works for the Phare CBC Bulgaria - Romania programme. 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 Bulgarian 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.

3.4 Activities:

The project will provide direct support to the Programming Department and 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 Programming Department and the Phare CBC IA within the Ministry of Regional Development and Public Works is basically focused on the preparation, completion and revision of infrastructure projects, as follows:

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
6. TA on FIDIC

3.5 Lessons learned

In EMS Interim Evaluation Reports R/BG/TRA/02.003 dated 20 June 2002 and R/BG/TRA/02.014 dated 09 January 2003 were highlighted a lot of problems standing in front of CBC Department at the MRDPW. Elaboration of two PPFs (2002/ 000-632-05 and 2002/000-624-06) was an effort to overcome interministerial problems and an urgent task to bring technical assistance needed for supporting preparation of future CBC projects with Romania and Greece.

Phare CBC 2002 FM with Greece and Romania were ratified by the Parliament on 25 June 2003 and 2002/ 000-632-05 and 2002/000-624-06 PPF for the Phare CBC Programming with Romania and Greece respectively have not yet started.

In recent Monitoring and Assessment reports (EMS Interim Evaluation Reports R/BG/TRA/03.076 dated 22 August 2003) was stated, that recent significant staff changes and restructuring at the MRDPW for the second time since June 2001 have resulted in a loss of institutional memory and continuing low levels of project management capacity at the MRDPW. The CBC Department at the MRDPW continues to lack adequate secretarial support and information storage and retrieval system remains disorganised.

So in light of above mentioned discrepancies between real situation in MRDPW and activities needed to assimilate the experience for work with pre-accession Phare instrument submitting for financing of PPF for the second year is prompted by the need of capacity building and know-how transfer.

4 Institutional Framework

- **Beneficiary Institution** – Ministry of Regional Development and Public Works, Bulgaria
- **Contracting Authority** - Ministry of Regional Development and Public Works, Bulgaria

5 Detailed Budget

Component/Sub-Project	Phare Support (in MEUR)					
	Investment Support (I)	Institution Building (IB)	Total Phare (I+IB)	National Co- financing	IFI	TOTAL
Project Preparation Facility (PPF)		0.500	0.500	0	0	0.500
Total		0.500	0.500	0	0	0.500

6 Implementation Arrangements

6.1. Implementing Agency

The Implementing Agency will be the Ministry of Regional Development and Public Works, 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.

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6.2. Twinning Arrangement

Not Applicable

6.3. Non-standard aspects

There are no non-standard contracts or tender procedures envisaged within this project. “The Practical Guide to Phare, ISPA and Sapard Contract Procedures” will be strictly followed.

6.4 Contracts

One Service Contract will be concluded under “Project Preparation Facility” - MEUR 0.5

7 Implementation Schedule

7.1 Start of tendering/call for proposals

ToRs ready by October 2003

Announcement for tender launched in November 2003

7.2 Start of project activity: January 2004

7.3 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. Special attention will be paid to ensure that women and members of ethnic groups are included in the projects activities.

9 Environment

Not Applicable

10 Rates of return

Not Applicable

11 Investment criteria

Not Applicable

12 Conditionality and sequencing

Annexes to project Fiche

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

LOGFRAME PLANNING MATRIX FOR Project	Programme name and number	
<i>Project Preparation Facility (PPF)</i>	Contracting period expires 30.11.2005	Disbursement period expires 30.11.2006
	Total budget : 0.5 MEUR	Phare budget : 0.5 MEUR

Overall objective	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>Good absorption capacity for EU financial support.</p>	<ul style="list-style-type: none"> Bulgaria prepared to effectively use EU support. 	<ul style="list-style-type: none"> Annual Report; Mid-term Reports; 	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Improved management of Phare CBC Programmes prepared under the PPF; 20% increased number of experts within the Bulgarian authorities 	<ul style="list-style-type: none"> Monitoring and assessment reports; Reports of the Phare IA (BG); CBC Phare Programme evaluation. 	<ul style="list-style-type: none"> Efficient programme management (implementation, monitoring, assessment); Continued commitment of the

<ul style="list-style-type: none"> • Support the relevant authorities to prepare a pipeline of mature projects in both infrastructure and environmental sectors to be proposed for future Phare CBC programmes. • Strengthening the capacity of MRDPW CBC Department through preparing a pipeline of mature projects focused on the preparation, completion and revision of infrastructure projects that will be proposed for Phare CBC BG-RO 2004-2006 Programme. 	<p>able to prepare new projects;</p> <ul style="list-style-type: none"> • Well-prepared Financing Proposals for future programmes including mature projects ready to start implementation after signing of the relevant Financing Memoranda. 		<p>Government towards the priorities of the programme and regional development;</p> <ul style="list-style-type: none"> • Availability of qualified management staff; • Sustained interest of the border region population in infrastructure development and co-operation.
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> • Provided short-term technical assistance for three calendar years, in order to support the Phare CBC IA within the MRDPW for the Phare CBC Bulgaria - Romania programme. 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 Bulgarian 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. 	<ul style="list-style-type: none"> • Number and quality of all documents focused on the preparation, completion and revision of infrastructure 3 projects for the period 2004-2006; • Prepared programming phase and improved quality of 3 projects for the period 2004-2006 submitted for funding and success rate. 	<ul style="list-style-type: none"> • CBC IA reports; • Project completion reports; • Monitoring and assessment reports; • Financing proposals. 	<ul style="list-style-type: none"> • 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.

Activities	Means		Assumptions
<p>PPF will provide preparation/revision of infrastructure projects, as follows:</p> <ul style="list-style-type: none"> • feasibility studies; • detailed designs of investment projects; • tender dossiers, including technical specifications, terms of reference, procurement plans and other relevant documents; • environmental impact assessments; • JSFP documantation. 	<ul style="list-style-type: none"> • Phare CBC allocation contracted and disbursed; • Adequate team and number of consultants; • Technical assistance contract; • Printing materials. 	<ul style="list-style-type: none"> • Financial reports issued by MRDPW IA; • Report from consultants; • MRDPW bank statements. 	<ul style="list-style-type: none"> • Availability of qualified consultant staff.
			<p>Preconditions</p> <ul style="list-style-type: none"> • Continuity of staff and policy in MRDPW and other involved institutions enabling preparation and implementation of the projects without delays. •

Annex 2 – Detailed implementation chart

Project title: 2003/005-631.06 - 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 2006	3Q 2006	4Q 2006
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: 2003/005-631.06 - Project Preparation Facility

Components	Cumulative contracting schedule by quarter in MEUR (planned)														Total Phare Allocation
	2003		2004				2005				2006				
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Project Preparation Facility			0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total contracting:			0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Components	Cumulative disbursement schedule by quarter in MEUR (planned)														Total Phare Allocation (MEUR)
	2003		2004				2005				2006				
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Project Preparation Facility				0,20	0,30	0,40	0,47	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50
Total disbursement:				0.20	0.30	0.40	0.47	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.5