

SUMMARY PROJECT FICHE

1. Basic Information

- 1.1 Désirée Number: BG 0003.04
Twinning Code: BG/2000/IB/EY/01
- 1.2 Title: **INSTITUTION BUILDING AT THE STATE ENERGY REGULATORY COMMISSION**
- 1.3 Sector: **Energy**
- 1.4 Location: Sofia, Bulgaria

2. Objectives

2.1 Wider Objective:

A State Energy Regulatory Commission (SERC) was established under the Law on Energy and Energy Efficiency adopted in July 1999 as a state body financed by the national budget and subordinate to the Council of Ministers. The wider objectives of the project are as follows:

- To support the reform and restructuring of the energy sector and its market orientation through the implementation of the regulatory framework in all its aspects.
- To develop effective administrative structures that will allow Bulgaria as a candidate country to fulfil its Community obligations in the long run.
- To support the adoption of the *acquis communautaire* in the energy field.

2.2 Immediate Objectives:

- To review and support the completion of the energy regulatory framework that is being developed during 2000 and where necessary propose and draft improvements ensuring harmonisation with relevant EU-legislation.
- To strengthen the operations of the SERC as an independent energy regulator, and ,in particular to improve its capacity to:
 - Develop and enforce a system of Licenses and Permits for energy sector companies (electricity, natural gas, and heating);
 - Introduce and enforce general rules on the operation of energy wholesale and distribution markets;
 - Implement a Tariff and Pricing Methodology based on cost recovery for the electricity, gas and heating sub sectors;
 - Fulfil its regulatory and control tasks by creating the conditions and procedures for the collection of relevant information from private and public organisations in the energy sector, in order to allow for a proper

monitoring of the compliance with market rules, licensing conditions and tariff and pricing rules;

- Introduce a general framework for the SERC in order to promote and oversee energy sector investments within its competence.

2.3 Accession Partnership and NPAA priority

Accession Partnership

The Accession Partnership 1999 with the Republic of Bulgaria sets the following as short-term priorities for the Bulgarian Energy sector:

- Implement the energy law and adopt related secondary legislation; prepare legislation by sector and related reform plans (electricity and gas) and strengthen the regulatory bodies;
- Establish a price and tariff structure leading to cost based and transparent energy prices;

The National Programme for Adoption of the (Energy) Acquis

The key objective of the *acquis* concerning conventional energy (excluding the maintenance of 90-day stocks of oil and other petroleum products and the application of crises measures) is the need to establish comprehensive regulation of the relationships in view of the state management and regulation of this sector, as well as of the rights and obligations of the legal entities engaged in the operations of the electricity, heat and natural gas subsector. The objective also comprises the introduction of market mechanisms in the energy sector with the aim to bring the sector in line with EU-legislation, while at the same time accounting for the national specifics of development.

The NPAA outlines a series of short and medium-term actions to be taken by the Government and the state bodies, including their timeframe. The three state bodies have been established and their structures and mandates adopted in 1999. Further actions in the medium term for the State Energy Regulatory Commission are 1) Regulations on the imposition of obligations for public service, 2) training of experts on regulation of prices and of issuance of licenses and permits.

The proposed project addresses both the legal framework through support for the completion of the package of bylaws stipulated in the EEEL, as well as strengthening of the SERC through the implementation of key-regulatory activities, such as the enforcement and monitoring of energy market rules compliance, licensing system compliance and pricing methodology.

3. Description

3.1 Background and justification:

The setting up of an independent regulator who can deliver a stable, transparent and non-discriminatory regulatory framework is a major task in order to reform the energy sector and meet the requirements of a competitive energy market.

According to the three-year Action Plan for the energy sector, the restructuring of the energy sector requires a major part of the legislative framework to be in place, such as the energy market rules, energy contracts, licensing system and pricing rules.

The model of the Single Buyer will be implemented. In accordance with the model NEK will be decentralised into separate legal entities dealing with power production, -transmission and –distribution.

The timetable for official adoption by the Council of Ministers of proposals for most legislation and organisation changes is March 2000. In other words, all big power plants will be separated from today's NEK as legal and commercial entities as well as the distribution companies.

The transmission activity will stay in NEK together with the central dispatching board. The transmission network, according to Bulgarian standards, includes high and medium level voltage grid, i.e. above 110 kV. Eventually, in the beginning some 110kV will be included in the transmission grid. The new NEK will be in fact the Single Buyer. The distribution companies will be separated from NEK. The distribution network includes the grid under 110 kV. During the first period of the transmission process each distribution company will be the natural monopoly in its region.

The secondary legislation according to the Energy and Energy Efficiency Law includes all regulations that specify the details of the law implementation. The secondary legislation has to present the specific mechanisms of implementing the law. Nine months after adoption of the Law the SERC should submit all required secondary legislation to the Council of Ministers. One year after adoption, all entities in the energy sector should have a license to operate.

The preparation and implementation is mainly the task for the SERC. The capacity of the new regulator to deal with all these issues is not sufficient due to current staffing and housing problems.

The gradual Open Access to the energy networks is another major task for the SERC in the near future, as is the privatisation of energy companies.

Thus, the SERC has been given a wide range of functions under the law. However, as a new authority with limited (trained) staff and other resources to date, it has to establish a strong, professional and independent image in a relatively short time. It not only needs trained technical staff to meet its obligations, but also to manage its day-to-day operations as a regulatory body.

Therefore, the SERC needs technical assistance to complete and implement its regulatory framework and to strengthen its daily operations.

3.2 Linked activities:

The State Energy Regulatory Commission was physically established following the recommendations of Phare Project BG 9508-01-03 "Assistance with establishment of energy regulatory authority for Bulgarian Committee of Energy and Energy Resources".

Under a.m. project overall duties, functions, structure and requirements for Energy Regulatory Authority in Bulgaria have been outlined. The present project will build on findings of the above project.

The SERC has received technical assistance for its working groups on legislation through a Japanese Grant administered by the World Bank (1999 – June 2000).

The EU-SARA programme launched a TA-project in February 2000 on the development of a Grid Code, Power Purchase and Sales Agreements and a Pricing Methodology. The SERC will also receive assistance from the EU-SARA programme during April to July on the development of a Strategic Regulatory Action Plan and the development of an Information Management System.

It is expected that before the start of the current project the following will be achieved:

- Final Drafts of a major part of the legal Ordinances submitted to the Council of Ministers, such as the Grid Code, general rules on Power Purchase Agreements and Power Sales Agreements; general rules on the pricing methodologies and the general rules on licenses and permits.
- A Decision of the Council of Ministers on the restructuring of the electricity sector;

Annex 4 presents a list of other relevant projects implemented under different donors.

3.3 Results:

The expected results of the project, which will contribute to the operation of a competitive energy market and strengthen the SERC, are as follows:

- A. The finalised draft and introduction of relevant regulations to allow for the completion of the regulatory framework in the energy sector, taking into account medium-term energy sector development (e.g. Open Access) and harmonisation with relevant EU-legislation.
- B. A Pricing methodology for the electricity, gas and heat subsector, adopted and implemented.
- C. Prepared and adopted general Tender procedures, including tender documents for prospective investors in order to allow the SERC to oversee future investments in the energy sector.
- D. Implementation of an integrated Information Management System for the SERC that includes procedures for the collection, handling and processing of required information and the creation of a database.
- E. SERC staff adequately trained through on-the-job training by project experts and - upon demand- organised workshops/seminars on specific topics.

3.4 Activities

This project is aimed to assist the State Energy Regulatory Commission to become operationally effective as the principle means for the competitive opening of the energy markets and the establishment of transparent regulatory principles. The first year of its existence was spent mainly on developing -under a very tight timeframe stipulated under the new Energy and Energy Efficiency Law- a major part of the required secondary legislation. The activities envisaged for the project components are listed below and grouped according to the Results.

Result A. Regulatory Framework development

Activities:

- Review the existing planned or adopted regulatory framework, its main components being the system of Licenses and Permits, the Grid Code and Power Contracts, and the Tariffs and Pricing Methodology.
- Draft improvements and completing proposals with a particular focus on non-discriminatory principles, cohesion and consistency and harmonisation with relevant EU-legislation.
- Circulate the drafted proposals among relevant Bulgarian and foreign organisations and incorporate their comments in order to allow the SERC to submit the proposals -where appropriate- to the Council of Ministers.
- Develop a short- and medium-term Action Plan on general rules and the gradual introduction of Open Access and draft proposals where appropriate.

- Circulate the Action Plan and drafted proposals among relevant Bulgarian and foreign organisations and incorporate their comments for submission to the SERC.
- Assist the SERC in issuing concrete licenses and permits to the regulated energy sector companies.
- Prepare rules and regulations for the SERC-information requirements on the basis of a review of the adopted or planned secondary legislation.

Result B. Implementation of the Pricing Methodology

Activities:

- Review the adopted Pricing Methodology for electricity, gas and heat and the SERC's Tariff Approval procedures.
- Assist the SERC with the analysis of the actually collected information in order to evaluate tariff proposals.
- Review and improve the analysis tools, such as spreadsheet models used by the SERC and the pricing information collection.
- Define weaknesses and recommend and/or implement improvements of the adopted pricing methodology and tariff approval procedures, in particular to ensure transparency and non-discriminatory principles.

Result C. Prepare the SERC for investors in the energy sector

Activities:

- Develop general rules and procedures for Tenders for the SERC with respect to its role and obligations in future energy sector investments.
- Prepare information and tender documents for the SERC to be issued to prospective investors in the energy sector.

Result D. Implementation of the IMS

Activities:

- Review the regulatory framework for the energy sector in order to define the information flows to and from the SERC.
- Develop procedures for the collection, handling and distribution of the information flows from regulated energy companies for monitoring purposes.
- Design and establish an operational database, including the necessary hard and software, according to the specifications of the SERC (investment sub-component).
- Continue and improve the SERC's Public Information Campaign.
- Develop an integrated Information Management System for the SERC.

Result E. Provision of Training

Activities:

- Train SERC-staff through on-the-job training through the project's experts on topics such as:
 - Strategy development and implementation;
 - Implementing pricing methodology;
 - Management;
 - Human resources;
 - Quality control;
 - Dispute settlement;
 - Public Information Campaign;
- Organise upon demand workshops and seminars on specific topics.

4. Institutional Framework

The new National Energy Strategy was adopted by the Council of Ministers in July 1998. The new Energy and Energy Efficiency Law was adopted in July 1999. These two documents are in compliance with the European legislation. They are harmonised with the European Directives for gas and electricity.

After the adoption of the new Energy and Energy Efficiency Law, secondary legislation and regulations are being elaborated. According to the Law there are nine months for the elaboration of this secondary legislation.

After the adoption of the Law, the new institutional structures were created in compliance with the Law in August 1999.

There are four main state bodies for political and regulation purposes, as described below.

The State Agency for Energy and Energy Resources (SAEER) is the principal, owner of all energy utilities - the National Electricity Company (NEK), Bulgargaz, the coalmines and the district heating companies. SAEER is responsible for state energy policy and the energy strategy. It deals with national energy forecasts and balances, principal issues of technical and economic development and operation in the energy sector. SAEER creates conditions for the development of energy efficiency measures from the energy supply side.

The State Agency for Energy Efficiency (SAEE) is responsible for the energy efficiency plan aiming to create incentives for energy efficiency measures from the energy demand side.

The Committee for the Use of Nuclear Energy for Peaceful Purposes (CUNEPP) is the state regulator in the area of nuclear safety.

The State Energy Regulatory Commission (SERC) was established under the Law on Energy and Energy Efficiency adopted in July 1999 as a state body financed by the

national budget and subordinate to the Council of Ministers. The Commission consists of a Chairman, a Vice-Chairman and five members (Commissioners). The main tasks of the SERC are the following.

- The development and implementation of Licenses and Permits for energy sector companies (electricity, natural gas and heating) including new constructions;
- To introduce general rules for the operation of a Wholesale and Distribution Market, including sales contracts;
- To develop and implement a tariff and price setting methodology for electricity, gas and heat and to approve tariff proposals submitted by the energy sector companies;
- To monitor compliance of the companies to the market rules, licensing conditions and the tariff and pricing rules.

The SERC established four main divisions: Tariffs and Contracts, Licenses and Permits, General Administration and Control. The divisions are subdivided into different departments. Each of the Commissioners is responsible for a specific area. Currently, the SERC is busy finding proper senior and junior staff.

The SERC is subordinate of the Council of Ministers. The responsibilities of the four state bodies are to a certain extent clearly defined in the EEEL. In practice, however, the SERC has to build up its role and image from the beginning, while the SAEER and NEK still dominate the sector policy decisions. At the same time, the SERC is with respect to its staff still for a big part dependent on experts from the other state bodies.

5. Detailed Budget

	Phare Support (mEuro)					
	Investment Support	Institution Building	Total Phare (=IS+IB)	National Cofinancing*	IFI*	TOTAL
Contract 1: Twinning	-	1,000	1,000	-	-	1,000
Contract 2: Equipment	0,100	-	0,100	0,033	-	0,133
Total	0,100	1,000	1,100	0,033	-	1,133

6. Implementation Arrangements

6.1 Implementing Agency

All contractual and financial issues will be of the responsibility of CFCU, which will be the Implementing Agency.

The State Energy Regulatory Committee will actively participate in the process of selection of companies to be pre-qualified, by providing experts and in close co-operation with the CFCU contribute to a sound and good selection of companies to provide the requested services.

The SERC will appoint a high official as Senior Programme Officer. The SERC will provide necessary office space, equipment and general administrative support for a successful implementation of the project. SERC will co-finance the project with an additional 14 manmonths of local expert time and the office equipment from its budget.

Day-to-day project monitoring, administration and control for the effective provision of services will be placed upon SERC

6.2 Twinning

All activities mentioned before to produce the desired results can be implemented through a Twinning Arrangement with one or more interested European regulators. The recipient institution will be SERC. The contact person responsible from SERC for the implementation of the project and all project related issues is:

Mr. Angel Minev, Vice President of SERC
8, Dondoukov Blvd.
1000 Sofia
Bulgaria

The inputs of the SERC will consist of the following:

1. Human resources: the SERC will provide the experts from the relevant departments necessary to support the accomplishment of the specified project components;
2. Administrative and logistical support, such as adequate office space, office equipment, communications, fax and mailing facilities;
3. Travel costs for national officials visiting European countries in connection with twinning, as per twinning requirements.

The input from Phare Funds needed under this project will be investment support for specialised hard and software and for expert technical assistance. The following experts with specific expertise in the indicated fields are needed:

Long-term Advisor to the SERC (at least 18 months duration, 24 months if possible) with the following profile:

- Extensive experience and competence in the energy field, in particular in energy restructuring and regulatory issues;
- Extensive experience in project management
- Familiar with the institutions and practices of the main EU institutions
- Relevant university degree
- At least 10 years sound professional experience and not less than 5 years management experience
- Experience with institutional development projects
- Experience with the establishment of office and management procedures
- Expertise with on-the job training and daily knowledge transfer
- Fluency in English
- Computer skills
- Willingness to work in a team under considerable work pressure

Short term experts with relevant experience and competence to match the project components as follows:

Legal framework development:

- experts in the field of drafting of energy legislation, in particular in the fields of licenses, energy contracts and open access to energy networks;

Implementation of Tariff and Pricing methodology:

- experts in implementing energy tariffs and pricing and energy accounting in the field of electricity, natural gas and heat;

Prepare the SERC for investors in the energy sector:

- expert in the preparation of bidding procedures and tender documents for energy sector investments;

Implementation of the IMS:

- experts familiar with the energy sector and information management, including database technology;
- experts with experience in implementing information campaigns;

Provision of Training:

- expert in the field of management and management control systems;
- expert in human resources management

General requirements for the short term experts:

- Relevant university degree
- At least 5 years professional experience in the relevant field
- Expertise with on-the-job-training and daily knowledge transfer
- Fluency in English
- Relevant computer skills
- Ability to work in a team under considerable work pressure

In the event that no suitable twinning proposal is forthcoming, this component of the project will instead be implemented through conventional technical assistance.

6.3 Non-standard aspects

The rules and procedures outlines in the DIS Manual will strictly be followed. There are no non-standard procedures envisaged for the implementation of the project.

6.4 Contracts

Two contracts are expected with a value of around 1,100 mEuro.

Contract 1: Twinning (1 mEuro).

Contract 2: Equipment (0.1 mEuro).

7. Implementation Schedule

The funds provided for the implementation of the project will be used within 18 months after the project start.

7.1 Start of tendering:

The ToR is expected to be ready by July 2000

7.2 Start of project activity:

The expected project starting date is March 2001

7.3 Project Completion:

The project will be completed in December 2002.

8. Equal Opportunity

Equal participation in the project by men and women will be assured. There will be no restrictions as of gender, ethnic, religious, or political belonging.

9. Conditionality and Sequencing

Conditionality

1. The CoM should adopt a major part of the secondary legislation related to the energy sector by the end of 2000.
2. The Government should maintain its commitment on the restructuring of the energy sector, including maintaining its timetables for restructuring of the electricity and gas utilities.
3. Before the end of 2000, the SERC should be established in independent premises under clear contractual arrangements and should have recruited at least 80% of its specialist staff. The Government should ensure that the SERC is put in the condition to fully achieve this goal. The appointment of a Chairman for SERC is to be considered a necessary pre-condition for the achievement of this goal.

Sequencing

The project will be a logical continuation of previous assistance financed by Phare and other donors.

Linkages shall be established with other Phare-supported activities in the energy sector.

Annex 1

			Date of drafting: 23-02-00
LOGFRAME PLANNING MATRIX FOR Institutional Capacity Building of the State Energy Regulatory Committee			Contracting period expires: 31-12-2002
			Disbursement period expires: 31-12-2003
			Total Budget: 1,33 MEUR
			Phare contribution: 1,10 MEUR
Wider Objectives	Indicators of Achievement	How, When and By Whom Indicators Will Be Measured	Assumptions and Risks
<ul style="list-style-type: none"> To support the reform and restructuring of the energy sector and its market orientation through the implementation of the regulatory framework in all its aspects. To develop effective administrative structures that will allow Bulgaria as a candidate country to fulfil its Community obligations in the long run. To support the adoption of the <i>acquis communautaire</i> in the energy field. 	<ul style="list-style-type: none"> The reform in the energy sector is successfully implemented. Effective regulatory body. Successful adoption of the <i>acquis communautaire</i> in the energy sector 	<ul style="list-style-type: none"> EU Commission opinion Regular Reports of the EU-commission Government of Bulgaria through its NPAA 	<ul style="list-style-type: none"> Political and economic stability on national level Adherence to government policies and the provisions of the national energy strategy and the Three year action plan
Immediate Objectives	Indicators of Achievement	How, When and By Whom Indicators Will Be Measured	Assumptions and Risks
<ul style="list-style-type: none"> To review and support the completion of the energy regulatory framework that is being developed during 2000 and where necessary propose and draft improvements ensuring harmonisation with relevant EU-legislation. To strengthen the operations of an independent energy regulator, in particular to improve its capacity to implement, enforce and monitor the system of Licenses and Permits, the general rules on Wholesale and Distribution energy Markets, and the Tariffs and Pricing Methodology for the electricity, gas and heat subsectors. 	<ul style="list-style-type: none"> The proposed improvements and completion proposals for the energy regulatory framework have been drafted and submitted to the Council of Ministers. Licenses and Permits issued by the SERC. Pricing methodology implemented and Tariff approval decision submitted to the Council of Ministers. Legal obligations of the SERC fulfilled. 	<ul style="list-style-type: none"> Council of Ministers approval of the secondary legislation items EU Commission through reports on the screening of the <i>acquis</i> The Consultant to the National Counterpart through technical reports. Official publications, State Gazette and energy sector companies. 	<ul style="list-style-type: none"> Support from the institutions and companies in the energy sector in development of the regulatory framework. Continued commitment of the GoB to sustain an independent and effective regulator. SERC operational skills reach level to fulfil required tasks.

LOGFRAME PLANNING MATRIX (continued)

Results	Indicators of Achievement	How, When and By Whom Indicators Will Be Measured	Assumptions and Risks
<p>A. The finalised draft and introduction of relevant regulations to allow for the completion of the regulatory framework in the energy sector, taking into account medium-term energy sector development (e.g. Open Access) and harmonisation with relevant EU-legislation.</p> <p>B. A Pricing methodology for the electricity, gas and heat subsectors, adopted and implemented.</p> <p>C. Prepared and adopted general Tender procedures, including tender documents for prospective investors in order to allow the SERC to oversee future investments in the energy sector.</p> <p>D. Implementation of an integrated Information Management System for the SERC that includes procedures for the collection, handling and processing of required information and the creation of a database.</p> <p>E. SERC staff adequately trained through on-the-job training by project experts and -upon demand- organised workshops/seminars on specific topics.</p>	<ul style="list-style-type: none"> Proposals and recommendations on regulatory framework are delivered to SERC and submitted to CoM. Harmonisation with EU directives achieved. Action Plan on Open Access delivered to SERC. Pricing Methodology implemented and Tariff approval decision made by SERC. Tender documents and procedures established. Information Management System and Database operational. Guidelines/procedures for information flows are submitted to the SERC. Number of training courses. Number of SERC-staff trained. 	<ul style="list-style-type: none"> Technical reports approved by SERC Council of Ministers approve the submitted draft-regulations. Official publications, State Gazette, CoM and European Commission. SERC Public Information Campaign. Consultant to the National Counterpart through the progress and technical reports. 	<ul style="list-style-type: none"> Support from the institutions and companies in the energy sector in development of the regulatory framework. Continued commitment of the GoB to sustain an independent and effective regulator. SERC is sufficiently staffed at the start of the project. SERC operational skills reach level to fulfil required tasks. The ongoing TA-projects deliver envisaged results and outputs.

Annex 2

Institutional Capacity Building of the State Energy Regulatory Committee Detailed Implementation Schedule

[illegible]

Annex 3

Institutional Capacity Building of the State Energy Regulatory Committee CUMULATIVE QUARTERLY CONTRACTING AND DISBURSEMENT SCHEDULE (in mEuro)

									Budget Allocation (Phare-funds)
			Expected Contractual Commitments						
			2000				2001		MEURO
			Q1	Q2	Q3	Q4	Q1	Q2	
			31/03/01	30/06/01	30/09/01	31/12/01	31/03/02	30/05/02	
Contract 1: Twinning			0.00	0.00	0.00	0.00	1.00	1.00	1.00
Contract 2: Equipment			0.00	0.00	0.00	0.00	0.10	0.10	0.10
TOTAL Phare-Funds			0.00	0.00	0.00	0.00	1.10	1.10	1.10

		Disbursement (Payment) Schedule (Quarters)								Budget Allocation Phare-funds
		2000	2001				2002			MEURO
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
		31/12/00	31/03/01	30/06/01	30/09/01	31/12/01	31/03/02	30/06/02	30/09/02	
Contract 1: Twinning		0.00	0.20	0.30	0.50	0.70	0.90	0.90	1.00	1.00
Contract 2: Equipment		0.00	0.00	0.00	0.10	0.10	0.10	0.10	0.10	0.10
TOTAL Phare-Funds		0.00	0.20	0.30	0.60	0.80	1.00	1.00	1.10	1.10

Annex 4

Institutional Capacity Building of the State Energy Regulatory Committee

List of Related Projects and Studies

In addition to the projects mentioned under 3.2, the following projects are linked to the Phare 2000 project.

- BG9107-01-01-L001 - Organisation and Policy Formulation for the Energy Sector (NERA - UK)
- BG9107-01-15-L006 Technical Assistance for the Parliamentary Commission of Energy (NERA - UK)
- BG9107-01-15-(9) - Preparation of Energy Sector regulatory Framework (IC Consult - Germany)
- BG9411-01-01-L002 - Amendments to the draft Energy Law (IC Consult - Germany)
- BG9107-01-15 (7) - Power Sector Long Run Marginal Cost Study - PowerGen - UK
- BG9107-03-01-L002 - Electricity Pricing Seminar (Framework Consortium BCEOM)
- BG9601-02-02-L001 - Technical Assistance to the National Electric Company
- Electricity Tariff Structure Study (USAID) Bechtel
- Restructuring of the Bulgarian Electricity Sector (Know-How Fund) - London Economics.
- Phare Multi-country Programme: Regulation of Local Gas Distribution and Pricing (LE)

Annex 5

Indicative manmonths per project results

Institutional Capacity Building of the State Energy Regulatory Committee

Result A: Regulatory framework development

It is envisaged that this component will require approximately 6 manmonths of EU-experts and 8 manmonths of local experts. It is assumed that by the start of the project, the main components of the regulatory framework are adopted by the Council of Ministers.

Result B: Implementation of Pricing methodology

This component requires human resources in the form of 10 manmonths of EU-experts and 16 manmonths of local experts. It is assumed also that by the start of the project, the analysis tools for the pricing methodology and tariff approval are in place as a result of the EU-SARA project.

Result C: Prepare the SERC for investors in the energy sector

This component requires 3 manmonths of EU-experts and 2 manmonths of local experts to be procured.

Result D: Implementation of the IMS

The implementation of this component requires human resources as well as specialised hard- and software. It is expected that 10 manmonths of EU-expert time and 12 manmonths of local expert time are needed. The establishment of the database requires hardware (server, special computer network) as well as a professional database programme (Access, Oracle). It is assumed that the outline of the Information Management System and a preliminary design of the database are developed by the second EU-SARA project.

Result E: Provision of Training

The implementation of this component requires human resources. It is expected that 2 manmonths of EU-expert time and 2 manmonths of local expert time are needed.