

## **Standard Project Fiche**

### **1. Basic Information**

1.1 CRIS Number (Year 2): BG 2005/017-586.05.01

1.2 Title: Unallocated Institution Building Envelope

1.3 Sector: PAR

1.4 Location: Bulgaria

1.5 Duration: 22 months

### **2. Objectives**

2.1 Overall Objective(s):

Strengthening the institutions and administrative capacity for the transition to Structural Funds and the full application of the *acquis communautaire*.

2.2 Project purpose:

To provide Institution Building through assistance (twinning, twinning light or other form of technical assistance) to meet the requirements related to specific urgent and unforeseen needs identified in the course of the accession negotiation process.

In particular this facility may help to:

- assist the adoption and implementation of *acquis* in particular areas where assistance is still necessary;
- strengthen the institutional and operational capacity of public administration bodies in view of their role in the implementation of the EU *acquis*;
- to develop human resources of public administration institutions relevant for the implementation of the EU *acquis*
- to develop the institutions required to manage EU pre-accession assistance and implement the “Strategy for the Participation of the Republic of Bulgaria in the European Union Structural Funds”

2.3 Accession Partnership (AP) and NPAA priority

The Accession Preparation 2003 states: “Prepare a fully comprehensive public administration reform strategy, including an action plan, in 2003. The strategy should involve a twin track approach combining; continuing to support institution building directly relevant to the *acquis* and management of EC funds; and horizontal reform designed to improve the effectiveness of the public administration more generally”.

“Give more attention when the EC *acquis* is transposed, to how this can be implemented and enforced, including in the court system, at national, regional and local levels, in a way appropriate to the situation in Bulgaria”.

In addition, the Bulgaria AP contains requirements to:

“Make progress in implementing the Bulgarian National Strategy for preparation on Structural Funds and the Cohesion Fund. Continue to adopt the framework

legislation needed to implement the acquis under “Regional policy and co-ordination of structural instruments”.

“Bring administrative capacity to the units within the ministries designated or to be designated as future managing or paying authorities up to the level required for efficient and correct implementation of Structural Funds assistance (in terms of recruitment, career profiles and training)”.

“Make progress in ensuring compliance with acquis requirements for monitoring and evaluation of the Structural Funds, in particular for ex-ante evaluation and for the collection of the relevant statistical information and indicators”.

#### 2.4 Contribution to National Development Plan (and/or Structural Funds Development Plan/SDP)

Not applicable

#### 2.5 Cross Border Impact

Not applicable

### **3. Description**

#### 3.1 Background and justification:

Bulgaria has been the beneficiary of accession related PHARE institution building projects since 1998. A number of institution building projects have been or are being completed successfully in the form of full scale twinning with the assistance of Member States experts. However at this stage of Bulgaria's accession preparation there is a clear demand to establish a more flexible institution building instrument to address specific well-circumscribed self contained subjects of limited scope. The unallocated institution building envelope will provide the possibility to respond to emerging tasks in a more flexible and immediate way. In particular, projects will be supported in those areas in which an urgent or unforeseen task would come up during the accession negotiations or which have a high priority. The project may also cover the needs identified during the accession negotiations such as expertise of economic, social, legal and institutional nature.

#### 3.2 Sectoral rationale

Not applicable

##### 3.2.1 Identification of projects

Not applicable

##### 3.2.2 Sequencing

Not applicable

#### 3.3 Results

### 3.3.1 Project 1

#### 3.3.1.1 Purpose

To provide Institution Building through assistance (twinning, twinning light, or other form of technical assistance) to meet the requirements related to specific urgent and unforeseen needs identified in the course of the accession negotiation process.

#### 3.3.1.2 Results:

- Concrete administrative structures and management systems in place which satisfy the requirements of the *acquis communautaire* in a number of areas.
- Institutional reform and capacity building to ensure effective implementation of Bulgaria's strategy for management of pre-accession assistance and transition to Structural Funds

### 3.4 Activities (including Means)

The management of the Envelope shall be done following the principles below:

The projects applying for assistance should be justified with reference to the EC Regular Report, latest Accession Partnership and National Programme for the Adoption of the *Acquis* (NPAA).

The projects should be targeted to very specific areas where Institution Building support is required in relation to the challenges and requirements of the EU integration process and to the negotiation chapters: preparation for future structural and regional policies (including participation in Structural Funds), preparation of relevant administrative structures for future accession. The projects must yield a concrete, operational result in terms of the beneficiary country meeting a requirement in connection with EU *acquis*. Projects can be implemented in the form of twinning, twinning light and technical assistance **but preferable form will be twinning light**.

#### 3.5 Linked Activities:

- All institution building projects financed by PHARE since 1998
- The TAIEX Multi-beneficiary Programme, which acts as a complement to the national Phare programmes and is coordinated with them, responding to individual requests not covered in these programmes by tailor-made actions for each country in all fields of the *acquis*.
- SIGMA Muti-beneficiary Programme, which advises on the modernisation of general management systems of public institutions, oriented to accession priorities and complementing National Programmes for Institution Building and twinning.
- BG 0205.02 – Unallocated Institution Building Envelope.
- BG 2003/004-937.10.05 – Unallocated Institution Building Envelope
- BG2004/016-711.10.05 UIBE

### 3.6 Lessons learned:

Large number of institution building projects have been completed successfully in the form of Twinning or Twinning light with the assistance of Member States experts. The experience shows that this type of assistance has been particularly useful to respond quickly to urgent needs in preparation towards accession. This IB envelope is expected to provide Bulgaria the possibility to respond to the remaining tasks linked to the further strengthening of the administrative capacity for the full implementation of the aquis.

## 4. Institutional Framework

For the disbursement of the Unallocated Institution Building Envelope (UIBE) under 2005 Financing Memorandum the following rules shall be observed:

The amount of 1,322 MEURO shall be used to finance Twinning, Twinning Light and Technical Assistance projects. According to the EC recommendations Twinning Light shall be preferable. The Steering Committee for UIBE includes Director NAC services as Chairperson, the National Authorizing Officer representative and the Central Finance and Contracts Unit (CFCU) representative as voting members as well as the European Commission Delegation (ECD) representatives as non-voting members.

## 5. Detailed Budget

Year 2005 Institution Building support  €M	Phare/Pre-Accession Instrument support	Co-financing			Total Cost
		National Public Funds (*)	Other Sources (**)	Total Co-financing of Project	
IB Envelope	1,322				1,322
<b>IB support</b>	<b>1,322</b>				<b>1,322</b>
<b>Total project 2005</b>	<b>1,322</b>				<b>1,322</b>

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*\* up to 10 % national co-financing shall be provided through the National Fund for Twinning and Twinning light projects*

## 6. Implementation Arrangements

The Implementing Agency will be the Central Finance & Contracting Unit (CFCU) in the Ministry of Finance. CFCU will work closely with both the NAC and each beneficiary institution that receives assistance under the facility. The NAC will be

responsible for overseeing implementation of general training provided under the facility. The relevant beneficiary institution will be responsible for overseeing project-specific assistance provided under the facility.

The Programme Authorising Officer will be the State Treasurer of the Ministry of Finance.

Contact details:

State Treasurer of the Ministry of Finance

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1000 Sofia

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Secretariat of UIBE 2005 will be the Management of EU Funds Directorate at the Ministry of Finance. It will develop Rules for Implementation and Criteria for project selection that will be approved at the Kick-off meeting of the UIBE StC. Each application will meet the requirements of the Project Fiche and the approved Criteria for project selection. The Secretariat will circulate the Criteria for project selection and Rules for implementation to the Sectoral Coordinators who will inform the beneficiaries on the base of identified needs

6.1 Twinning

Beneficiary institutions are not determined, due to the nature of the envelope.

6.2 Non-standard aspects

The Practical Guide to contract procedures financed from the General Budget of the European Communities in the context of external actions and the Common Twinning Manual will be strictly followed.

6.3 Contracts

Due to the nature of the envelope for the time being it is not possible to foresee the number and value of contracts.

**7. Implementation Schedule**

7.1 Start of tendering/call for proposals

As defined in Annex 3

7.2 Start of project activity

Contracts may be signed only after the signature of the Financing Memorandum for the Phare 2005 National Programme, 2<sup>nd</sup> part

7.3 Project completion

Projects for each year must be completed before the expiry date of the end of execution of contracts in the Financing Memorandum for the Phare National Programme 2005, ie 30 November 2008.

**8. Equal Opportunity**

Equal opportunity for men and women will be guaranteed.

**9. Environment**

Not applicable

**10. Rates of return**

Not applicable

**11. Investment criteria**

Not applicable

**12. Conditionality and sequencing**

The distribution of the envelope will start upon the allocation of funds under the UIBE project within NP Phare 2005 – I part.

The beneficiary institutions are bound to provide the twinning partner with adequate staff and other resources (including translation and interpretation) to operate effectively. The full commitment and participation of senior management of the beneficiary institution is required for the implementation of the projects.

The sequencing is subjected to the deliberations of the Steering Committee meetings.

Support for institution building in the context of Bulgaria's transition to Structural Funds will be consistent with the government's final strategy for transition to Structural Funds.

**ANNEXES TO PROJECT FICHE**

1. Logframe in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule
4. For all projects: reference list of feasibility/pre-feasibility studies, indepth ex ante evaluations or other forms of preparatory work. For all investment projects, the executive summaries of economic and financial appraisals, environmental impact assessments, etc, should be attached – Not applicable
5. Reference list of relevant laws and regulations – Not applicable

6. Reference list of relevant strategic plans and studies (may include institution sector strategies, development plans, business development plans, etc) Not applicable
7. Annex 7: Indicative timetable of the Steering Committee

LOGFRAME PLANNING MATRIX		Programme name and number	Unallocated IB envelope
UNALLOCATED INSTITUTION BUILDING ENVELOPE		Contracting period expires: 30 November 2007	End of execution of contracts expires: 30 November 2008
		Total budget : 1,322 meuro	Phare budget : 1,322 meuro
<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	
<ul style="list-style-type: none"> <li>Strengthening the institutions and administrative capacity for the transition to Structural Funds and the full application of the acquis communautaire</li> </ul>	<ul style="list-style-type: none"> <li>Increasing number of Bulgarian institutions completely ready to manage Structural Funds and apply the acquis communautaire</li> </ul>	<ul style="list-style-type: none"> <li>Accession partnership</li> <li>Regular Report</li> <li>Structural Funds Strategy</li> </ul>	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<ul style="list-style-type: none"> <li>Completion of some specific urgent, unforeseen needs identified in the course of the accession negotiations, the NPAA, the preparation of the Action Plan for Administrative and Judicial capacity and the Structural Funds strategy</li> </ul>	<ul style="list-style-type: none"> <li>Acceleration of the progress within ministries/institutions towards meeting the requirements of the acquis and Structural Funds strategy</li> </ul>	<ul style="list-style-type: none"> <li>Minutes of the monthly project review meetings</li> <li>Monitoring reports</li> <li>Regular report</li> </ul>	<ul style="list-style-type: none"> <li>The identified tasks are completed in time and effectively</li> <li>Structural Funds strategy is agreed</li> </ul>
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<ul style="list-style-type: none"> <li>Concrete administrative structures and management systems in place which satisfy the requirements of the acquis communautaire in a number of areas.</li> <li>Institutional reform and capacity building to ensure effective implementation of Bulgaria's strategy for management of pre-accession assistance and transition to Structural Funds</li> </ul>	<ul style="list-style-type: none"> <li>Specific identified tasks have been completed with the help of MS experts or TA provided by experts selected through the Practical Guide to contract procedures financed from the General Budget of the European Communities in the context of external actions</li> </ul>	<ul style="list-style-type: none"> <li>twinning experts reports</li> <li>Monitoring reports</li> </ul>	<ul style="list-style-type: none"> <li>The beneficiaries allocate appropriate human and financial resources to the specific task</li> </ul>
<b>Activities</b>	<b>Means</b>		<b>Assumptions</b>
<ul style="list-style-type: none"> <li>Utilisation of the facility providing support for IB projects</li> </ul>	<ul style="list-style-type: none"> <li>TwL, Tw, TA</li> </ul>		<ul style="list-style-type: none"> <li>Appropriate twinning partners will be found</li> </ul>



## ANNEX 3

Detailed implementation chart

Component	2006												2007												2008											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Unallocated Institution Building Envelope	D	D	D	D	D	D	T	T	T	T	T	T	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	E	

D: Design T: Tendering/ Call for proposals and contracting I: Implementation E:Ending

Due to the nature of the facility the various phases of the project cycle will in practice run in parallel contract by contract.

## Annex 4

### CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

Contracts		12/ 2006	03/ 2007	06/ 2007	09/ 2007	12/ 2007	03/ 2008	06/ 2008	09/ 2008	12/ 2008
Unallocated Institution Building Envelope	Contracted	1,322								
	Disbursement	0,661	0,720	0,790	0,850	0,920	1,060	1,120	1,190	1,322

Due to the nature of the facility the contracting and disbursement schedule can be estimation only.

## **ANNEX 7**

### **INDICATIVE TIMETABLE OF THE STEERING COMMITTEE**

January 2006	Kick-off meeting of StC in order to define methods and strategy of the use of the funds
From January 2006	Start of StC Sessions for the allocation of the funds
From June 2006	Call for proposals for twinning and twinning light; start of tendering TA
From January 2007	Start of twinning light/twinning projects or TA
November 2007	Last contracting date
September 2008	Completion of the IB implementation
November 2008	Last contracting date