

IPA 2010 National Programme for Albania
Project Fiche N°5
Project Preparation Facility

1. Basic information

- 1.1 CRIS Number:** 2010/022-530
1.2 Title: Project Preparation Facility
1.3 ELARG Statistical code: 01.40 Obligation of Membership/Project Preparation Facility
1.4 Location: Albania

Implementing arrangements:

- 1.5 Contracting Authority:** The European Union represented by the European Commission on behalf of the beneficiary country.
- 1.6 Implementing Agency:** Delegation of the European Union to Albania in (partly) indirect centralised management with Austrian Development agency (ADA).
- 1.7 Beneficiary:** Albanian Ministry of European Integration and Line Ministries.

The Project manager for the project is:

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Financing:

- 1.8 Overall cost (VAT excluded)¹:** EUR 1 500 000
- 1.9 EU contribution** EUR 1 500 000
- 1.10 Final date for contracting:** Two years following the date of the conclusion of the Financing Agreement.
- 1.11 Final date for execution of contracts:** Two years following the end date of the contracting.

¹ The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated

1.12 Final date for disbursements: One year following the end date for the execution of contracts.

2. Overall Objective and Project Purpose

2.1 Overall Objective

The overall objective of this project is to strengthen the capacity and accountability of the Ministry of European Integration and Line Ministries and to guarantee quality of services and a sustainable role of GoA in the planning, programming and implementation of the IPA national programme.

2.2 Project purpose

The purpose of the Project Preparation Facility is to allow sound project identification and preparation of IPA programmes/projects in order to assure an effective implementation.

2.3 Link with AP/NPAA / EP/ SAA

The project will enhance the authorities' ability to prepare projects that help Albania meet the full range of its priorities deriving from the European Partnership² and Multi-annual Indicative Planning Document, as well as from the Stabilization and Association Agreement (SAA), which was signed on 12 June 2006 and entered into force on 1 April 2009. The Project Preparation Facility has been designed in a flexible manner to support also the initiatives contributing to such projects.

2.4 Link with MIPD

This project is in line with MIPD 2009-2011 provisions. In the MIPD, among other objectives, it is quoted under chapter 2.3.1 the "*Support to the implementation of the current reform of the public administration; strengthen capacities of local governments; strengthening of European Integration structures*".

2.5 Link with National Development Plan

Not applicable

2.6 Link with national/ sectoral investment plans

Not applicable

3. Description of project

3.1 Background and justification:

The overall capacity of the Ministry of European Integration and Line Ministries, despite the overall progress done during the last programming exercise, still needs strengthening. The PPF arises from a

² The European Partnership Document for Albania adopted by Council Decision of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Albania and repealing Decision 2006/54EC.

need to support the technical capacity of the Ministry of European Integration and Line ministries in the preparation and follow-up of implementation of activities defined in the IPA programmes and the attainment of their objectives.

Going toward the decentralisation process (DIS), further support is needed to build the necessary capacities of Line Ministries in project management and monitoring.

The Project Preparation facility (PPF) for a total maximum amount of EUR 1.5 million, will support needs assessment, feasibility studies and other activities allowing an effective preparation, implementation and follow up of EU assistance under IPA programmes. Preparatory activities may cover also, training, seminars, supervisory services and related technical assistance. Follow-up will consist of activities extending or supplementing other actions already defined under IPA assistance and which have become necessary in order to achieve the intended results, without prejudice to Articles 242, 244 and 246 of the Implementing Rules to the Financial Regulation.

Part of the 2010 allocated funds (EUR 0.5 million) will cover the second phase of the ongoing IPA 2008 funded Project Preparation Facility (PPF) implemented through Indirect Centralised management (ICM) with the Austrian Development Agency (ADA) in accordance with Article 54(2)(c) of the Financial Regulation.

For contract directly managed by the Delegation preparatory activities will be followed up by Delegation. ADA will concentrate on support for preparation of Project Fiches, ToR and DIS related activities.

Actions to be supported are likely to include inter alia: recruitment of short-term technical assistance (local and international) for preparatory activities as needs assessments, preparation of feasibility studies, of terms of reference and for technical specifications for supply and works contracts which will ensure appropriate tender procedure. In this regard, full respect will be given to the rules regarding the procurement and calls for proposals in the Financial Regulation.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The foreseen impact of the project is better programming and enhanced ownership and sustainability of IPA projects. The present support could also be used for follow up, monitoring and evaluations (technical and financial) of projects in order to ensure efficiency, effectiveness and impact in line with the identified objectives and in line with EU financial regulations.

3.3 Results and measurable indicators:

Results:

Upon its completion, the Project Preparation Facility should have resulted in the preparation of well justified and good-quality project proposals and tender documentation and proper and timely implementation of IPA programmes.

The main indicators related to the project will be the following:

- dates of next programming exercises compliant with schedule;

- reduced number of comments from HQ on project fiches;
- reduced number of deviations from programming and contracting planning.

3.4 Activities:

In general terms, Technical Assistance will be provided to the Albanian administration in order to strengthening their capacities in project identification, design preparation (preliminary and feasibility studies) and in monitoring and follow up (e.g. technical and financial evaluations). The assistance can also include training activities and direct support to the services of the Albanian Administration.

EUR 0.5 million will cover the second phase of the ongoing IPA 2008 PPF implemented through indirect centralised management with ADA.

A number of Technical Assistance teams will be established in support to the Ministry of European Integration and line ministries with a focus on enhancing their capacities in project preparation and implementation of actions foreseen under the national programmes. It is expected that the PPF will assist the Ministry of European integration in the preparation, implementation and coordination of IPA programme activities while enhancing the capacities of the line ministries on project cycle management and EU financial procedures.

The activities of the project include some or all of the following activities, but should not be strictly limited to the following list:

- Drafting or assessment of sector analysis for transposition of EP priorities to projects for the future use of EU pre-accession funds;
- Drafting of (pre-)feasibility and impact studies in relation to Albania's compliance with the SAA and carrying out (pre-) investment studies (environmental impact assessments, business plans, market studies, economic and cost-benefit analysis, investment appraisals etc) for the upcoming investments;
- Carrying out or facilitating workshops for the stakeholder consultations for project preparation;
- Preparation of project fiches, logical frameworks and all relevant annexes to programming documents;
- Baseline studies for impact indicators of projects;
- Preparation of procurement documents (terms of reference, technical specifications, bills of quantities, guidelines for grant schemes and other supporting documents for tender dossiers);
- Providing training relevant to any of the above-mentioned activities;
- Drawing up analyses, conducting needs assessment and providing recommendations for further enhancement of capacities, systems and co-ordination mechanisms for establishment of DIS and for implementation of EP and SAA priorities;
- Drafting manuals, working procedures, job descriptions, rulebooks and other procedural documentation for necessary systems and co-ordination mechanisms for establishment of DIS and implementation of EP and SAA priorities.

3.5 Conditionality and sequencing:

Conditionality required for the Project Preparation Facility is that Albanian Line Ministries are sufficiently staffed and IPA contact points, including SPOs, appointed. Relevant human and financial resources will be allocated by the Albanian Authorities.

3.6 Linked activities

Under IPA 2008 programme a technical assistance support to the Department of Public administration has been provided in order to strengthen the reform of the public administration. The first PPF IPA 2008 has been provided directly to the Ministry of European Integration and Line Ministries implemented through indirect centralised management with ADA.

Under IPA 2009 further PPF assistance will be provided to Ministry of European Integration and Line Ministries.

Support to the DIS process is currently provided under IPA 2007 and another is envisioned through IPA 2009.

3.7 Lessons learned

In the programming exercises carried out for IPA annual programmes 2007-2009 and the ongoing 2010 it appeared that the programming process is still suffering of weak technical capacity and specialised expertise of the Beneficiary institutions of IPA support. The availability of specialised expertise will facilitate the programming identification and implementation.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA EU CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(*)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
TA & PPF	X		1 500 000	1 500 000	100							
Multiple Service contracts	X		1 000 000	1 000 000								
Delegation Agreement	X		500 000	500 000								
TOTAL IB			1 500 000	1 500 000	100							
TOTAL INV												
TOTAL PROJECT			1 500 000	1 500 000	100							

* Expressed in % of the **Total** Expenditure (column (a))

5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Multiple contracts over the lifetime of the project (about 10 Framework Contracts or Twinning lights in an average value of €100,000.	1 st Q after signing of Financing Agreement and ongoing thereafter	Ongoing from 1 st Q after signing of Financing Agreement	Q4 2013
One Delegation Agreement (D.A).	N/A	1st Q after signing of Financing Agreement	Q3 2012

6. Cross cutting issues

6.1 Equal Opportunity

The principle of equal opportunities between women and men will be taken into account in mobilising Technical Assistance teams under the Project Preparation Facility. Attention will be paid to the gender dimension when determining the benefit of any foreseen training activities.

6.2 Environment

N.A.

6.3 Minorities

N.A.

ANNEXES

- 1- Logframe;
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme;
- 3- Description of Institutional Framework;
- 4- Details per EU funded contracts.

ANNEX 1: Logical framework matrix

LOGFRAME PLANNING MATRIX		Programme name and number Project Preparation Facility	
		Contracting period expires Two years following the date of the conclusion of the Financing Agreement.	Disbursement period expires one year after the end date for the execution of contracts.
		Total budget : EUR 1 500 000	IPA budget: EUR 1 500 000
Overall objective	Objectively verifiable indicators	Sources of Verification	
The overall objective of this project is to strengthen the capacity and accountability of the Ministry of European Integration and Line Ministries and to guarantee quality of services and a sustainable role of GoA in the planning, programming and implementation of the IPA national programme.		EU Progress Report	
The purpose of the Project Preparation Facility is to allow sound project identification and preparation of IPA programmes/projects in order to assure an effective implementation.	Objectively verifiable indicators - reduced number of comments from HQ on project fiches; - dates of next programming exercises compliant with schedule; - contracting on time.	Sources of Verification - exchanges of correspondence between Delegation and Headquarters; - programming calendar; - contracting forecasts.	Assumptions - active participation of MEI and beneficiary institutions in the programming exercise; - good quality of TA put in place supporting MEI and line ministries; - timely provision of TA
Results The Project Preparation Facility should have resulted in the preparation of well justified and good-quality project proposals and tender documentation and proper and timely implementation of IPA programmes.	Objectively verifiable indicators - dates of finalisation of programming; - dates of contracts signature; - dates of payments.	Sources of Verification - programming calendar; - contracting forecasts; - disbursement forecasts; - ROM monitoring reports.	Assumptions - timely identification of required TA expertise; - Albanian Line Ministries are sufficiently staffed and IPA contact points, including SPOs, appointed.
Activities - Services of Technical assistance mobilised supporting MEI and Line ministries activities.	Means Long and short term experts	Costs Services contracts: 1 000 000 Delegation agreement: 500 000	Assumptions - Appropriate TA expertise is mobilised in accordance with needs identified.
Pre conditions			

ANNEX 2: Amounts (in EUR) Contracted and disbursed by quarter for the project

Contracted	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Services contracts	200 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000		
Delegation agreement	500000										
Cumulated	700 000	800 000	900 000	1000 000	1 100 000	1 200 000	1 300 000	1 400 000	1 500 000		
Disbursed	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Services contracts	80 000	160 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	60 000	
Delegation Agreement	500,000										
Cumulated	580 000	740 000	840 000	940 000	1 040 000	1 140 000	1 240 000	1 340 000	1 440 000	1 500 000	

NB. Due to demand-based nature of the TA&PPF it is not possible to accurately predict precise timing of the implementation schedule.

ANNEX 3: Description of Institutional Framework

The EU Delegation will be the responsible body for contracting of the individual Technical Assistance contracts which will operate within the Ministry of European Integration. Reporting will be to both the Ministry of European Integration and the EU Delegation.

ANNEX 4: Details per EU-funded contracts

TA contracts:

TA teams will be mobilised under Service or the Framework Contract Beneficiaries procedures and will be required to deliver supporting services to the Ministries over the period covered under other sector fiches.

Indirect Centralized Management:

The project will be partly implemented by the European Union Delegation and partly through indirect centralized management with Austrian Development Agency according Article 54 of the Financial Regulation and the corresponding provisions of the Implementing Rules.